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THESIS

REVIEW OF THE INCREASED PARTICIPATION OF THE COMMANDERS-IN-CHIEF (CINCS) IN THE PLANNING, PROGRAMING, AND BUDGETING SYSTEM (PPBS)

by

Cynthia A. Craig

June 1988

Thesis Advisor: Larry R. Jones

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This thesis provides an analysis of the causal factors leading to the increased influence and authority of the CINCs in the defense respurce decision and allocation process. A discussion is provided on the various Joint Chiefs of Staff (JCS) reforms which led to the enhancement of the CINCs' role in the Planning, Programing, and Budgeting System. Major issues, constraints, control and implementatibn problems currently confronting the CINCs are explored. A brief summary of the initiatives begun by Deputy Secretary of Defense (DEPSECDEF) Taft to increase the involvement of the CINCs in the defense programing process also is provided. The policy issues related to implementation of the Goldwater-Nichols Department of Defense (DoD) Reorganization Act of 1986 are reviewed along with some of the positive and negative aspects of the increased demand for CINC participation in PPBS. Conclusions and recommendations for further study are furnished.

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ABSTRACT

This thesis provides an analysis of the causal factors leading to the increased influence and authority of the Commanders-in-Chief (CINCs) in the defense resource decision and allocation process. A discussion is provided on the various Joint Chiefs of Staff (JCS) reforms which led to the enhancement of the CINCs' role in the Planning, Programing, and Budgeting System (PPBS). Major issues, constraints, control, and implementation problems currently confronting the CINCs are explored. A brief summary of the initiatives begun by Deputy Secretary of Defense (DEPSECDEF) Taft to increase the involvement of the CINCs in the defense programing process also is provided. The policy issues related to implementation of the Goldwater-Nichols Department of Defense (DoD) Reorganization Act of 1986 are reviewed along with some of the positive and negative aspects of the increased demand for CINC participation in PPBS. Conclusions and recommendations for further study are furnished.

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TABLE OF ABBREVIATIONS

AFB.....Air Force Base

ASD.....Assistant Secretary of Defense

AWACS.....Airborne Warning and Control System

CENTCOM.....Central Command

CINC.....Commander-in-Chief

CINCFOR.....Commander-in-Chief, Forces Command

CINCNORAD.....Commander-in-Chief, North American Defense Command

CINCSAC.....Commander-in Chief, Strategic Air Command

CJCS.....Chairman of the Joint Chiefs of Staff

CONAD.....Continental Air Defense Command

CONUS.....Continental United States

CSIS.....Center for Strategic and International Studies

DAB.....Defense Acquisition Board

DEPSECDEF.....Deputy Secretary of Defense

DG.....Defense Guidance

DoD.....Department of Defense

DRB.....Defense Resources Board

DSARC.....Defense System Acquisition Council

DSCOPS.....Deputy Chief of Staff for Operations and Plans

Eds.....Editors

EUCOM.....European Command

FORSCOM.....Forces Command

FYDP.....Five Year Defense Plan

GAO.....Government Accounting Office

HAC.....House Appropriations Committee

HASC.....House Armed Services Committee

Hrg.....Hearing

IG.....Inspector General

IPL.....Integrated Priority List

JCS.....Joint Chief of Staff

JHU.....John Hopkins University

JPAM.....Joint Program Assessment Memorandum

JRMB.....Joint Requirements and Management Board

JROC.....Joint Requirements Oversight Council

LIC.....Low Intensity Conflict

MARP.....Mission Area Review Panels

MFP.....Major Force Program

MOP.....Memorandum of Policy

NATO.....North Atlantic Treaty Organization

NCA.....National Command Authority

NEAP.....National Emergency Airborne Command Post

NMCS.....National Military Command System

NPGS.....Naval Postgraduate School

NSC.....National Security Council

NSDD.....National Security Decision Directive

OJCS.....Office of the Joint Chiefs of Staff

OMB.....Office of Management and Budget

OSA.....Office of Systems Analysis

OSD.....Office of the Secretary of Defense

PA&E.....Plans, Analysis, and Evaluation

PBG.....Program Budget Guidance

PEDS.....Planning, Programing, and Budgeting System Electronic Delivery System

POM.....Program Objective Memorandum

PPB.....Planning, Programing, and Budgeting

PPBS.....Planning, Programing, and Budgeting System

RDT&E.....Research, Development, Training, and Evaluation

ROTHR.....Relocatable Over-the-Horizon Radar

SAC.....Senate Appropriations Committee

SAC.....Strategic Air Command

SASC.....Senate Armed Services Committee

SEALS.....Sea-Air-Land Teams

SECDEF.....Secretary of Defense

SECNAV.....Secretary of the Navy

SELCOM.....Select Programing Committee

SF.....Special Forces

SOF.....Special Operating Forces

SO/LIC.....Special Operations and Low Intensity Conflict

SPRAA.....Strategic Plans and Resource Analysis Agency

UCP.....Unified Command Plan

UNAAF.....Unified Action Armed Forces

UNDERSECDEF.....Under Secretary of Defense

USCENTCOM.....United States Central Command

USCINCEUR.....United States Commander-in-Chief, Europe

USCINCPAC.....Commander-in-Chief, United States Pacific Command

USEUCOM.....United States European Command

USLANTCOM.....United States Atlantic Command

USPACOM.....United States Pacific Command

USREDCOM.....United States Readiness Command

USSOUTHCOM.....United States Southern Command

USSOC.....United States Special Operations Command

USCINCSOC.....Commander-in-Chief, United States Special Operations Command

USTRANSCOM.....United States Transportation Command

WESTCOM.....Western Command

ZBB.....Zero-Base Budgeting

I. INTRODUCTION

A. BACKGROUND

Since World War II, a major issue of national political concern has been the structure and organization of defense. In the early 1980's Congress and the DoD and its agencies responded to the need for increased attention to resource decision making and management.

Incremental attempts at reform implemented previously led to Goldwater-Nichols DoD Reorganization Act of 1986 (herein referred to as the Goldwater-Nichols Act or the Act), and focused on reorganization by mission instead of functions. After the creation of the Unified and Specified Commands in 1953, a resource participation dichotomy began to emerge between those in the DoD's administrative and logistics chain of command responsible for force structure, and the concerns of the combatant commanders over the "readiness" and "sustainability" of their global forces.

In the early 1970's, an effort was made to increase participation of the Commanders-in-Chief of the Combatant Commands (CINCs) in the Planning, Programing, and Budgeting (PPB) process to obtain a better balance of the CINC's short-term view with DoD's long-term orientation to improve resource allocation decision making. In the 1980's under President Reagan this trend continued. Then, in the Goldwater-Nichols Act, Congress directed that the CINCs be given even more voice in the defense budget process. It has been up to the services to implement that mandate. The CINCs are participating in the Planning, Programing, and Budgeting System (PPBS) in a way never required before, without additional staff to accomplish that goal.

The activities of the CINCs and DoD in accomplishing this goal is the issue investigated in this thesis.

B. OBJECTIVES

This thesis project researched the expanded role of the CINCs in PPBS mandated by the Reorganization Act. Major issues in increased participation including constraints, controls, and implementation problems currently confronting the CINCs are the focus of this research. Both positive and negative implications of the Act and its impact on the PPBS resource allocation process are presented.

C. RESEARCH QUESTIONS

Consistent with the objectives above, the research in this document attempts to answer the following primary and secondary questions:

1. How can the CINCs be better integrated into DoD's PPBS and Congressional budgeting?
   a. How can improved participation within PPBS be effected?
   b. What types of information do the CINCs in their expanded role need to participate effectively?
2. What factors impede more effective CINC involvement in the DoD resource allocation process?
   a. What factors impede effective participation within DoD?
   b. What factors impede effective participation from the Office of the Secretary of Defense (OSD)?
   c. What factors impede effective participation from the external environment, e.g., Congress, and from the internal environment, i.e. from within the commands of the CINCs?

D. SCOPE, LIMITATIONS, AND ASSUMPTIONS OF RESEARCH

The main thrust of this research is to examine the role of the CINCs in the budget process, and to study the policy problems resulting from implementation of the Goldwater-Nichols Act.

Limitations are imposed by the fact that many of the problems resulting from implementation are currently being addressed. Since the Goldwater-Nichols Act is still in early implemental stage, little data exists on execution of the Act. Two years have passed since this 1986 legislation was enacted, but there has been no two year budget cycle

completed in the expected time frames due to contingencies which make evaluation of CINC participation difficult. The Act took effect in the Fall of 1986 during the Fiscal Year (FY) 1988/89 cycle when the 1987 budget was in progress. Much of what was contained in the Act with respect to the CINCs and PPBS was already being implemented since 1981 in DoD.[1] In January 1987, the President presented the first two year budget which Congress did not approve. Congress reduced the FY 88 budget and did not pass the FY 89 one.[2] Due to the Continuing Resolution of 1988 containing a defense cut of $32 billion,[3] and the Budget Summit Agreement on the FY 1988/1989 budget cycle, DoD was forced to reconstruct the FY 1989 budget. Therefore, the FY 89 budget year along with the FY 1990-1994 Defense Program will perhaps provide the better evidence of the role that the JCS and CINCs can play in the defense resource allocation process. The fact that this year is an election year may effect defense budgeting issues and decisions reached during the course of this cycle.

Because of recent demands for cutback management within DoD, further complications arise as the CINCs are integrated into the defense resource allocation system at a time when new management methods are developed to handle severe reductions in spending after an era of plenty. Furthermore, all data gathered on methods for implementation is limited by the context in which the persons interviewed are operating.

Assumptions made are that the reader is reasonably familiar with the PPBS and that the CINCs will participate in the PPB process as mandated by public law. For an in-

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1. Adapted from interview with Mr. Robert Malis, Program and Budget Analysis Branch, USCINCPAC, on 5 April 1988.

2. Ibid.

3. This budget reduction was one which Secretary of Defense Weinberger resisted and Mr. Carlucci implemented.

depth description of the PPBS, see Appendix A which contains DoD Directive 7045.14, The PPBS. This directive discusses the policy, procedures, and responsibilities of PPBS which and can be used as a reference with this thesis. Figure 1 provides a useful reference for the PPBS as it shows the three distinct phases and major documents by responsible agents and time.

This thesis does not attempt to analyze or forecast all repercussions of the Goldwater-Nichols Reorganization Act and deals only with selective aspects of the Act primarily concerning the CINCs and the resource allocation process.

E. METHODOLOGY

A three-step methodology was used in the conduct of research for this thesis:

1. Archival research - Primary archival research will be conducted using records of congressional hearings and Senate and House of Representatives reports. Secondary sources are found in the List of References.

2. Situational analysis research - The domain for this research is a case study using USCINCPAC in Hawaii to observe the process and problems of implementation.

3. Survey research - (a) Informal interviews were used to uncover problems with CINC involvement in the PPBS process. These interviews were conducted in December 1987 in Washington D.C. at the Pentagon and Systems Research and Applications Corporation building. Offices interviewed were Army Plans, Analysis, and Evaluation (Army PA&E); Deputy Chief of Staff for Operations and Plans (DSCOPS); J-4, Logistic Directorate; J-8, Force Structure, Resource, and Assessment Directorate ; CINC, U.S. Special Operations Command (USCINCSOC) and CINC, U.S. Central Command (USCINCCENT) representatives present; and the OSD. (b) Another set of informal interviews were conducted at the Planning and Programing Division, of the J-5 Plans and Policy Directorate at Headquarters, CINC, U.S. Pacific Command (USCINCPAC) and at the component command, Western Command (WESTCOM), in Hawaii, to obtain information on current policies being adopted by each command to implement the Goldwater-Nichols Act. The structured questions asked during the interviews attempted to obtain command feedback on how best to integrate the CINCs into the PPBS, what problems were encountered with implementation, and whether the CINCs are likely to obtain the results directed by the Goldwater-Nichols Act initiative.

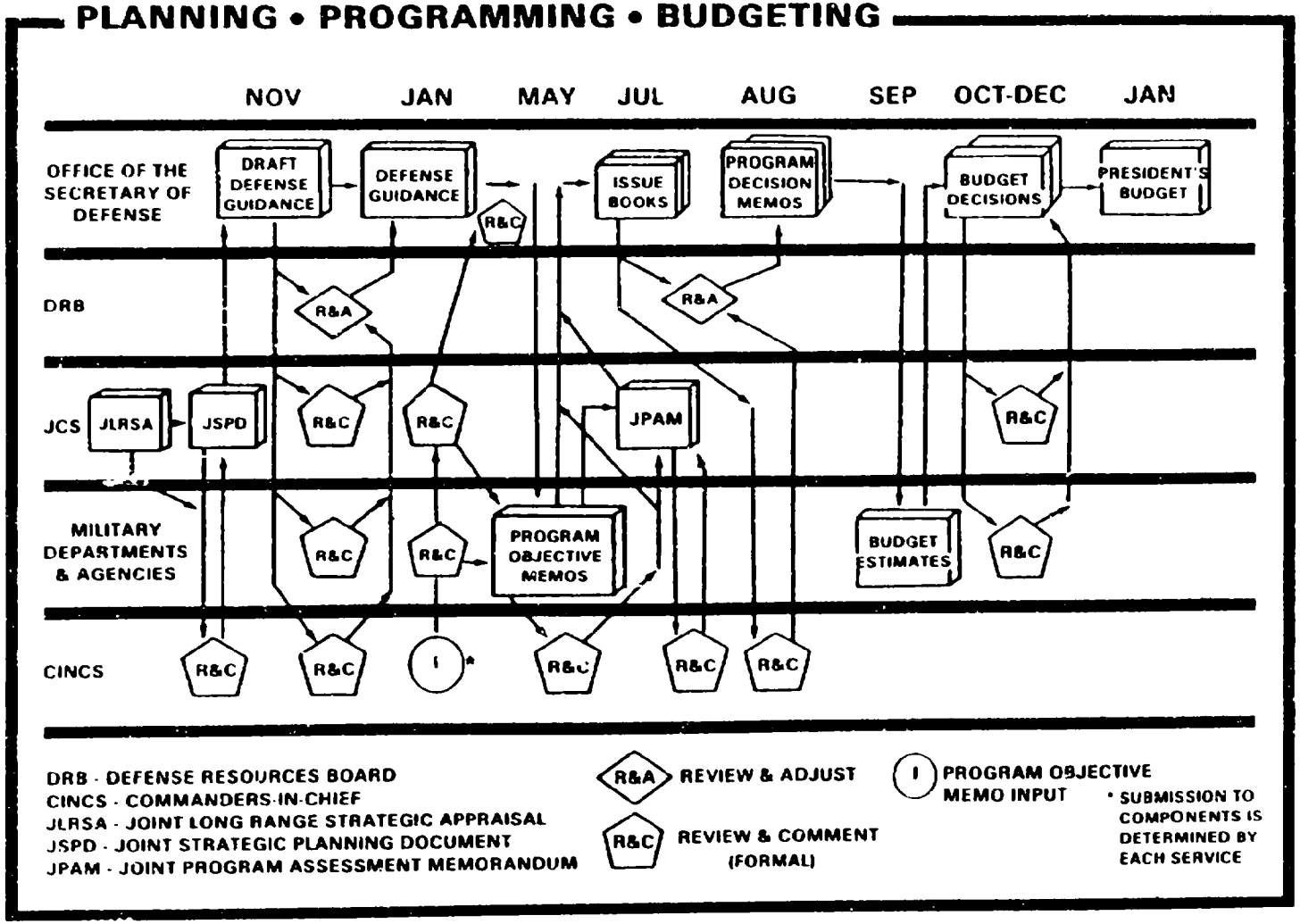

Figure 1: The PPBS [Armed Forces Staff College: 1986 5-8]

F. THESIS OVERVIEW AND GENERAL OUTLINE OF THE DEBATE

Given that increased CINC participation in the DoD budget process is required by the Goldwater-Nichols Act, this research reviews various alternatives by which to implement this requirement. In particular, this thesis looks at the adaptability of the defense structure, data base and information requirements for budget participation, and how integration may best be performed. In presenting alternatives considered by many of the CINCs, the problems of implementation are analyzed and summarized for further consideration. Improvements in CINC involvement are currently sought within DoD.

This thesis also provides a base of information on CINC resource allocation involvement problems for research in subsequent theses.

The document provides a historical summary of selected events leading to the Goldwater-Nichols Act (Chapter II) to provide a framework for the role of the CINCs in PPBS. Chapter II is a selective historical review of a series of changes to the overall defense structure beginning with World War II. In particular, JCS reforms are highlighted since they led to the establishment of and subsequent organizational changes in the Unified and Specified Commands. It also includes the functions of the CINCs as envisioned up to the passage and implementation of the Goldwater-Nichols Act. Chapter III begins with relevant features of the Act itself which impact upon the CINCs. The chapter then discusses the significant aspects of each of these features namely, the enhancement of the position of the Chairman of the JCS (CJCS), the creation of the position of the JCS Vice Chairman, the expanded role of the Joint Requirements Oversight Council (JROC), and the increased authorities of the CINCs. Chapter III concludes with a detailed discussion of special operations, since this particular area has received a great deal of congressional

interest and is related to the issue of congressional influence over DoD that is part of the motivation for greater CINC involvement in budgeting. Chapter IV articulates the policy issues pertaining to CINC involvement in the defense budget process including objectives of such involvement, and contextual factors influencing passage and implementation of the Act. Chapter V critiques the existing decision process to evaluate the value added to budgeting by CINC participation and discusses how the CINCs role can be improved from the viewpoint of the CINCs, Congress, JCS, OSD, and other external agencies. Within this chapter, the information needed for better participation, and the targeting of participation for greatest impact is addressed. Structural change requirements are also presented. Conclusions and summary remarks on the implications of the Goldwater-Nichols Reorganization Act are presented in Chapter VI along with recommendations for further study.

II. ROLE OF THE CINCS IN THE BUDGET PROCESS

A. CHAPTER OUTLINE

This chapter discusses a series of changes to the overall defense structure; the issues concerning the control of resource management for a unified special operating force (SOF); the increased role of the CINCs in the Planning, Programing, and Budgeting System; and selected major features of the Goldwater-Nichols Act. The purpose of this chapter is to review the background of selected events leading to the enactment of the Goldwater-Nichols Act to show the evolution of the latest reform movement which led to that Act. The chapter also provides a framework for evaluating the role of the CINCs in PPBS. To better understand both the impact and implications of this congressional mandate, a brief historical view of our changing defense structure is needed. An understanding of the current emphasis on "jointness" and "interoperability" can then be reached through a review of the various perceptions that developed after 1953 when the first Unified and Specified commands were created.

This chapter focuses on the origin and selected effects of the Goldwater-Nichols Act. Changes in power, authority, and control under the restructuring is then examined. Specifically, the enhanced role of the CJCS, the newly created position of the JCS vice chairman, and the expanded role of the CINCs in the resource management process are discussed.

B. BACKGROUND

The background and framework of the Goldwater-Nichols Act and are presented in their order of occurrence to aid in understanding current developments in defense reforms.

1. General

A major political concern since the end of World War II has been the nation's structure and organization for defense. In our open political system, debate over military reform and defense resource allocation has permeated our society from the average citizen to the legislative committee expert. Besides the adversarial air which arises from our party politics and the shared responsibility of the separation of powers; the importance of special interest and lobby groups, and the power of the press, all work to produce questions about our system of defense resource management.[4]

2. Incrementalism

Except for two periods when comprehensiveness was emphasized, military reform has been incremental in nature. All budgets increase incrementally from the previous year's base, with each Service preserving roughly its fair share of the budget. Incrementalism therefore implies cautious and slow policy changes which evolve through incremental steps taken by participants who "mutually adjust positions" over extended period of time.

In a letters to the Chairmen of the House and Senate Committees on Armed Services on 5 March 1985, Secretary of Defense (SECDEF) Caspar W. Weinberger warned that only evolutionary changes should be made to the organization of DoD. He emphasized that selective modification should be used by changing requirements on an incremental basis, only as needed, to make the appropriate adjustments to existing processes and structures. [JCS: 1987 195] In contrast, comprehensive reforms occurred after World War II with the

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4. The defense budget is predominantly a highly centralized, top-down budget process with each service requesting more top line authority which is granted in the Spring before the budget is sent to Congress. Traditionally, DoD has asked annually for three percent in real growth. (Adapted from Public Policy Processes, MN 3172, lecture by Professor Jerry L. McCaffery, at the Naval Postgraduate School (NPGS) on 19 August 1986.)

creation of the position of the SECDEF and OSD, and again in 1961 with the development of DoD's PPBS.[5] A discussion of these two periods follows.

Prior to what is known within DoD as the McNamara era beginning in 1961, each of the Services operated fairly independently, using its own system to derive that year's budget submission to Congress [Roddy: 1981 1]. Basically, the Services pursued their own interests with relatively little guidance. The SECDEF's responsibility was restricted to dividing DoD's budget ceiling among the various Services, and reducing any Service budget that exceeded its fair share, primarily by across-the-board cuts. Under this system, a programmatic review of Service budget submissions could not be accomplished. [Joint DoD/Government Accounting Office (GAO): 1983 17-18] Comprehensiveness of change began with the creation of the position of the SECDEF and his Office when the National Security Act was implemented on 17 September 1947 and Secretary of the Navy, James Forrestal, was nominated as the first SECDEF [Cole, et al.: 1978 63].

The National Security Act instituted the post of the SECDEF and authorized the appointment of a small civilian and military staff to assist him. Furthermore, it formally recognized the JCS, established the National Security Council (NSC) to advise the President on domestic, foreign, and military policies, and also established the Department of the Air Force. The result was three separate service departments with a civilian SECDEF exercising "general direction, authority and control," [Hobkirk: 1983 26] over all. Congress, however, reserved the prerogative to question each Service individually about its budget proposals. [Hobkirk: 1983 25-26] See Figure 2 for the resulting organization of the National Military Establishment.

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[5]. See Appendix A for a brief overview of the PPBS.

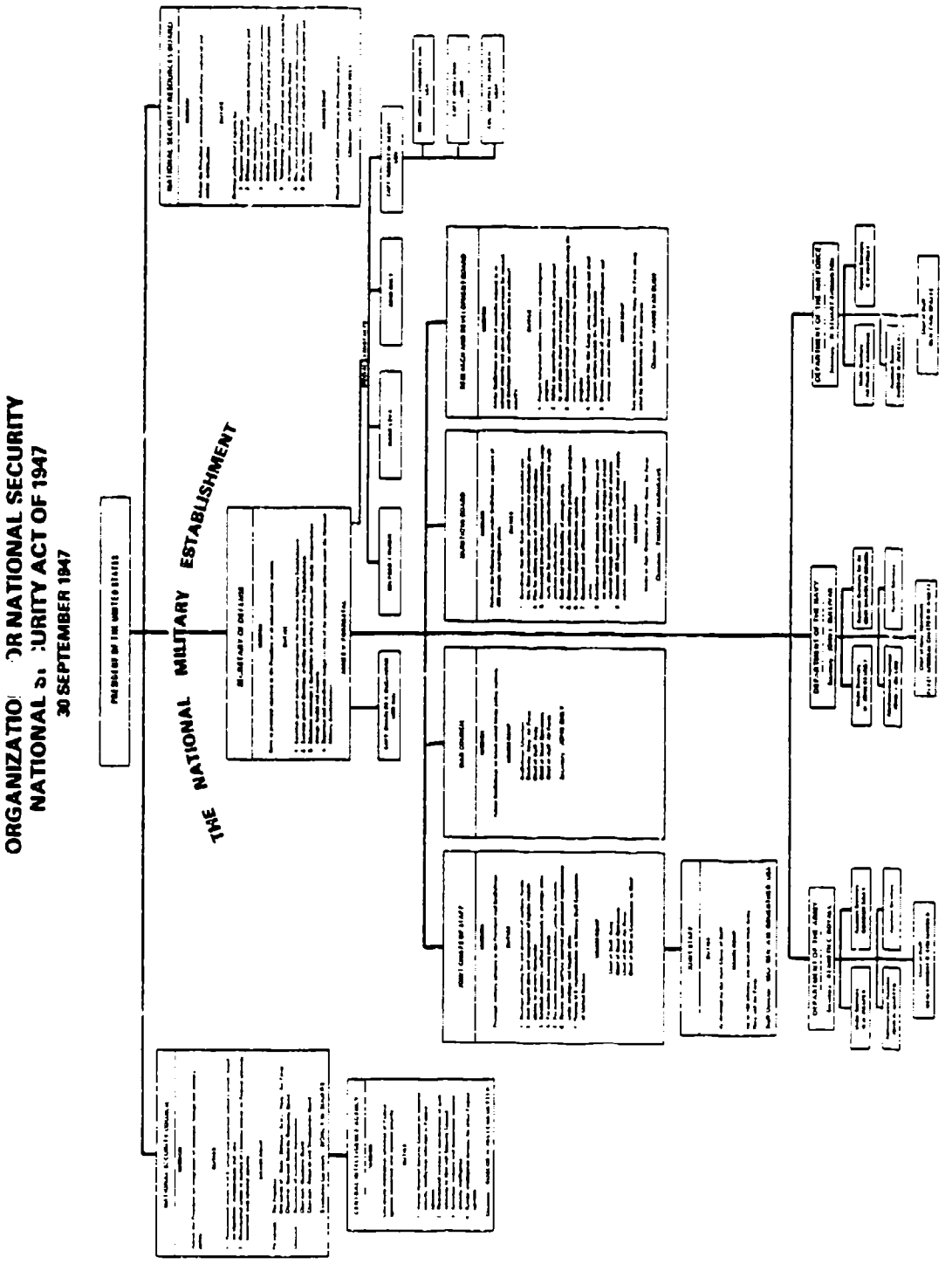

Figure 2. Organization for National Security National Security Act of 1947, 30 September 1947 (Cole, et al.: 1978 62-63)

The National Security Act of 1947 along with the Amendments of 1949 were a compromise to the Army's original proposal for a single unified department. Yet this Act served as a significant beginning for subsequent reorganizations. In our system of "Defense by Bargaining," we assume apparently that progress is made through a series of compromises [Hobkirk: 1983 17]. Also important to remember, is that through this progression of compromises and mistakes, knowledge is gained.[6]

Weaknesses surfaced within the new defense organization when problems with the allocation of resources began to appear [Hobkirk: 1983 26]. President Harry S. Truman aptly described the circumstances and processes concerning the reform movement in this statement to Congress on 7 March 1949:

> In my judgment, these changes will make possible effective organization and management in the Department of Defense. They will provide a responsible official at its head, with strengthened civilian and military assistance, to undertake the immense job of aiding the President and the Congress in determining defense needs and in supervising the administration of our defense activities. These measures are essential to continued and accelerated progress toward unification. I am convinced that only through making steady progress toward this goal can we be assured of serving our major objectives, the most effective organization of our armed forces, a full return on our defense dollar, and strengthened civilian control.

After viewing the problem for 18 months, Mr. Forrestal began to believe that the checks and balances within the system were adequate to prevent the abuse of the broad authority granted to the SECDEF. His public support for expanding the powers of the SECDEF led to an increase of authority for the SECDEF in the ensuing amendments and represented another major step toward unification. As a result, the following measures were adopted:

1. The executive DoD[7] was created, merging the three Service Departments.

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6. Adapted from Public Expenditure Policy Analysis, MN 4302, lecture by Professor Larry R. Jones, at NPGS on 14 October 1987.

7. Created under Title II (63 S at. 57', Sec. 308.(b) on 10 August 1949.

2. The SECDEF was given full control over the Service Departments, which were still to be separately administered. The positions in the Secretary's staff were both upgraded and increased. Later, this office would be called OSD.

3. The positions of the DEPSECDEF[8] and CJCS[9] were created. [Hobkirk: 1983 27]

Comprehensive changes occurred again in 1961 through 1965 with the development of PPBS under SECDEF Robert S. McNamara. When McNamara became SECDEF, he brought with him the expertise on how to control large organizations. [Roddy: 1981 1]

DoD applications to program budgeting were developed by Rand Corporation in the 1950's. Mr. McNamara recruited two of Rand's experts on PPBS for positions in the Pentagon. His management style and his emphasis on the need to restrict and control change resulted in each service program being documented in a single book. The PPB system developed allowed him to increase the SECDEF's control over DoD and improve the balance across the Services. The system also dealt with many of the weaknesses previously existing in the defense budget system, such as duplication of effort among the services; the short term focus on the succeeding year's budget; the limited analytical base for decision making by the SECDEF; the disparity between planning and budgeting decisions; and each of the Services acting as though it were entitled to a fixed share of the budget without consideration to the comparative effectiveness of programs and overall defense requirements. [Joint DoD/GAO: 1983 17-18]

For over two decades, PPBS has evolved in a dynamic way. The system is both proactive and future oriented with many events, players, procedures, programs, and schedules,

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8. The position of the Under Secretary of Defense was created on 2 April 1949 (63 Stat. 30). [DoD: 1978 81]

9. The position of CJCS was created on 10 August 1949 (63 Stat. 578, Sec. 211). The Chairman was designated as the presiding officer of the JCS but had no vote.

all interacting, and still transitioning further from the system we have today. Nevertheless, the foundation of the system: budget and program guidance from the SECDEF to the Services; three phases - planning, programing, and budgeting; OSD's review of Service proposals; and the use of quantitative analysis to choose among competing programs still exists [Joint DoD/GAO: 1983 20].

The continuation of this latest reform movement resulted in the passage of the Goldwater-Nichols DoD Reorganization Act of 1986 and represents an even more extensive change from what was done before.

3. An Evolving Defense Structure

The large military establishment in existence since World War II is unique to the history of our nation. At the time of the inception of our country, our forefathers recognized a healthy fear of any large standing army which stemmed from the American Revolution itself.

In 1787, James Madison wrote:

> ...the means of defense against foreign dangers have always been the instruments of tyranny at home. [Herres: 1987 1]

Nevertheless, as the nature of our world and warfare evolved through developments in new technologies, modern tactics, superpowers, and third world nations, etc., the need for a large military force during peacetime became self-evident.

4. Continuing Influences on DoD Reorganization

The National Security Act of 1947, approved on 26 July 1947, served to strengthen the executive by providing additional military advice to the President without lessening congressional oversight control of the military. As discussed previously, the Act created the civilian position of the SECDEF with cabinet level secretaries to direct the Services. This structure was responsible for the formulation of national defense policy at higher levels of government. The implications of this integrated structure were for an increase in centralization for policy direction

and for greater cohesion among the armed services. The National Security Act, and the resulting changes that were implemented, served to strengthen the military advice given to the President, but at the same time, did not reduce congressional oversight of the military - a delicate balance that has been continually weighed [Herres: 1987 1].

In 1948, JCS members painstakingly deliberated over fundamental issues in the text of the new Executive Order (EO) 9877[10] which took effect on the same day that the National Security Act was signed by President Truman. Under the direction of Mr. Forrestal, the Service Secretaries and JCS attempted to revise the Executive Order in an effort to ensure that its contents corresponded with the new Act. [Cole, et al.: 1978 265-275]

Continued failure to reach an agreement, coupled with a specific request of the Joint Chiefs for resolution at a higher level, caused the SECDEF to meet with them at Key West, Florida on 11 March 1948. While fundamental issues were resolved after four days of conference, other concerns were settled at a subsequent meeting on 20 March in Washington, D.C.. [Cole, et al.: 1978 275]

Because of the disagreements and the absence of joint strategic plans, Mr. Forrestal decided not to act on the Executive Order, but instead, issued a paper, the "Functions of the Armed Forces and Joint Chiefs of Staff," and submitted the document to President Truman for his endorsement in lieu of EO 9877. As a result, on 21 April 1948, the President by EO 9950 revoked the former order, and issued a memorandum more commonly known as the Key West Agreement. The original paper was only amended with the words "by direction of the President." [Cole, et al.: 1978 275]

Under Section III of the Key West Agreement, entitled "Functions of the Joint Chiefs of Staff," a system

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[10]. States the functions of the armed forces.

of designating agents for the Unified Commands was created. The JCS were declared "the principle military advisors to the President and to the SECDEF." Within their specific functions, the JCS were charged with the establishment of Unified Commands in strategic locations determined by national security interests. The memorandum went even further. Commanders of these Unified Commands were to be delegated the authority from JCS to enable them to establish any subordinate unified commands that were necessary. Finally, one member of the JCS was to be designated as the executive agent for:

1. A Unified Command;
2. Certain operations, and specified commands;
3. The development for special tactics, technique, and equipment; and
4. The conduct of joint training.
5. To determine the means required for the exercise of a Unified Command, and to **assign individuals the responsibility of providing such means** (recommend to the SECDEF the assignment to individual military departments the responsibility of providing such means).[11]
6. To approve doctrines and policies for joint operations, joint training, and military education.
7. To recommend to the SECDEF the assignment of primary responsibility for any function of the armed forces.
8. To prepare and submit to the SECDEF a statement of military requirements based upon joint war plans, and national security obligations, and strategic considerations, for his consideration when providing guidance to the services in their preparation of annual budget submissions. [Cole, et al.: 1978 279-305]

Modifications incorporated into the National Security Act of 1947 between 1949 and 1958 fell under eight major problem areas: the authority of the SECDEF, staff assistants for the SECDEF, the CJCS, the JCS, the Joint Staff[12], Unified Command of Operational Forces, Control and

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11. Bolding shows wording which is removed in a 1953 revision, while bracketing presents information added by that same revision.

12. The Joint Staff is the SECDEF's military staff for the operational direction of forces.

Coordination of Research Activities, and the Departments of the Army, Navy, and Air Force. For a detailed summary of events, see Figure 3.[13] [Cole, et al.: 1978 231-235]

Although amendments to the National Security Act clarified and strengthened the powers of the SECDEF, major shortcomings within the National Military Establishment[14] were left unresolved. The objective of the review conducted by the Eberstadt Task Force, was to search for methods to improve operations of the defense establishment while reducing costs. Two of the six major areas addressed in its report to the Hoover Commission on 15 November 1948 recognized the need for improved coordination and control [Cole, et al.: 1978 61-67]. Under the recommendation that central authority in the National Military Establishment be strengthened, the Committee recommended that:

1. The SECDEF's authority over the military budget be increased "to exercise direction and control" over the preparation of estimates.
2. The SECDEF be given control and direction of requests from the military departments for fund authorizations to assist him in producing unified and integrated programs.
3. The three military departments be administered by their secretaries subject to the "direction and authority of the SECDEF." [Cole, et al.: 1978 67]

Under the Committee's recommendation that teamwork and coordination throughout the National Military Establishment be improved, the main concern was for more adequate relations among the various departments and agencies. Recommendations focused on promoting a:

1. Fuller measure of teamwork,
2. Stronger consciousness of mutual interrelation,
3. Fuller consideration of all pertinent elements in the in the preparation of plans,

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13. The various changes proposed and adopted were derived from the Amendments of 1949, Reorganization Plan No. 6 of 1953, President Eisenhower's proposals of 3 and 16 April 1958, the version of H.R. 12541 approved on 12 June 1958, and the DoD Reorganization Act of 1958.

14. Later, the National Military Establishment would be formed into the DoD.

UNIFIED COMMAND OF OPERATIONAL FORCES

MAJOR MODIFICATIONS	CHANGES PROPOSED AND ADOPTED
I. **P.P. 216 10 August 1949**	JCS, subject to authority and direction of the President and the SECDEF, was authorized to establish Unified Commands in strategic areas.
II. **Reorganization Plan Number 6 30 June 1953**	Same as under I, but a military department, rather than a Service chief was to act as the executive agent for each command.
III. **Presidential Messages 3 and 16 April 1958**	Authorized the SECDEF, with the approval of the President, to establish Unified and Specified Commands and to assign missions and forces to these commands; remove Secretaries and Service chiefs of military departments from the chain of command to these commands; and to maintain forces not assigned to these commands in the military departments.
IV. **H.R. 12541 12 June 1958**	Same as under III, but with the advice and assistance of the JCS, the Unified Commanders were to have full operational command; forces were to be transferred from these commands only as authorized by the SECDEF with the approval of the President.
V. **P.L. 85-599 6 August 1958**	Same as under IV.

Figure 3. Summary of Major Modifications to the National Security Act of 1947 Concerning the Unified Command of Operational Forces

[Adapted from Cole, et al.: 1978 234-235]

4. Unity of purpose in their execution, and

5. A sense of importance of economy. [Cole, et al.: 1978 70]

President Truman in his message to Congress on 7 March 1949, reinforced the findings of the Hoover Commission, the Eberstadt Task Force, and SECDEF James Forrestal. He recognized that from the lessons learned from World War II along with the advancing state of science and technology, the nation needed a more workable organization of the armed forces in order to support the all-important goal of world peace. Emphasis was on the lack of adequate civilian authority and control over the armed forces; the need for optimum economy and efficiency in defense expenditures; and improved interservice relations for a more effective defense. The following statement by General Herres, current Vice Chairman of the JCS, is an excellent summation of the results of the World War II experience:[15]

> The current framework in which civilian-military relations are conducted is, in large measure, an outgrowth of the structure which developed during World War II, when it became increasingly evident that the nature of warfare was undergoing dramatic change. Experience showed that success in the modern warfare required closely coordinated and mutually supporting operations by air, land, and sea forces (the watchword of jointness now applies to this philosophy).
>
> This, in turn, not only required a unity of operational command (the establishment of Specified and Unified Commands) but also a coordination process to obtain the most effective force mix and structure (another aspect of jointness). [Herres: 1987 1]

President Truman, in his statements to the Congress further describes the lessons learned and the evolutionary nature of defense reorganization. The position of defense reform was well articulated by Truman.

> I have long been aware of the necessity for keeping our national security organization abreast of security requirements. To this end I recommended unification of the armed forces to Congress in December 1945. My desire was to improve our defense organization while the lessons of World War II were in the minds of all.

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[15]. Note the unique nature of the major by-product of World War II - a large standing military force during peacetime. Even the Founding Fathers maintained a healthy fear of a large standing army and only acknowledged the authority of a navy in the Constitution.

> A great deal was learned from those four years of war...We learned that modern war required the combined use of air, naval, and land forces welded together under Unified Commands overseas' and under the strategic direction of the Joint Chiefs of Staff. [Cole, et al.: 1978 77-80]

Truman considered the National Security Act to be a practical basis for beginning the unification of the military Services and for coordinating defense policy with economic and foreign policy. However, he contended that inadequacies existed in developing a chief defense officer, fully accountable to the President and Congress, and an organization capable of achieving an efficient and economical defense program while also attaining informed civilian control. He determined that the War and Navy Departments were too rigid and inflexible for war and that the widely diverse supply policies of the Services were expensive and inefficient. He believed that differences in combat and training doctrine provoked great conflicts in our operational theatres. To combat those problems, Truman recommended the following amendments:

> ...convert the National Military Establishment into an Executive Department of the Government, to be known as the Department of Defense and...to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill his enlarged responsibility. [Cole, et al.: 1978 77-80]

An amendment in 1949 increased the power of the SECDEF. He became the only cabinet level officer, and was placed in charge of three military departments (the Army, Navy, and Air Force) under the new DoD. Yet each of the Services was to be administered individually precluding complete unification; something which had been addressed earlier, but Congress was still not ready to establish. [Herres: 1987 2]

From 1949 to 1952, the focus was on the build up of military strength to meet aggression in Korea and other areas. Only minor changes were made to the National Security Act. However, at President Truman's request on, the outgoing SECDEF Robert A. Lovett analyzed the state of

DoD and reported his findings in a letter on 18 November 1952.

Lovett also stressed the evolutionary nature of unification - that improvements should be made as experience is gained, and that much still needed to be done toward the development of a more efficient and economical form of defense establishment. Many of his recommendations became incorporated into Reorganization Plan Number 6 of 1953. A few of the more applicable areas in Lovett's letter are discussed below:

1. Potential problems created by the vagueness of the National Security Act such as whether the JCS was under the SECDEF and the fact that the Act directed that the Services be "separately administered" while at the same time provided that the SECDEF shall have "direction, authority, and control" over DoD which consisted of three military departments. Problems cited were in the field of supply and warehousing where some of the Services had suggested that the Secretary "play in his own back yard" and leave the administration to them. Lovett stated clearly that the SECDEF possesses the authority to make necessary changes in those areas as long as he did not abolish, consolidate, reassign, or transfer any of the "combatant functions assigned to the Military Services."

2. The problem over what should be the proper arrangement for the JCS, since it entails striking a suitable balance between civilian and military control. Civilian control is judged to be a fundamental in our form of government. Nevertheless, even civilian decision making must be based on competent military advice "given by professional military men in an atmosphere as free as possible from service rivalries and Service maneuvering."

3. The weaknesses in the areas of modernization and improvement inherent in the overlapping functional structure of the Army's technical services, e.g. Corps of Engineers and Signal Corps, make administration and control burdensome. The basic organization consisted of forming Services based on profession instead of function. Lovett also focused on the multiplicity in the many levels of headquarters in all of the military Services along with the contagious duplication of committees. He recommended not only reducing the number of headquarters and committees, but also the conduct of a complete study of the functions and organization of all three military departments.

4. Under his first alternative Lovett recommended the establishment of Unified Commands by the SECDEF with guidance from the JCS and the Service Secretaries. The role of the JCS would not be to "command" or "operate" except in the event of a war and then only "by direction." The Unified Commands would be agents of the SECDEF assigned to a Service Department and not

to a member of the JCS under his Chief of Service role. [Cole, et al.: 1978 113-125]

In the matter of the establishment of Unified Commands, Lovett favored diversification to a separate operational chain of command. He wrote:

> In my opinion, the SECDEF as the "principle assistant to the President in all matters relating to the Department of Defense" should, in effect, be the Deputy of the Commander-in-Chief and, therefore, any Unified Command should be established by him, report as directed by him, and similarly, receive orders by his direction.
>
> Since any Unified Command has functions broader than a single Military Department, it would be well to review, as apart of the study of the JCS, the present directives of the Unified Commands to disclose their strengths and weaknesses and to find ways to improve them, if necessary. [Cole, et al.: 1978 122]

A revision of the Key West Agreement on 16 March 1954 became DoD Directive No. 5100.1, also entitled "Functions of the Armed Forces and JCS." The new mandate would confirm and strengthen the SECDEF's authority to alter and establish functions of the armed forces and JCS. Under Section I, Principles, the directive stated:

> No function in any part of the DoD, or in any of its component agencies, shall be performed independent of the direction, authority, and control of the SECDEF. [Cole, et al.: 1978 303]

One major shift that occurred was that the SECDEF, after consulting with the JCS, would designate one of the three military departments to serve as the executive agency for the Unified Commands instead of the former designation of one of the JCS members as an executive. References to the authority of a Unified Command to establish a subordinate command were deleted. Also removed was the former designation of one of the JCS members as an executive agent for a Unified Command along with all associated responsibilities cited in paragraph IB4, items 1-4, page 8. Furthermore, the degree of control exercised by the JCS was diminished by another change which gave JCS members the responsibility for recommending to the SECDEF the establishment of the Unified and Specified commands, instead of their former authority to establish those commands [JCS:

1987 117-118]. Now responsibility flowed from the SECDEF, to a designated civilian secretary of a military department, to the Unified Command. Also added was the authority for the military chief to exercise strategic direction in an emergency and to conduct combat operations in time of war. Under such circumstances, the military chief acted in the name of the SECDEF and was responsible for keeping his civilian secretary, the JCS, and the SECDEF informed of all actions and decisions. [Cole, et al.: 1978 279-305]

Over four years later, DoD Directive 5158.1, "Organization of the JCS and Relationships with the Office of the SECDEF," replaced DoD Directive 5100.1. This time, the revisions were significant and conformed with the 1958 amendments to the National Security Act. Commanders of the Unified and Specified Commands were again held accountable to the President and SECDEF for accomplishment of their assigned missions. The JCS were to serve as advisers and staff in the operational chain of command as further described in paragraph IB5 below. [Cole, et al.: 1978 266-318]

5. Development of Unified and Specified Commands

The National Security Act of 1947 was again amended on 6 August 1958. The Defense Reorganization Act of 1958 served as the last major reorganization prior to the Goldwater-Nichols Act of 1986. This 1958 amendment further subordinated the Service Departments to the authority of the SECDEF and created the Unified and Specified Commands.[16] It acted to centralize the authority of the SECDEF and the control and direction of research and development efforts. [Cole, et al.: 1978 161-162]

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16. The Unified and Specified Commanders are the combatant commanders of the National Military Command System (NMCS). They are legally responsible for maintaining either large geographical or functional areas of responsibility, as well as for planning and employing assigned forces in combat. [Cummings: 1986 2]

The major focus was the establishment of a separate structure through which the operational chain of command would flow from the President, through the SECDEF and JCS, to the Unified and Specified commands, and to the units. Although the Departments of the Army, Navy, and Air Force were removed from the operational arena, they remained responsible for the administration, supply, and training of the unified and specified forces [Herres: 1987 2].

The original chain of command to the Services is then concerned with force structure and resource allocation decisions and has held the political limelight.[17] The newly declared command structure was established clearly separate from the military departments, and was intended as a warfighting command structure. In the Declaration of Policy, the amendment explicitly stated:

> ...to provide for the establishment of integrated policies and procedures for the departments, agencies and functions of the Government relating to the national security; to provide a **Department of Defense, including the** three military Departments of the Army, the Navy, and the Air Force **under the direction, authority and control of the Secretary of Defense; to provide that each military department shall be separately organized under its own Secretary and shall function under the direction, authority, and control of the Secretary of Defense;** to provide for their unified direction under civilian control of the Secretary of Defense but not to merge **these departments or services; to provide for the establishment of unified or specified combatant commands**[18]**, and a clear and direct line of command to such commands; to eliminate unnecessary duplication in the Department of Defense,** ...to provide for the **unified** strategic direction of the **combatant** forces, for their operation under unified **command**, and for their operation under unified **command**, and for their integration into an efficient team of land, naval, and air forces but not to establish a single Chief of Staff over the armed forces nor an **overall** armed forces general staff (but this is not to be interpreted as applying to the JCS or Joint Staff.) [Cole, et al.: 1978 190][19]

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17. The Service structure is the focal point of congressional attention because of its responsibility for the execution of national security policy and also because of the constitutional ramifications of the original roles designated to Congress and the military.

18. The law refers to combatant commands and later combatant commanders who are more commonly referred to as CINCs or Commanders-in-Chief.

19. Bolding indicates the amendments as indicated in Section 2, DoD Reorganization Act of 1958, 6 August 1958 (72 Stat. 514).

The intent of Congress was to establish a comprehensive program which would allow for the integration of policies and procedures for the agencies, departments, and functions of government associated with national security. With the operating chain of command now established, eight CINCs were organized with operational control over all forces assigned - the Alaskan, Atlantic, Caribbean, Continental Air Defense, Eastern Atlantic and Mediterranean, European, Pacific, and Strategic Air Commands. See Figure 4 for the organization of DoD as of April 1959. Furthermore, the SECDEF delegated responsibility to the JCS to serve as the military staff in the chain of operational command to the Unified Commanders. [Cole, et al.: 1978 190-251]

On 10 January 1968, the configuration of the Unified and Specified Commands was changed. The Alaskan, Atlantic, Continental, European, Pacific, and Strategic Air Commands (SAC) were retained. Additionally, two new commands, Southern and Strike Commands, were formed. Territories belonging to the Caribbean, and Eastern Atlantic and Mediterranean Commands were absorbed by the other territorial Unified Commands. Still, a total of eight CINCs remained under the purview of the JCS. However, the Joint Staff now serve a more indirect function between the CINCs and the JCS. At this time, the JCS also became responsible for the Defense Agencies of Atomic Support, Communications, and Intelligence. [Cole, et al.: 1978 238-241]

A Unified Command is a command under the SECDEF consisting of more than one Service. Examples of current Unified Commands are U.S. Central Command (USCENTCOM), U.S. European Command (USEUCOM), and U.S. Southern Command (USSOUTHCOM), and U.S. Space Command (USSPACECOM), which have regional areas of operations covering some air or sea, but mostly land masses, whereas the U.S. Atlantic Command (USLANTCOM) and U.S. Pacific Command (USPACOM) are mainly

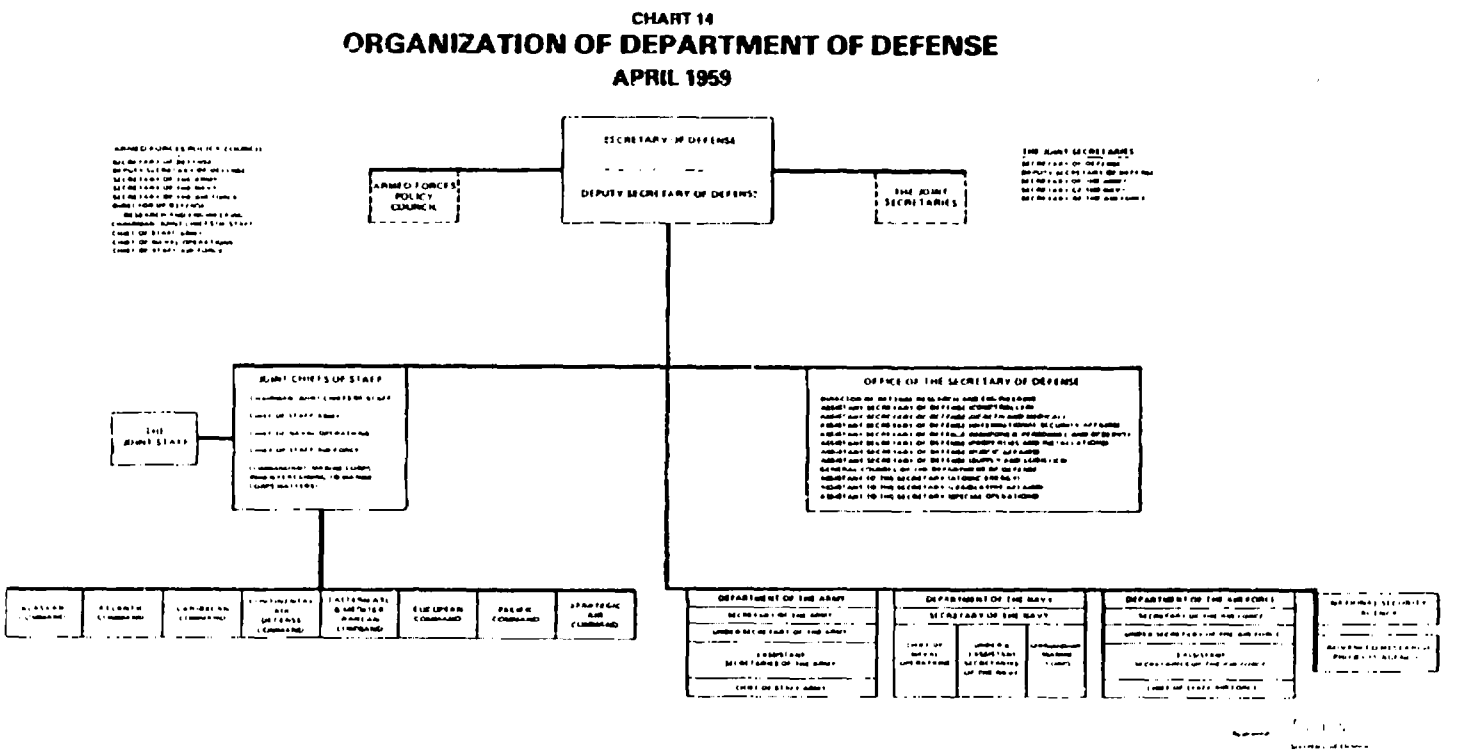

Figure 4. Organization of the DoD, April 1959 [Adapted from Cole, et al.: 1978 238-239].

theatre oceanic commands. The U.S. Special Operations Command (USSOC) and U.S. Transportation Command (USTRANSCOM)/Military Airlift Command (MAC) are the only two new functionally organized Unified Commands. Both were activated in April 1987 as a result of the Goldwater-Nichols Act. USSOC controls all SOF's under the direction of the SECDEF, while USTRANSCOM unified the Army's Air Traffic Control (ATC), Military Airlift Command (MAC),[20] and Sealift organizations as component commands, forming a direct line between DoD and all transportation assets. A Specified Command is a command under the SECDEF which has a directed mission and consists of one Service. While Specified Commands report through the same channels as the Unified Commands, they are also dual hatted as commanders of their individual Service's major command in that same functional area [Cummings: 1986 4]. There are presently two Specified Commands, SAC which is an Air Force command, and the recently established U.S. Forces Command (USCINCFOR), which is an Army command charged with the readiness and deployability of continental U.S. (CONUS) forces.[21] For a geographic depiction of the current ten Unified and Specified Commanders areas of responsibility, see Figure 5 and for a current listing of these commands, see Figure 6.

6. Jointness

In 1958, President Dwight D. Eisenhower told Congress that:

> ...separate ground, sea and air warfare is gone forever,.... [Herres: 1987 2]

showing that the war experiences were a major impetus for changing the structure of the military organization.

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20. MAC disagreed with this reorganization and fought the restructuring under USTRANSCOM.

21. These Army forces now report to the CJCS rather than the Army Chief of Staff. Adapted from telephonic interview with Jim Blackwell, Staff Director, John Hopkins Foreign Policy Institute, on 27 May 1988 and Robert L. Goldich's *Department of Defense Organization: Current Legislative Issues*, p. 8.

Figure 5. Commanders' Area of Responsibility
[Unified Command Plan: 1988]

UNIFIED COMMANDS

U.S. Atlantic Command	- Norfolk, Virginia
U.S. Central Command	- MacDill Air Force Base (AFB), Florida
U.S. European Command	- Vaihingen, Germany
U.S. Pacific Command	- Honolulu, Hawaii
U.S. Southern Command	- Quarry Heights, Panama
U.S. Space Command	- Peterson AFB, Colorado
U.S. Special Operations Command	- MacDill AFB, Florida
U.S. Transportation Command	- Scott AFB, Illinois

SPECIFIED COMMANDS

Forces Command	- Fort Mcpherson, Georgia
Strategic Air Command	- Offut AFB, Nebraska

Figure 6. Current List of Unified and Specified Commands

[Adapted from USCINCPAC list of key staff for execution review and program review matters]

Success on the modern battlefield now requires the following of a closely coordinated air-land-sea doctrine with the support of multi-service forces. Grenada and the Persian Gulf serve as vivid examples of this need. After the Grenada mission, Senator Sam Nunn, the majority chairman of the Senate Armed Services Committee, stated that:

> ...a close look at the Grenada operation can only lead to the conclusion that, despite our victory and our success, despite the performance of individual troops who fought bravely, the U.S. Armed Forces have serious problems conducting joint operations. [Herres: 1987 2]

The word jointness is commonly used today to encompass the many coordination problems found within the large defense bureaucracy. "Jointness" refers to coordinating everything from programs to tactics.

7. The McNamara Era

In 1961, SECDEF Mcnamara introduced the concept of program budgeting to DoD. As far reaching as the amendments to the National Security Act were, no clear guidance on the preparation of national defense policy existed. Therefore, McNamara focused on procedural changes instead of attempting any further reorganizations of DoD. From 1961 until 1968, attention was directed toward better management efforts rather than bureaucratic restructuring. The development of PPBS was designed to correct the absence of close coordination between budgeting and planning, and other weaknesses. [Hobkirk: 1983 29] McNamara also desired more control over DoD. A goal which PPBS facilitated. [Joint DoD/GAO: 1983 18]

The planning phase of PPBS was designed to provide a coordinated multi-year outline to direct program development. Programing would also be multi-year oriented, using a Five Year Defense Plan (FYDP), but limited pricing decisions to the first year of programs selected in that phase. Because the SECDEF possessed little analytical base from which to base decisions among competing service proposals, McNamara instituted the Office of Systems

Analysis (OSA), and staffed it with civilian analysts for a more independent view. The FYDP became the central data base for the system. It divided the DoD budget into the first ten major force programs listed in Figure 7. These programs represent a consolidation of individual Program Elements, such as aircraft, construction, and divisions. Thus, the FYDP becomes the cross-walk between programs in the programing phase and appropriations in the budgeting phase. [Joint DoD/GAO: 1983 18-19] As the 1960's progressed, concerns rose over increasing defense costs and overall effectiveness of the defense system due to the Vietnam War. As a result, a series of major studies on defense organization and management ensued. [JCS Historical Office: 1987 138]

8. The Era of Participative Management

In 1969, Melvin R. Laird became the SECDEF and put into effect the philosophy of participative management under the Nixon administration. In the early 1970's the defense establishment was coming under increasing scrutiny, as large number of Americans began to believe that too many dollars were spent on defense [Blechman & Lynn: 1985 ix]. With the decline of support for defense came a prevailing frustration with the way in which defense resources were managed. Concerns arose over the efficiency and effectiveness of the management of available defense resources. Mr. Laird sought to restore credibility in the nation's defense system and became responsible for the first major changes to PPBS.

In July 1969, President Richard M. Nixon and SECDEF Laird appointed a Blue Ribbon Defense Panel to study and evaluate the functions, management, and organization of DoD in the performance of its national security mission. The panel was chaired by Gilbert W. Fitzhugh, Chairman of the Metropolitan Life Insurance Company, and consisted of 16 business and professional leaders. [Cole, et al.: 1978 237-249] The press indicated that the timing of panel's

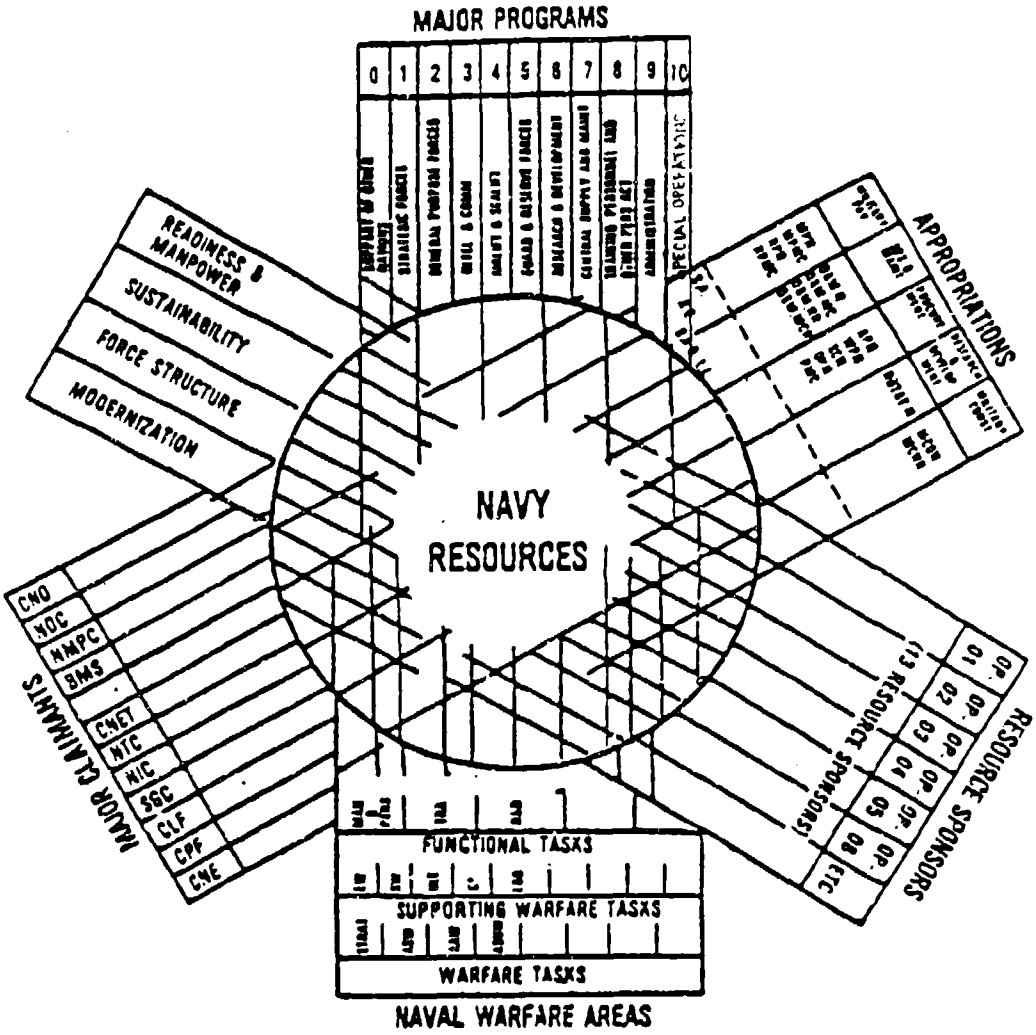

Figure 7. Major Force Programs of DoD
[Adapted from the Department of the Navy's *Practical Comptrollership* text at NPGS, p. A-15]

appointment corresponded to a period when DoD was receiving increasing criticism for alleged waste and inefficiency from Congress. Congress' attitude turned into action when the Senate Committee on Armed Services cut over one billion in research and development funding. [JCS Historical Office: 1987 139]

One year later, on 1 July 1970, the panel submitted a 237 page report with 113 recommendations including 15 organizational changes. [Cole, et al.: 1978 237-249]

Concerning the CINCs, the panel concluded the Unified Commands were without an effective means of participating in the programing phase of PPBS, which in fact, determines the composition of their assigned forces [Lower: 1988 16]. The aim of the chain of command rules which were advocated by President Eisenhower and became law in 1958 was to strengthen the authority of Unified Commanders. The panel determined that such reforms had little impact. [Blechman & Lynn: 1985 113]

A significant recommendation of the Blue Ribbon Defense Panel was for the addition of three new major Unified Commands, along with a reorganization containing a substructure of component commands as follows:

1. Strategic Command (with a Joint Strategic Target Planning Staff)
   - SAC
   - Continental Air Defense Command (CONAD)
   - Fleet Ballistic Missile Operations
2. Tactical Command (General Purpose Command)
   - composed of all combatant or general purpose forces assigned to organized combatant units; became:
     * European Command (EUCOM)
     * Pacific Command (PACOM)
     * Merged the Atlantic, Southern, and Strike Commands
3. Logistics Command
   - composed of Theatre Logistics Commands and was designed to exercise supervision of support activities, e.g. maintenance, supply, traffic, and transportation, for all combatant forces [Cole, et al.: 1978 237-251]

The panel also recommended that the DEPSECDEF for Operations be given responsibility for Military Operations, Operational Requirements, the Unified Commands, and several other functions. Furthermore, all responsibilities which were delegated by the SECDEF and related to military operations and Unified Commands should be designated to one senior military member with his own staff, in order to provide support for matters proceeding through the operational chain of command. This senior officer would report through the DEPSECDEF (Operations). The person to hold this function would be designated by the President and SECDEF. Potential appointees were the Chairman of the JCS, a tactical commander, or some other senior military officer. [Cole, et al.: 1978 251]

On 28 February 1985, when the final report on implementation of the President's Blue Ribbon Commission on Defense Management was issued by DoD, the recommendations listed above were executed, except for minor alterations in procedures or changes in details. The final report was design to summarize those actions that DoD had taken to implement the recommendations of the Blue Ribbon Defense Panel. [Cole et al.: 1978 238-258]

Finally, under the panels recommendations, control and power available to the CINCs would have been greatly increased. Specifically, the panel recommended that:

> The Unified Commanders should be given unfragmented command authority for their Commands, and the Commanders of component commands should be redesignated as Deputies to the commander of the appropriate Unified Command, in order to make it unmistakably clear that the combatant forces are in the chain of command which runs exclusively through the Unified Commander. [Cole, et al.: 1978 251-258]

However, by the time the final report on implementation of the panel's findings appeared in February 1975, no decision on this issue was reached. [Cole, et al.: 1978 258]

Such actions would serve to set up a chain of command from the President and the SECDEF to the Unified

Commands as well as create a completely separate staff for operations. To facilitate these recommendations, all of the existing responsibilities for military operations, to include JCS's responsibility as a military staff in the operational chain of command, would have to be rescinded. [Cole, et al.: 1978 251]

In his *United States Military Posture for FY 1971*, Mr. Laird gave his opinion on the state of decision-making within the defense structure. The following statement summarizes his conclusions:

> I inherited a system designed for highly centralized decision making. Overcentralization in so large an organization leads to a kind of paralysis. Many decisions are not made at all or, if they are made, lack full coordination and commitment by those who must implement the decisions. [Laird: 1970 8]

Later, in his final report to Congress on January 8, 1973, Mr. Laird emphasized that underlying most of the problems in defense organization was a major issue which needed to be resolved - the question of confidence and credibility in the defense establishment itself. He realized the weaknesses in the system and sought to reestablish credibility in the national organization for defense. In order to reverse the trend toward even more centralization in DoD, he effected numerous procedural changes under his participatory management style to place more accountability and responsibility within the various service and defense agencies [Laird: 1973 10]. A major change directed by Laird within PPBS was aimed at the programing phase. OSA ceased to sponsor its own program proposals, and was charged with reviewing service proposals under set budgetary ceilings, which is now a permanent part of PPBS [Joint DoD/GAO: 1983 20].

9. Extensive Defense Studies Continue

Minor changes to the structure of DoD occurred again in 1978 under President Jimmy Carter, who introduced the Zero-Base Budgeting Concept (ZBB). Carter's SECDEF, Harold Brown, proposed streamlining the infrastructure of DoD by

abolishing two Assistant SECDEFs (ASD) and one Assistant Secretary from each of the military departments. By June of 1978, the combatant command structure was split into three Specified (Aerospace Defense, SAC, and Military Airlift) and five Unified (Atlantic, European, Pacific, Readiness, and Southern) Commands. Mr. Brown was also responsible for taking one of the first significant steps in increasing the role of the CINCs in the defense resource allocation process by requiring the CINCs to submit quarterly reports to the SECDEF [Cummings et al.: 1986 16]. These reports reflect each CINCs view on force structure, resource allocation, research and development, and readiness concerns between the CINCs and DoD, and are still in use today [Cummings, et al.: 1986 20]. [Cole, et al.: 1978 261-263]

President Carter's platform demanded governmental reform. Soon after assuming the Office of President, he directed a review DoD missions and organizations. In implementing the President's request, SECDEF Brown began three independent studies: one project was on defense resource management and was directed by Dr. Donald B. Rice, President of Rand Corporation; the second was concerned with defense management structure and was headed by Mr. Paul Ignatius, President of Air Transportation Association and former SECDEF; and the last was on improving the efficiency of the national military command structure and was by Mr. Richard C. Steadman of J. H. Whitney and Company, a former Deputy Assistant SECDEF. [JCS: 1987 142-143]

In July 1978, Mr. Steadman's report, "The National Military Command Structure," found that there was neither any formal spokesman in Washington, D.C. to voice CINC viewpoints during the decision making process, nor any military officer to take charge of the direction and oversight of CINC actions. He criticized the joint planning and policy system, noting excessive consultation and coordination problems between the Joint and Service Staffs.

The result was formal JCS opinions which were "the lowest common level of assent." He also brought to the forefront another current concern. Historically, the Services did not assign their best people to joint duties as these positions took time away from what were considered more important assignments for an officer's career progression. The combination of such factors resulted in an ineffective joint system, especially in the area of resource allocation. [JCS: 1987 145-147]

Mr. Steadman recommended the assignment of the Chairman, JCS, as the SECDEF's agent for supervision of the CINCs and that the Chairman with the support of the CINCs be assigned a formal role in the resource allocation and decision making process. To improve JCS procedures, Mr. Steadman recommended that the Joint Staff be held responsible for all JCS documents, and that action be taken to improve the quality of personnel filling joint assignments. While JCS attempted to place servicemembers with higher qualifications in joint positions, no attempt was made at improving personnel assignment procedures as had been recommended. [JCS: 1987 146-149]

In response to the Ignatius and Steadman reports, the JCS wrote in a message to the SECDEF on 1 September 1978 that studies' recommendations were:

> ...innovative, positive suggestions directed at continuing evolutionary improvements in military operations, functions, and the quality of military advice.[22]

The JCS stance was that in an era of declining resources, careful management of defense resources compelled an increased role for both the Chairman and themselves, and required an enhanced role with the CINCs. [JCS: 1978 148]

In 1979, the study performed by Dr. Rice, recommended that the CINCs involvement in the resource allocation process be increased [Lower: 1988 16]. He

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[22]. Message cited was JCSM-290-78 to the SECDEF, dated 1 September 1978.

strongly criticized those JCS documents prepared and used in the PPBS. Dr. Rice recommended that the JCS Chairman be an active member of the proposed DRB and that the Chairman be allowed to prepare his own prioritized listing of initiatives above the Services' base for budget requirements. [JCS: 1987 151]

10. Formation of the Defense Resources Board

The final report of Dr. Rice's Defense Resource Management Study resulted in the formation of the DRB as an advisory body to the SECDEF on 7 April 1979. The role of the DRB was to improve efficiency and effectiveness in PPBS. [JCS: 1987 149]

The DRB was chaired by the DEPSECDEF, and was composed of certain Assistant and Under Secretaries of Defense, the CJCS, an advisor for National Atlantic Treaty Organization (NATO) affairs, and a representative of the Director, Office of Management and Budget (OMB).[23] The size of the DRB was increased by adding the Service Secretaries on 27 March 1981, in order to broaden the viewpoints expressed, and reduce the number of appeals.[24]

In the early 1980's, the Weinberger-Carlucci initiatives expanded the DRB and brought in the operational viewpoints of the CINCs.[25] The considerations of the board were again broadened as the CINCs were asked to appear before the DRB during the planning and programing phases. The CINCs briefed on the prior year's Defense Guidance (DG),

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23. Adapted from *Analysis of the OSD and Department of the Army Management Changes Resulting from the 1981 Revisions to the Planning, Programing, and Budgeting System*, Dallas T. Lower, NPGS, 1981 and the DoD's *Planning, Programing, and Budgeting System*, U.S. Government Accounting Office (GAO), 1984.

24. Adapted from information provided by MAJ Lower on 14 June 1988.

25. Adapted from interview with Mr. Leeland Jordan, of the Office of the Under Secretary for Defense, Program and Budget Integration Office, on 16 May 1988.

the first complete draft of the current year's DG, and Service program proposals [Joint DoD/GAO: 1984 21].

In 1981, the membership and functions of the DRB were again changed. Its primary role was to assist the SECDEF in managing DoD's PPBS and remains so today [OSD: 1981]. See Figure 8 for a listing of current DRB members and Figure 9 for DRB's role in the PPB process.

11. Reorganization Developments, 1981-1984

Beginning in early 1981, defense department reforms, introduced by Caspar Weinberger, the SECDEF, centered on the concept of "participative management" discussed previously under the Laird years. [Coggin and Nerger: 1987 1] On 31 March 1981, Weinberger announced important changes to DoD's PPBS. He focused on decentralizing decision making, enhancing service responsibilities, increasing efficiencies while holding costs down, instilling long-range strategic planning, paying attention to savings, and streamlining the PPB process. In the planning phase, the JCS, along with the Under SECDEF for Policy, became responsible for developing more comprehensive plans and policies to develop strategies to fight the threat, set military objectives, and improve resource applications. [Lower: 1981 12]

Although a style of participative management similar to the Weinberger and Carlucci initiatives of the early 1980's was attempted under Secretary Laird, a significant difference affecting the CINCs occurred under Weinberger. For the first time, the CINCs were requested to appear before the DRB. This step allowed the CINCs to get their "foot in the door" of PPBS and influence some of the decisions made in the Defense Guidance (DG).[26]

However, from 1981 through 1984, the CINCs were limited to two appearances a year before the DRB in order to

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[26]. Adapted from a telephonic interview with MAJ Dallas T. Lower, of Headquarters USCENTCOM on 6 December 1987.

THE DEFENSE RESOURCES BOARD

Chairman: Deputy Secretary of Defense, William H. Taft, IV

Permanent Members:

Secretary of the Army, John O. Marsh, Jr.
Secretary of the Navy, James P. Webb, Jr.
Secretary of the Air Force, Edward C. Aldridge, Jr.
Chairman, Joint Chiefs of Staff, Admiral William J. Crowe, Jr.
Under Secretary of Defense for Acquisition, Robert B. Costello (Designate)
Under Secretary of Defense for Policy, Fred C. Ikle
Assistant Secretary of Defense (Command, Control, Communications and Intelligence), Thomas P. Quinn (Acting)
Assistant Secretary of Defense (Comptroller), Robert W. Helm
Assistant Secretary of Defense (Force Management and Personnel), David J. Armor (Acting)
Assistant Secretary of Defense (Health Affairs), William E. Mayer
Assistant Secretary of Defense (International Security Affairs), Richard L. Armitage
Assistant Secretary of Defense (International Security Policy), Frank J. Gaffney (Designate)
Assistant Secretary of Defense (Production and Logistics), Robert B. Costello
Assistant Secretary of Defense (Research and Technology), Robert C. Duncan
Assistant Secretary of Defense (Reserve Affairs), Dennis R. Shaw (Acting)
Assistant Secretary of Defense (Special Operations and Low Intensity Conflict), Lawrence Ropka (Acting)
Director, Program Analysis and Evaluation, David S. C. Chu
Director, Operational Test and Evaluation, John E. Krings
Director, Strategic Defense Initiative Organization LGEN James A. Abrahamson, Jr.
Associate Director for National Security and International Affairs (OMB), (OEOB, Room 262), Wayne Arny

Other Attendees:

Army - General Vuono
Navy - Admiral Trost
Air Force - General Welch
Marine Corps - General Gray
NSC - Michael Donley, OEOB, Room 376

Figure 8. Current list of DRB Members (and other attendees on 1 October 1987) [Adapted from Army PA&E's DRB list]

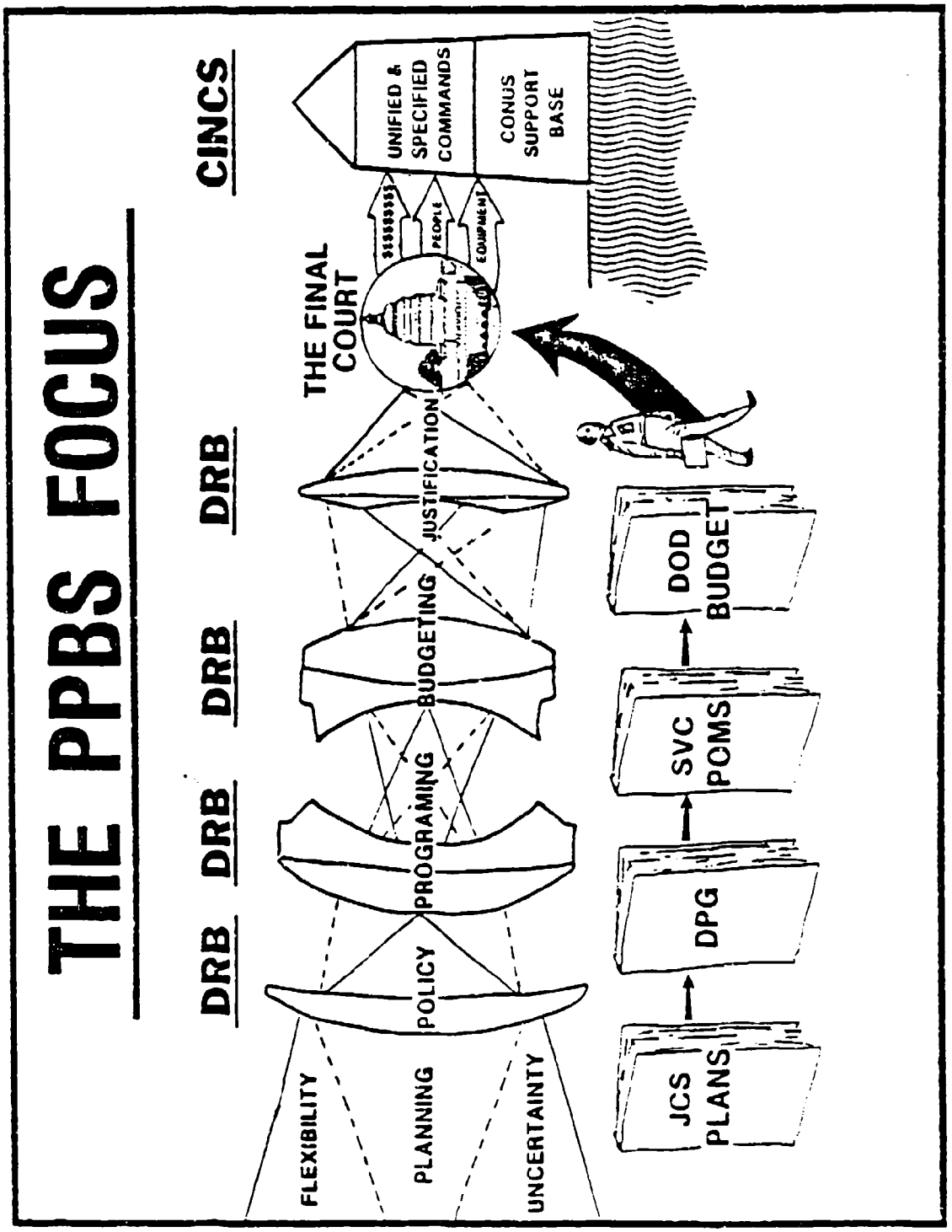

Figure 9. The DRB's Role in PPBS
[Mallion: 1981]

discuss the adequacy of Service Program Objective Memorandums (POM) and DG. Since 1984, Implementation Reviews have been conducted in the "off year" of the new biennial cycle. The CINCs now spend more time in testimony and are more able to present their positions. They currently appear not only before the DRB during the Joint Program Assessment Memorandum (JPAM) and budget execution, but also before Congress as requested.[27]

The trend in CINC participation is a steady increase as more CINCs appear before more defense panels and congressional committees more often. Continuation of this trend is anticipated.[28] For example, formerly the CINC of U.S. PACOM testified before the SASC only once each year after the Presidential Budget was passed. After the Goldwater-Nichols act was passed almost every committee had Service issues which required the CINCs appearance.[29] In 1987, USCINCPAC or his representative testified before four different committees and subcommittees of Congress. Between January and April of this year, Admiral Ronald J. Hays has already made five appearances at the request of several Congressional committees namely, the House Appropriations Committee (HAC), Senate Appropriations Committee (SAC), House Armed Services Committee (HASC), and Senate Armed Services Committee (SASC). More such appearances are anticipated in the forthcoming year.[30] [Malis: 1988]

In 1982, after reviewing all of the previous studies, and on the eve of his retirement, General David C. Jones, USAF, proposed a major reform of the JCS. He realized the improvements made in the joint system over the years, but he also recognized several shortcomings. General

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27. Ibid.

28. Adapted from an interview with the Staff Judge Advocate Office at USCINCPAC on 6 April 1988.

29. Adapted from interview with Mr. Bob Malis, Program and Budget Analysis Branch, at USCINCPAC on 5 April 1988.

30. Ibid.

Jones believed that "from the top down," a major problem with the military system was inadequate intra-service and joint experience. Several of the areas in which he recommended changes are listed below:

1. That the Chairman of the JCS be supported by a deputy,
2. That the Chairman, confer with the CINCs, and serve as interservice spokesman on resource distribution problems,
3. That the CINC's authority over their component commanders be strengthened,
4. That service staff involvement in the joint system be limited.
5. That the experience, rewards, and training involving joint duty be increased. [JCS: 1987 163-167]

General Edward C. Meyer, Army Chief of Staff, did not believe General Jones' proposal went far enough, especially with regard to the CINCs. General Meyer wanted even greater CINC involvement in the decision making process. Further, he submitted that the removal of any ties between the Services and the Chairman, along with General Meyer's newly proposed council of full-time military advisors,[31] would facilitate the visibility of the CINCs and allow them to become more active participants in both defense policy issues and joint programs. [JCS: 1987 168-169]

With the two recommendations for major changes from influential JCS members, Congress began to look at reorganization of the JCS with the White Bill, named after Representative Richard C. White, Chairman of the House Investigations Subcommittee. This bill would have allowed the CINCs to comment on any Joint Staff document or recommendation for the JCS. In a related hearing on 14 June 1983, General Vessey testified that the JCS had already

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[31]. Officers of the council would have no service related ties enhancing the Chairman's position with the new council. The Chairman could then speak freely and disagree with council members. General Meyer stated that with the council "The real or perceived obsession with unanimity,...with an accompanying tendency for the lowest common denominator solution would end." [JCS: 1987 169]

begun to increase CINC participation in the areas of program and budget decision making. [JCS: 1987 169-183][32]

In the Summer of 1982, SECDEF Weinberger asked General John W. Vessey Jr., USA, the new JCS Chairman, to initiate changes to improve the joint system which would not exact a change in the law. On 18 June 1982, Mr. Weinberger also requested that General Vessey, as Chairman, become an active spokesman for the CINCs in both operational and resource allocation issues, to include participation in the DRB. Although the directive was oral, it was an important one understood by every major participant in DoD, to include the CINCs and JCS. The SECDEF emphasized to the CINCs that he relied on the Chairman to act as their spokesman. Later, the SECDEF and JCS agreed that any proposal must meet certain criteria, the suggested reform should:

1. Increase the nation's ability to fight a war;
2. Improve and speed advice given to the President and SECDEF;
3. Guarantee that the needs of the CINCs were better met;
4. Ensure improvements in the efficiency and effectiveness of resource allocation;
5. Coincide with civilian control of the military historically followed by the nation. [JCS: 1987 172]

As a result, the SECDEF stressed that Service programs developed by component commanders be coordinated with their unified commander and that the Unified Commands be given direct access to meetings of the DRB. Other actions implemented by the SECDEF and JCS which did not require revisions to the existing law focused on improvements in continuity during the Chairman's absence, qualifications for joint duty positions, and commitment by the Chairman and JCS to provide more responsive advice to the President and SECDEF. [JCS: 1987 171-173]

After completing a study on JCS reorganization in November 1982, General Vessey provided the SECDEF with the

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32. Also known as H.R. 6954 or the JCS Reorganization Act of 1982.

JCS's conclusions and recommendations. The JCS regarded themselves as the body that should consider the JCS issues posed by Generals Jones, Meyer, and others. The major problem, from which other issues arose, was the poor relations between OSD and the Office of the JCS (OJCS). They sought to work with the SECDEF to clarify these staff roles to better assist the SECDEF. One suggestion was to assess the DoD structure from the standpoint of eliminating duplication and overlap,[33] improving the conveyance of military advice, and decentralizing the administration of policy by the JCS and the CINCs. Policy direction would remain centralized. As a statutory change, the JCS recommended the Chairman be removed from the chain of command between the SECDEF and the CINCs. [JCS: 1987 175-176]

On 29 July 1983, the Investigations Subcommittee of the House Committee on Armed Services adopted H.R. 3718.[34] The bill was aimed at reorganizing the JCS and went farther than any of the former DoD proposals. The role of the Chairman of the JCS would be strengthened, for example, he would be:

1. Placed in the chain of command,
2. Responsible for evaluating all nominations for three and four star positions,
3. Authorized to furnish his own advice to the President, SECDEF, and NSC,

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33. A study to review CINC staffing requirements for the purpose of eliminating duplication and overlapping began in 1987. At the request of SECDEF Frank Carlucci, Mr. Derek Vandershaft, the Deputy Inspector General (IG), conducted a staff study of all Unified and Specified Commands which focused on identifying areas of overstaffing. Mr. Carlucci's goal in directing this analysis was to ascertain how to most efficiently perform his function with respect to the CINCs. The results of this special study were scheduled for publication in mid-March, but nothing has yet been released. This tightly held report is expected to produce 7000 manpower reductions. (Adapted from interview with Mr. Leeland Jordan on May 18, 1988).

34. H.R. 3718 was also known as the JCS Reorganization Act of 1983 or the "Nichols Bill," named after Representative Bill Nichols who was Chairman of the subcommittee.

4. Ascertain when JCS issues should be decided,
5. Grant the Chairman rather, than the JCS, the authority to select Joint Staff officers,
6. A member of the NSC,
7. Allowed to supervise the CINCs, and
8. The formal spokesman of the CINC's on operational matters.

Furthermore, the bill initiated procedures to let the CINCs and Service Chiefs comment on any proposal before it was presented to the JCS. [JCS: 1987 182-184]

On the other hand, DoD supported only those provisions contained in an earlier proposal, and opposed all changes, including items five through eight listed in the paragraph above. Nevertheless, these proposals were later passed by the House on 17 October 1983 and were attached as an amendment to the FY 1985 DoD Authorization Bill. Use of this rider was an effort to force Senate consideration and bring JCS reorganization to the forefront, for although the Senate Committee on Armed Services had completed extensive hearings on DoD reforms (including the role of Unified and Specified Commands during mobilization and peacetime) no action was taken. Even without formal statutory changes in 1983, the JCS reorganized the Command, Control, and Communications (C3) Systems to support commanders of the Unified and Specified commands with a management structure designed to improve analysis of C3 requirements. [JCS: 1987 185-187]

In November 1983, three CINCs led by General Bernard W. Rogers, CINC, USEUCOM, testified before the Senate Committee on Armed Services as to the CINCs' lack of voice in the defense decision making process. The Committee met in open session and was pursuing a series of hearings on the organization, structure, and decision making procedures of DoD at the time. All of the Commanders of the Unified and Specified Commands were called to testify on their

relationships with other DoD and executive agencies. [U.S. Senate: 1983 275-310]

General Rogers was the first CINC to speak and was supported by the subsequent testimonies of Admiral Wesley L. McDonald, CINC, USLANTCOM, who was responsible for the military action in Grenada, and General Paul F. Gorman, CINC, USSOUTHCOM. He stated that the main function of DoD is to maintain a balance between Service and joint views and emphasized that currently, cross-service opinions received only limited recognition and had only a few avenues open for formal expression within the current system. General Rogers addressed a major problem area - the lack of assurance that cross-service and warfighting views would be a part of essential trade-off decisions in the Services' program recommendations, and in the development of strategy, policy, and doctrine. He stated that the CINCs who actually use the assets and forces of all the Services had no formal means to communicate joint needs. Appearances before the DRB were at the call of the SECDEF and DEPSECDEF. Although General Rogers recognized the major improvements made under the current administration, he suggested that further actions needed to be taken and recommended five major changes:

1. Place the CJCS in the chain-of-command for both peacetime and wartime roles. During time of peace the CJCS would act as spokesman of the CINC on all joint issues and in the PPBS process.

2. Make the CJCS a member of the NSC to bring cross-service and warfighting concerns to bear in national security arrangements.

3. To establish a permanent Deputy CJCS to serve as a cross-Service spokesman especially when the Chairman is not available.

4. Remove the current restrictions on the size of the Joint Staff to allow the CJCS to have an adequate staff to provide for joint views.

5. Formalize the role of the CINCs with the DRB. General Rogers did not consider legislative action necessary on this item. The creation of formalized interaction between the CINCs and the DRB could be accomplished within OSD. [U.S. Senate: 1983 278-279]

The testimony of General Rogers had significant impact for several reasons. First, was simply the force of

"Bernie's" personality. Second, his experience had taken him as far as he could go. On this the eve of his retirement, he had already served as the Chief of Staff and as a JCS member, and was currently the most powerful CINC, responsible for our nation's presence in Lebanon. And finally, General Rogers was the first CINC to speak up and state that the voices of the CINCs were not being heard and that changes to the system were necessary. The testimonies of Generals Rogers and Gorman, and Admiral McDonald directly led to DEPSECDEF Taft's Memorandum in 1984.

A conference of House and Senate Armed Services Committees passed the FY 1985 DoD Authorization Bill on 26 and 27 September 1984 respectively.[35] Some of the proposals approved from H.R. 3718 included revisions to Title 10 that made the Chairman of the JCS the formal spokesman for the CINCs on operational requirements (under the authority, control, and direction of the SECDEF), and allowed the Chairman to decide when JCS issues would be settled. By 1 May of 1985, both DoD Directive 5100.1 Functions of the Department of Defense and Its Major Components," and DoD Directive 5158.1, "Organization of the Joint Chiefs of Staff and Relations With the Office of the Secretary of Defense," were revised to correspond with changes to Title 10 incorporated into the new law. [JCS: 1987 190-192]

At the same time, the JCS were revising their Memorandum of Policy (MOP) 132, "Coordination and Approval Procedures for Joint Actions." Their goal was to streamline the coordination of joint actions and to codify and highlight current processes in an effort to effect more timely responses. [JCS: 1987 197]

After passage, a multitude of questions on defense organization ensued. Answers to the queries of the House and Senate Committees were prepared by the SECDEF, JCS, the

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35. The bill became Public Law 98-525 when signed into law by the President on 19 October 1984.

Services, and Unified and Specified Commanders. [JCS: 1987 195]

In 1982, General Jones brought to national focus the issue of JCS reform by openly admitting that the JCS system was not functioning properly and needed to be changed. Changes in the JCS system naturally led to involving the CINCs in the reform movement.[36] Then, in 1983, the CINCs, headed by General Bernard Rogers, further brought the CINCs into the limelight by opening the issue of CINC participation in PPBS by expressing the fact that the CINCs had no voice in the process.[37]

From 1981 to 1984, the CINC's involvement in PPBS was limited to brief appearances before the DRB during the planning and programing phases. These appearances were used to discuss the adequacy of the DG and the Service POMs.[38] In the Summer of 1984, the DEPSECDEF, William H. Taft IV, inquired if the CINCs were listened to in the PPB process. In general, the opinions of the CINCs were negative. [Lower, 1988 16]

A major breakthrough for the CINCs occurred on 14 November 1984 when DEPSECDEF Taft issued a memorandum for members of the DRB, and CINCs of the Specified and Unified Commands. Taft's memo was based on the problem surfaced by General Rogers and Meyer, along with other studies which were done.

The Taft memo enhanced the role of the CINCs in PPBS by making adjustments to the 1988 POM which would greatly increase CINC participation. Along with the role of the JCS with respect to the concerns of the CINCS, four major areas were addressed:

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36. Adapted from interview with Mr. Leeland Jordan, of Program and Budget Integration, Office of the UNDERSECDEF of Defense, Washington D.C. on 16 May 1988.

37. Adapted from telephonic interview with MAJ Lower on 6 December 1987.

38. Adapted from letter from MAJ Lower on 7 December 1987.

1. The CINCs' submission of prioritized requirements to the Service Departments through their component commanders and forwarding of separate list of higher priority requirements integrated across all functional and Service lines;

2. The relationship between the CINCs and the military departments during the POM development process will continue through the component commanders;

3. The visibility of responses in the POMs to CINC requirements and unfunded CINC priorities; and

4. The increased participation of the CINCs in the DRB program review process. [Taft: 1984 1]

First of all, the memo effectively requested each CINC to identify priorities to the SECDEF, Assistant SECDEF (ASD), and Chairman of the JCS and specified how to transmit them to the military departments [Coggin and Nerger: 1987 1]. The memo effectively began the Integrated Priority Lists (IPLs)[39] in use today. Second, it supported ongoing efforts to strengthen the links between the CINCs and their component commanders during the POM development process. Third, the memo created a separate annex for each POM, which is now called the CINC Annex. This annex clearly sets forth those requirements that the CINCs submitted, identifies whether these needs were met in the POM, and substantiates why any shortfalls were not met. And finally, the memo increased CINC participation at DRB meetings which formerly restricted the CINCs to either meetings constructed especially to hear the their views on the POMs or the Issue Book One meeting on Policy and Risk Assessment. The CINCs would now be allowed to advance their Program Review issues independently and not through a DRB member. The CINCs would

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39. IPLs are listings of the CINCs highest priority needs and were designed to provide visibility in DoD programing for key problems areas. The IPLs are the CINCs' warfighting lists and are submitted to component commanders for POM input. While the CINCs use the IPLs to justify their programs, OSD, JCS, and the Services use them to develop and judge the adequacy of the POMs. The IPLs are used as a scorecard to grade the Services on how they have supported CINC requirements. An unofficial copy of the IPLs are transmitted to Congress. The IPLs are used to justify programs to Congress and OSD. CINC programs assist in justifying Service programs to Congress. Originally, IPLs were submitted by December 31st. (Adapted from telephonic interview with MAJ Lower on 11 June 1988).

receive invitations to attend any DRB meeting relevant to the issues they previously addressed. See Appendix C for the Taft Memorandum. [Taft: 1984 1-2]

A follow up memorandum from Taft required a review of the progress made in implementing the initiatives directed by the 1984 memorandum, which enhanced CINC participation in DoD program formulation during the programing phase of PPBS, and assessed the need for modifications or additional changes [Taft: 1985]. On 18 October 1985, in the final report back to the DEPSECDEF, the Executive Secretary to the DRB (Programing) expressed a very positive view of the broader role given the CINCs in the programing phase. The report went on to address 14 items requiring further decisions.

1. Findings: Under the CINC's submission of prioritized requirements, IPLs were determined to make a positive contribution to program development, but problems still existed in assessment, costing, distribution, offsets, and methodology and format.

   Decisions: (a) By March 1st, JCS would be required to submit an assessment of the IPLs to the SECDEF. (b) The CINCs IPL submission date was changed to November 30th to provide for better utilization of CINC input in POM development and subsequent program review.[40] (c) The CINCs would no longer be required to provide cost data in their IPLs as costing requires expertise the CINCs do not have and CINC costing would be redundant and less efficient than data provided by the Services. Therefore the contribution of such input was minimal. Also, the CINCs were relieved from the requirement to identify fiscal offsets in their IPLs. Several CINCs stated their inability and reluctance to provide such information at that early stage; maintaining the requirement may have led to an erosion of CINC support for the IPL. The Service Secretaries would now receive information copies of IPLs. The JCSs' methodology and format for preparing IPLs would be used for standardization. USCINCPAC's format and level of specificity was cited as an example.

2. Findings: (a) Under tracking CINC concerns during POM development, the CINCs desire to improve the information provided in the POMs by defining specific theatre allocations was addressed. For example, how much was for CINCPAC, EUCOM, PACOM, etc. The CINCs are not able to derive this information for themselves due to the lack of analytical support staffs at their headquarters. (b) Under CINC-Military Department

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40. CINCSAC and SECNAV opposed the new deadline because it was too early. IPLs cannot be finished until results of the previous program review are received and better policy dictates the CINCs need not commit themselves to a published IPL before it is necessary.

Communications, the primacy of the CINC-component relationship was recognized throughout the previous year in tracking specific data requirements to provide feedback to the CINCs on the status of their programs. Specifically, the Army's workshops and updates for programmers were recognized along with the Air Force's and Army's method of flagging CINC concerns during POM deliberation. [Cummings: 1986 26]

Decision: The Services, with and through the MIL-5, would study solutions to the Unified CINCs' need for visibility in the theatre allocation of service Programs.

3. Finding: Under visibility of CINC requirements in the POM, the POM annexes were determined to assist in the visibility of CINC requirements, but the level of detail varied and the annexes were inadequately cross-referenced to program details found in other volumes of the POM. While the Air Force and Army agreed to provide a "CINC Requirement" funding line in the POM Annex, the Navy opposed the requirement for CINC Annexes to the POM.

Decision: POM Annexes would be standardized using the Army's POM 87 Annex as a model and would include a "CINC Requirement" line to reflect the cost, decided in conjunction with the CINC, of each priority item in the IPL.

4. Findings: Under Participation of the CINCs in the DRB Program Review Process, distance, inexperience, information availability, and manpower were found to be constraints in the CINC participation in the program review process. Despite these problems, CINC participation was considered beneficial. Although the Office of the JCS (SPRAA)[41] did the best they could in distributing documents during the compressed Program Review Process, the distribution system did not permit fully informed CINC participation and needed to be improved. Also, under current status, the report concluded that the CINCs should continue to raise Program Reviews for DRB consideration independently (without the former DRB sponsorship). Of the 270 outlines presented during the 1987 Program Review [Cummings: 1987 27], 29 of these were from the CINCs and almost all of these outlines were incorporated into issues.

Decisions: (a) The Director of OSD PA&E would investigate, with the assistance of OJCS, the CINCs, and interested OSD organizations, a means of improving Program Review document distribution. Electronic transmission and overnight delivery service would be explored fully. (b) The need for additional manpower for the CINCs to enhance their role in PPBS was acknowledged, but was not approved and would be reviewed again next year. The main concern was for the proliferation of analytical and programing staffs at operational commands.

5. Findings: Under the role of the JCS, suggestion for more detailed and timely JCS analysis to bring a joint focus to decision making in a resource constrained environment. The CINCs supported JCSs' role during the previous years activities.

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41. SPRAA is now the J-8 Office of the JCS.

Decision: In the current year JPAM, JCS will articulate a clear view on benefits and deficiencies in the POMs, those strategic objectives that can and cannot be met by the capabilities expressed in the POMs, and the necessary changes to the POMs in case of an increase or reduction in funding.

6. Finding: Under other considerations, codifying the improvements made was addressed. The CINCs now provide input into the development of DOD planning guidance and the POM development process. USCINCEUR recommended such developments as:

"...the opportunity for CINCs to discuss policy, strategy, and program issues with the DRB, the provision of CINC program priority needs to the Services, the requirement that the Services address CINC priority needs in POM annexes, and the designation of CJCS as the spokesman of the CINCs." [Chu: 1985 19]

USCINCEUR considered such codification necessary to ensure that the changes made under this administration were long-lasting improvements and that the CINCs retain their influence in DoD programing commensurate with their responsibility for defending that program. (The Service Departments opposed this measure because they considered the CINCs role to be still evolving and that actions taken to codify current initiatives may serve to stifle future ones. [Cummings: 1986 28]

Decision: The Director of PA&E, in coordination with the UNDERSECDEF (Policy), ASD (Comptroller), the Military Departments, and the CINCs will revise DoD Directives and Instructions to codify the expanded role of the CINCs in the PPBS. [Chu: 1985 2-19]

For the SOFs, another Taft memorandum in 1987 heightened visibility of their resource requirements as follows:

1. The ASD, Special Operations and Low Intensity Conflict (SO/LIC), was added as a member of the DRB and allowed to present appropriate issues at DRB meetings;

2. A revision of Program 11, SOF, to "provide full visibility of SOF resource levels and program approvals," was directed;

3. SOF budget justifications must now be included with material submitted along with the President's budget to Congress;

4. Reprograming documents must reflect DoD and congressional approval and the ASD (SO/LIC) may initiate appropriate reprograming documents;

5. Restrictions were placed on reprograming SOF resources which must be identified on all documents releasing appropriated funds to the services; and

6. Additional management coordination provisions to enhance visibility and control of SOF resources by the ASD (SO/LIC) and CINCSOC were also incorporated. [Taft: Sep 1987 1-2]

12. Prelude to The DoD Reorganization Act of 1986

The aftermath of the Iranian hostage rescue, which was aborted in 1980, aroused questions in Congress about the effectiveness of the JCS and the Joint System. Furthermore, the Grenada mission resulted in an even more aroused Congress, determined to confront the problem of the inability of the Services to operate together [JCS: 1987 163]. Whether this problem is a real one or only a perceived and promulgated one is still a matter for deliberation. The key test of the whether the defense system works is coordination. The SECDEF, JCS, and DRB were installed after World War II and the Korean War in part for the purpose of improving coordination.

In the military community, the Libyan operation and current actions in the Persian Gulf may be professed as excellent attestations of the successful employment of our joint forces, while others such as Senator Nunn, may cite the problems with joint operations that occurred in Grenada [Senate: 1983 276]. But what is important is that deep concerns were created which gave rise to the Department of Defense Reorganization Act in 1986.

Under the Reagan Administration, three important initiatives were begun which would impact upon the CINCS: (a) the CJCS was appointed to full membership on the DRB and the Defense System Acquisition Council (DSARC), (b) the CJCS became actively used as a source of independent advice on joint issues and systems projects, and (c) the establishment of the Strategic Plans and Resource Analysis Agency (SPRAA) within OJCS to assist both the CJCS and the JCS in resource allocation responsibilities. Some of the responsibilities of SPRAA were to review CINC warfighting capabilities and requirements, and to develop recommendations, policies, and procedures for PPBS actions. SPRAA served as an independent assessment and liaison point on matters concerning the PPB

process for OSD, the Services, the CINCs, Defense Agencies, and OJCS. Last year SPRAA became the J-8 Office of JCS.[42] In the development of the FY 87 POM which was the first with significantly increased CINC participation, SPRAA provided analysis to compile the CINCs' IPLs for presentation. [Cummings: 1986 29-31]

The FY 1985 DoD Authorization Bill did not still the critics of defense reform and further debate quickly spread beyond Congressional leadership. For the CINCs, this Act codified the arrangement of the CJCS as the CINCs' spokesman on defense matters [Cummings: 1986 29]. Since the Chairman meets with the SECDEF, OSD officials, and is present at DSARC reviews of major defense programs, his authority to represent CINC concerns makes his role with regard to the CINCs a significant one [Cummings: 1986 30]. In December 1984, the Heritage Foundation published *Mandate for Leadership II, Continuing the Conservation Revolution*, which in part, evaluated national defense capabilities and called for reform [JCS: 1987 194]. Subsequently, in February 1985, the Center for Strategic and International Studies (CSIS) at Georgetown University printed a report by its Defense Organization Project entitled, *Toward a More Effective Defense* which supported the publics' concern over significant inadequacies in the organization and management of the defense establishment. The study group consisted of members from many sides of the political arena and focused on procedural weaknesses.[43] Although the group was highly critical, it recommended only moderate changes built on previous reform efforts. Nevertheless, recommendations were pervasive, touching everyone from Congress to OSD, the

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42. Adapted from telephonic interview with MAJ Lower on 2 June 1988.

43. Participants in this project consisted of 71 experts, including former SECDEF's Brown, Clifford, Laird, McNamara, Richardson, and Schlesinger; Generals Jones, former CJCS, and Meyer, former Chief of Staff of the Army; Congressmen Aspin and Nunn; and Dr. Rice.

Service Departments, and Joint Staff, to the defense industry. [Blechman & Lynn: 1985 ix-247]

The House and Senate Committees on Armed Services pursued answers to many questions on defense organization after the FY 1985 Defense Authorization Bill was approved. Responses were prepared by OSD, the Office of the SECDEF, JCS, the Services, and the CINCs. During the Spring and Summer of 1985, a series of bills were proposed and hearings were conducted by the Armed Services Committees on suggested changes to the defense organization. On 11 June 1985, Representative Les Aspin submitted a bill to the House of Representatives which was a composite of bills previously introduced by Representatives Bill Nichols and Ike Skelton.[44] Mr. Aspin's bill would strengthen significantly the position of the Chairman of the JCS, although it would not make him a member of the NSC. A part of the bill's provisions would place the Chairman in the chain of command, designate him to supervise the CINCs, and allow him to periodically recommend changes to the Unified Command Plan (UCP).[45] Furthermore, a provision was included for separate programs and budgets for each of the CINCs which would be totally independent of the Service Departments. [JCS: 1987 195-199]

A Blue Ribbon Commission on Defense Management was established by President Ronald Reagan on 17 June 1985 to review current progress toward improving DoD procedures and recommending other changes in acquisition, organization, and management [JCS: 1987 200]. In the area of JCS reform, David Packard, former SECDEF, was charged with evaluating the JCS' ability to provide:

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44. H.R. 2265.

45. The UCP delineates areas of responsibility, designates forces for those areas, and defines organizational structure for those commands under the direction of the NCA to facilitate a joint warfighting effort. The UCP was a product of the National Security Act of 1947 which established the combatant commands.

> ...joint military advice and force development within a resource constrained environment. [NSDD 175: 1985 803]

The Commission confirmed that weaknesses existed in the acquisition process for military equipment and material, justifying the current dissatisfaction and frustration with defense procurement. Yet, it reached a different view of the cause and remedy for this dilemma.

> The truly costly problems,...are those of overcomplicated organization and rigid procedure, not avarice or connivance. [Packard: 1986]

The interim report of this Blue Ribbon Commission affirmed that the combatant commands could be better controlled and organized toward achieving national objectives. With respect to the CINCs, the Commission recommended several objectives as listed below.

1. Increase the authority of the CINCs to allow them to structure component commands.
2. Ensure that only minimum levels exist in the chain of command for all deployed forces to facilitate better performance of both the CINCs and JCS during peace or war.
3. Revise the Unified Command Plan (UCP) to align the current geographic boundaries of the CINCs with real world situations to promote flexibility in dealing with global affairs.
4. The SECDEF must ensure that communications, both up and down command channels between the CINCs and the SECDEF, go through the CJCS, to allow him to give better, more informed advice to the Secretary. The CJCS should provide broad alternatives for military strategy meeting national objectives with guidance from both the JCS and the CINCs.
5. Establish one Unified Command composed of air, land, and sea transportation. [JCS: 1987 212-214]

In October 1985, on the floor of the Senate, Senators Barry Goldwater and Sam Nunn criticized the decision making processes and organizational structure within DoD.[46] A progression of their speeches ensued which culminated in a meeting of defense experts and military leaders at Camp A.P. Hill, Virginia and resulted in an extensive staff report, which took two years of preparation,

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46. Senator Goldwater was the Chairman and Senator Nunn was the ranking minority member of the Senate Armed Services Committee at this time.

entitled *Defense Organization: The Need for Change*. Later, Admiral Crowe, a JCS member, would testify before the Senate Committee on Armed Services regarding the results of this report.[47] Admiral William J. Crowe, Jr., the new CJCS, found several weaknesses in this extensive study. He emphasized that the study acknowledged neither the strengths of the JCS nor the improvements actively pursued and instituted by the SECDEF and the JCS over the previous three years to improve cooperation, jointness, and management. He also advocated the strengthening of the role of the CINCs and made note of the fact that the JCS were already reviewing JCS Publication 2, Unified Action Armed Forces (UNAAF) for such initiatives. Since appropriate measures were estimated to be established within six months, no changes to the existing law were required. Nevertheless, subsequent bills on DoD reorganization proposed by the HASC contained items addressed in the SASC's report, to include measures designed to enhance CINC authority, improve joint performance, and improve oversight of Defense agencies. [JCS: 1987 202-211]

The report, written by staffmember James Locker, III, expounded the criticisms of the Senate Committee on Armed Services and the positions of Senators Goldwater and Nunn. The 645 page staff report covered 16 problem areas and made 91 applicable recommendations. Some of the problems surfaced were the restricted mission integration at upper DoD levels; the disproportion noticeable between joint and Service interests; the lack of balance between modernization and readiness; the inferior quality of joint advice; duplication and overstaffing in military headquarters; the greater emphasis placed on programing and budgeting instead of achieving a balance with execution, operations and planning; the insufficient authority of the

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47. Hearings of the SASC, *Organization and Decisionmaking Procedures of the Department of Defense*, 99th Congress, 1st Session, 12 December 1985.

SECDEF; and the inconsistencies in Congressional oversight. With regard to the CINCs, the staff report recommended the elimination of the various Service component commanders within the Unified Commands from operational command channels. The Locker Report was noticed because it alleged DoD failure to adequately execute the unified command concept. [JCS: 1987 202-204]

On 20 November 1985, the House of Representatives passed, with a strong vote of 383 to 23, "The Joint Chiefs of Staff Reorganization Act of 1985," with amendments that increased the responsibilities of the CJCS. The amendments also included the requirement that all budget and programing recommendations would be based upon the SECDEF's guidance and both CINC and Service Department proposals. [JCS: 1987 205]

Beginning in 1986, more hearings on DoD reorganization were held by the Investigations Subcommittee of the House Committee on Armed Services. In a statement which he had previously given to the Senate's Committee, Admiral Crowe reiterated that recent reform proposals were overreactions in that they tended to overlook the improvements made within DoD. He advocated evolutionary rather than revolutionary reforms on the part of Congress. Furthermore, because of the immense workload, Admiral Crowe suggested that the position of the Vice Chairman of the JCS be separated from the dual-hatted function of Joint Staff Director. [JCS: 1987 209-210]

Regarding the CINCs, Admiral Crowe emphasized that the recent changes which brought them in during the planning and budget process alleviated most of the former problems. However, he did advocate increasing the authority of the CINCs in the areas of cross-service training, logistics, and theatre-wide installation management. Again, these matters could be resolved during the current review of the governing document, JCS Publication 2, UNAAF. As for the management

of the CINCs and Defense agencies, he viewed the Chairman and JCS as the obvious body to provide support. [JCS: 1987 210]

With a unanimous vote of 19 to 0, the SASC ratified the Department of Defense Reorganization Act of 1986 (S. 2295) on 6 March 1986. Under this bill's provisions the CJCS was responsible for keeping the SECDEF informed on how well programing and budget proposals prepared by the Services and other departments matched the CINCs' priorities set forth in their strategic plans and operational requirements and conformed with national security objectives. Additionally, many of the duties performed by the corporate JCS were directly transferred to the CJCS [Cummings: 1986 16]. The bill went even further as it proposed increasing both the authority and influence of the CINCs by granting them complete operational command[48] of all forces within their commands. However, it did limit the CINCs by requiring them to first confer with component commanders and Secretaries of the military departments for coordination and approval of administration and support matters, to include logistical war plans. And finally, the chain of command would flow through the President and the SECDEF, directly to the CINCs. [JCS: 1987 212-217]

One month later, President Reagan directed the implementation of these findings of his Blue Ribbon Commission that would not require statutory changes in National Security Decision Directive (NSDD). To lend support to those recommendations concerning military command and organization, and to assure that improvements continued, he mandated that the SECDEF report to him within 90 days as to what changes were made in applicable directives to effect

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48. The "full operational command" authority which this bill gave the CINCs refers to all aspects of military operations and joint training, as well as authority assigned by the SECDEF for the coordination and approval of administration and support required for the accomplishment of their missions. [Cummings: 1986 16-17]

better communications between the CINCs and the SECDEF. Procedures needed to be improved to forward reports through the CJCS so that he could consider the CINC viewpoints in his advice to the President and the SECDEF, and to pass order of the President and the SECDEF to the CINCs. Another timeline was set at 180 days for reporting revisions to JCS Publication 2, UNAAF, along with other similar publications. The focus was now on the CINCs as these changes were directed to achieve the following goals:

1. With SECDEF approval, CINC authority must be expanded to allow the CINCs to structure joint task forces, subordinate commands, and support operations;
2. The design of CINC organizational structures should allow for the shortest command channels while ensuring adequate supervision and support for contingencies up to a general war;
3. Greater flexibility to handle situations that may crossover current geographic boundaries of the CINCs; and
4. Continuing responsiveness of the CINCs to national security requirements. [JCS: 1987 218-220]

On May 7 1986, the Senate also unanimously voted for the Goldwater Department of Defense Reorganization Act of 1986.[49] The vote of 95 to 0 [U.S. Congress: 1986 S5531, D537] indicated the adamant position of the Senate on the issue of defense reform.

A little over a month later, the HASC ratified the Nichols Department of Defense Reorganization Act of 1986[50] which dealt with the same issues as the Senate did on May 7th, excluding JCS reformations covered earlier in H.R. 3362. [JCS: 1987 222]

The HASC bill significantly strengthened the authority of the CINCs. The specific elements of this bill which addressed CINC issues follow:

1. Gave authority to the CINCs to select commanders of component commands and other principle elements; to command all forces assigned to them and to determine the chain of command for those forces.

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49. S 2295.

50. H.R. 4370.

2. Provided for the creation of separate CINC budgets for the activities of each Unified and Specified Commander [Cummings: 1986 17].

3. The authority to establish Unified and Specified Commands would run from the President to the SECDEF, who would be provided advice and support by the CJCS.

4. The CJCS would supervise the CINCs under the authority, control, and direction of the SECDEF.

5. Create a joint council of commanders consisting of the CJCS and the CINCs.

6. Delete wording in the current statute prescribing the Navy's responsibility for naval operations which might be construed as actions independent of the commanding CINC. [JCS: 1987 222-223]

On 11 August 1986, the House of Representatives passed a reorganization bill similar to the one ratified earlier by the Senate on 7 May. This bill combined an amendment to the FY 1987 DoD Authorization legislation attached by Representative Nichols with the JCS reform bill, H.R. 3622, passed on 20 November 1985.

Under CINC funding, the House Bill provided for the programing of contingencies, force training, joint exercises, selected operations, and administrative and support activities that were transferred to the CINCs. The CJCS would also review and recommend changes to budget proposals and Service POMs. Also, the CJCS, after comparing CINC budget submissions against the SECDEF's established priorities, would furnish the SECDEF with a consolidated budget proposal for each CINC. The CJCS also would become responsible for creating a system to evaluate the CINCs capabilities in accomplishing their assigned missions. [Cummings: 1986 17-18].

The House and Senate then entered reconciliation proceedings for the two bills on DoD reorganization. Agreement was reached in mid September, and on 1 October 1986 the President signed into law the Goldwater-Nichols Act of 1986. [JCS: 1987 224-225]

This chapter has presented a selective historical review of a series of changes to the overall defense structure after World War II. JCS reforms were highlighted

because the establishment of the Unified and Specified Commands was a natural development from these reform efforts added to the subsequent organizational changes which occurred in these commands. The discussion of CINC functions up to the passage of the Goldwater-Nichols Act indicates the degree of authority and influence that the CINCs possessed prior to implementation of the Act. Chapter III reviews features of the Goldwater Nichols Act that affect the CINCs and concludes with a detailed discussion of special operations.

III. THE GOLDWATER-NICHOLS DOD REORGANIZATION ACT OF 1986

A. BACKGROUND

The purpose of this chapter is to discuss the relevant features of the Goldwater-Nichols Act that impact upon CINCs authority and influence within DoD. This chapter reviews the functions and roles of the CJCS, the new Vice Chairman of the JCS, the JROC, and the CINCs as envisioned under the provisions of the law. A separate section deals with special operations issues since this particular area has received a great deal of congressional interest and relates to the issue of congressional control of DoD budgets that is part of the motivation for greater CINC involvement in the budget process.

Four years have passed since General Jones presented the first proposals for reform of the JCS system to Congress. These proposals initiated a major reform movement within DoD. His criticism of the JCS and the Joint System produced one of the most significant reorganizations of the DoD since the National Security Act of 1947. It had been almost three decades since the last major reorganization of the JCS system he sought to reform.

Four major features of the Goldwater-Nichols Reorganization Act are analyzed here: (a) the creation of a new military position of the vice chairman of the JCS; (b) a significantly enhanced role for the CJCS at the expense of the JCS; (c) an expanded role for the JROC along with other measures to improve the prestige and rewards connected with joint duty assignments to better the quality of joint advice and assistance, and (d) new authorities for the commanders of the Unified and Specified Commands, including an increased involvement in resource management through the PPBS.

1. Chairman of the JCS

Prior to the reorganization, the Joint Staff reported to the entire body of the JCS. Nevertheless, the staff was actually managed by the Chairman and the Director. The Chairman's role is to oversee the Services' program submissions and ensure they conform with the nation's overall defense strategy. He also serves as spokesman for the CINCs which was codified by the Act.

Under the reorganization, the Joint Staff has become directly accountable to the Chairman himself. [Senate Report 99-280: 1986 39] On paper, they are accountable, but the question still exists as to actual accountability. Nevertheless, the importance of this change is that now, only one man leads the Joint Staff and represents the priorities of the CINCs. Before the Act, the JCS acted as a corporate body which meant that one member could veto an action [Buriage: 1988 8]. Since he now has individual responsibility, the Chairman has greater control over advice given and decisions made. Admiral Crowe, the current CJCS can now produce positions without obtaining the consensus of the JCS [Buriage: 1988 8].

Furthermore, the Chairman, as the President's, NSC's, and SECDEF's principle military advisor, must consult with both the CINCs and JCS members in providing military advice and alternatives. However, the Act also required that procedures should be implemented which would ensure that the Chairman's advice would not be delayed while awaiting the advice of other JCS members.

The Chairman's powers were significantly enhanced by authorities relinquished by the corporate JCS according to the Act. Additionally, the Chairman was granted many new responsibilities which were subject to the authority, control, and direction of the President and SECDEF. For example, the SECDEF might designate the Chairman to oversee activities of the CINCS. Then the Chairman would serve as

the spokesman of the CINCs for their operational requirements. To do this, the Chairman must contact and obtain information from the CINCs and integrate whatever details he obtain with the CINCs' priorities, weighing them and integrating them with national objectives, before making recommendations to the SECDEF.

New duties with respect to the CINCs required the Chairman to inform the SECDEF not only on priority requirements which were identified by the CINCs but also to advise the SECDEF as to what extent the programing and budget proposals of the Service Departments and other DoD agencies conformed with those priorities and to recommend alternatives within SECDEF guidelines and fiscal constraints to better accommodate those priorities. Moreover, the Chairman is responsible to the SECDEF for recommending individual budget proposals for each of the Unified and Specified Commands. Lastly, the Chairman is required to review on a recurring basis, but not less than every two years, areas governing the combatant commands such as mission, functions, force structure, and geographic boundaries. Any recommended adjustments must be forwarded to the President through the SECDEF.

Some critics, such as SECDEF Carlucci, who earlier expressed doubts about this most powerful provision in the law that gave the CJCS duties formerly belonging to the JCS as a group, have begun to change their opinion. Mr. Carlucci recently confessed that the changes worked out well and that he found it easier to deal with someone (the CJCS) who speaks with authority for the JCS. [Buriage: 1988 8]

2. Vice Chairman of the JCS

Because of the increased workload placed on the CJCS by the new law, the vice's role was mandated by Congress to provide the necessary assistance. [Senate Report 99-280: 1986 39] Like the Chairman, he is appointed to office by the President, with the consent of the Senate, and serves a

two year term. To provide for a one year overlap with the Chairman, the appointment is made in the off years. Both may be reappointed for two additional terms, and in case of war there is no limit as to the number of reappointments. [Conference Report 99-280: 1986 18-19] Additionally, the Vice Chairman must be either a general or flag officer and outrank all officers in the Services with the exception of the Chairman himself. However, the Chairman and his Vice may not be of the same branch of Service, but temporary waivers could be granted by the President to help in a transition period for officers appointed to serve in the Chairman and Vice Chairman's position. Combined service of any officer serving in both positions cannot exceed six years. The following requirement of the Act serve as another aid in promoting jointness and readiness:

> The Vice Chairman of the Joint Chiefs of Staff...has the joint specialty under section 661 of this title; and has served in at least one joint duty assignment (as defined under section 668(b) of this title) as a general or flag officer. [HR Conference Report 99-280: 1986 18-19]

The Vice Chairman acts as a deputy with the power to carry out either the Chairman's or the SECDEF's guidance. With only the SECDEF's approval, the Chairman may delegate any duties he deems necessary to the Vice. Because the Vice acts on behalf of the Chairman in his absence, continuity is enhanced. A steady stream of advice and information is then available to the National Command Authorities with a continuous chain of command to the JCS [Herres: 1986 2]. While the Vice can participate in JCS meetings, he can only vote when serving in the role of the Chairman. As a result of his new position, the staff of the Vice has already grown to assist him in his new responsibilities.[51]

Admiral Crowe, the current JCS Chairman, has designated the following five major duties for the new vice, General Robert T. Herres, USAF:

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[51]. Adapted from interview with LT COL Lewis Baxter, USAF, JCS J-8 Office, on 10 December 1987.

1. Joint personnel policy,
2. Joint professional military education policy,
3. Oversight of defense agencies,
4. Oversight of deliberate war planning, and
5. Resource management. [Herres: 1987 4]

To best describe the role of this new position and the expanded role of the Chairman, the words of the vice incumbent, General Herres, are most enlightening:

> I must find a way to balance the views of the builders of force structure - that is, the military departments and their service chiefs - with the needs and views of the combatant commanders -that is, the CINCs...one of the far-sighted results of the reorganization is that the chairman has not only been given a number of new responsibilities, he has been given the tools necessary to carry them out. [Herres: 1987 3]

Under the resource management category, the Vice concerns himself with participating in the PPBS through the Defense Resource Board. He serves as the DRB's Vice Chairman and is the board's only uniformed member. [Herres: 1987 3] This role complement's his duty to oversee the CINC's operational war plans, as he is aware of resource requirements unique to each of the CINC's, especially shortages. Secondly, he serves as Vice Chairman of the Defense Acquisition Board (DAB) and as Chairman of the JROC.

3. Joint Requirements Oversight Council

The JROC is simply the former Joint Requirements and Management Board (JRMB), composed of the vice chiefs of all the Services, revised by increasing the board's responsibilities to encompass the new defense acquisition requirements. The council monitors the beginning of the acquisition cycle to ensure that while the CINC's requirements are met, redundancy of effort is minimized. The major concern is to effect economies of scale in resourcing and facilitate interoperability of military forces.

4. Commanders-in-Chief

Most importantly, the authority of the CINCs has been increased under the reorganization by granting them

total command of all of the military forces within their mission area, along with the authority for organization. In accordance with section 164 (c) of the Goldwater-Nichols DoD Reorganization Act of 1986:

> Unless otherwise directed by the President or the Secretary of Defense, the authority, direction, and control of the commander of a combatant command with respect to the commands and forces assigned to that command include the command functions of:
>
> a. Giving authoritative direction to subordinate commands and forces necessary to carry out missions assigned to the command, including authoritative direction over all aspects of military operations, joint training and logistics;
>
> b. Prescribing the chain of command to the command and forces within the command;
>
> c. Organizing commands and forces within that command as he considers necessary to carry out missions assigned to the command;
>
> d. Employing forces within that command as he considers necessary to carry out missions assigned to the command;
>
> e. Assigning command functions to subordinate commanders;
>
> f. Coordinating and approving those aspects of administration and support (including control of resources and equipment, internal organization and training) and discipline necessary to carry out missions assigned to the command; and
>
> g. Exercising the authority with respect to selecting subordinates, selecting combatant command staff, suspending subordinates, and convening courts-martial, as provided in subsections (e), (f), and (g) of this section and section 822(a) of this title, respectively.

(See Appendix D for extracts from the Goldwater-Nichols Act and other documents relating to the CINCs.)

For the first time, and because of the Act, commanders of combatant commands were authorized to comprise evaluation reports on major subordinate commanders' performance and present such evaluation to the SECDEF, the CJCS, and the appropriate military department.

The Act prescribes that the creation of a Unified or Specified Command, along with its subsidiary forces and structure, can be accomplished by the President through the SECDEF with advice and assistance of the CJCS. Command channels run directly from the President to the SECDEF to

the CINCs; however, the President has the right to designate that communications go through the CJCS in order to help both the President and the SECDEF in performance of their command roles. If, at any time, a CINC thinks his authority, control, or direction over his assigned forces is insufficient or restricted, he is responsible for immediately informing the SECDEF.

Finally, the Act went even further to mandate that budgets for each of the combatant commands be prepared separately from the Service Departments. These individual CINC budget proposals are to be submitted, with the DoD budget, by the SECDEF through OMB to the President and to Congress. The CINC budgets would remain individual entities and would include elements such as contingencies, force training, joint exercises, and selected operations [JCS: 1987 233].

General Vuono the Army Chief of Staff, in his desire to support the CINCs warfighting capabilities, invited the CINCs to attend any of the meetings held such as the Army Staff Program Budget Committee and the Select Programing Committee (SELCOM). Although recently, signs throughout the Pentagon ask "What have you done for you CINC today?" this thought is more than just a fad; many today are genuinely concerned with instilling more jointness into the system. General Vuono believes the CINCs should be listened to very closely, because in time of war, our defense system will fight with the CINCs directing Army, Navy, and Air Forces under one command.[52]

B. SPECIAL OPERATIONS

1. Description

The Goldwater-Nichols Act also created a new Special Operations Forces Command. The primary mission of Special Operations Forces is the conduct of unconventional warfare.

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[52]. Adapted from telephonic interview with MAJ Lower on 6 December 1987.

These missions are conducted on a small scale with specially trained and highly skilled teams. The level of operational activities range from low intensity conflict (LIC) to theatre level and nuclear war.

In LIC missions, SOFs are used for contingencies, counterinsurgency, insurgency, peacekeeping, and terrorism counteraction [Fulghum: 1986 32]. Other missions of SOF are direct action, strategic reconnaissance, foreign internal defense, civil affairs, psychological operations, humanitarian assistance, theatre search and rescue, and other activities as specified by the President or SECDEF [U.S. Congress: Senate Section 1224 6].

SOFs are used on the battlefield to distract the enemy from front line operations and force him to commit more forces to his rear area. Operations behind enemy lines are directed at destroying industrial and military capabilities; disrupting lines of communication; intelligence collection; assisting with internal native resistance and psychological operations. [US Army: FM 100-5 57]

Admiral Crowe described SOFs in an address before the House Armed Services Committee on July 16, 1986 as follows:

> They are specially trained, equipped and organized to conduct operations against strategic or tactical targets in pursuit of national security objectives during peace or periods of hostility.
>
> They can support conventional operations or be employed independently when conventional force is either inappropriate or infeasible.
>
> Traditionally, they have been manned by volunteers of high physical and mental agility; relatively free of administrative burdens, very mobile and lightly equipped, and often acting as small units or individuals in hazardous or otherwise unusual missions.

2. Structure

SOFs are found within the resources of the Army, Navy, and Air Force. They consist of the following groups:

1. Army
   - Special Forces (SF)
   - Rangers

- Short and intermediated range helicopter support
- Other land warfare units

2. Navy
- Sea-Air-Land teams (SEALS)
- Special sea delivery vehicles
- Dry-deck shelter capable submarines
- Other sea transportation

3. Air Force
- Air transport support for Army and Navy teams capable of night low-level flight, precision navigation, and aerial refueling.[53]

These forces were separately administered, trained and financed by their parent services, except units deployed overseas who fall under their respective unified command. [Grant: 1987 6-7]

3. Birth of a New Command

Defense forces in the United States have been structured to fight in a war which takes place on a mid to high intensity level battlefield. What has been viewed as a limitation of our force structure is the ability to deal with the lower levels of the conflict spectrum.

In 1980, interoperability problems were surfaced by the attempt to rescue the hostages in Iran. The multi-service group that conducted this mission was not in existence prior to this attempt. [Grant: 1987 17] Problems which caused the failure of this mission, such as poor command, control, and choice of resources; communications problems; inadequate planning and mistrust among the services participating; can all be subsumed under the general categories of interoperability and inter-service rivalry. In sum, coordination problems were prevalent.

Even though the Grenada mission was considered successful, the problems of interoperability and interservice rivalry were again surfaced. The fact that these type of inadequacies have continued has propelled Congress into its quest for jointness in military reform.

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53. Adapted from information contained in Louis W. Grant's *Birth of a Unified Command for Special Operating Forces*. [Grant: 1987 6-8]

In the programmatic organization of DoD, PPBS ten major programs formerly existed. Now there are eleven, as Congress required DoD to create an additional program for SOF. The intent of Congress in establishing this eleventh program was to institute congressional control over special operations to ensure that adequate attention and funding would be provided for SOFs. This action was not one that the Defense Department wanted to see happen. One reason for this opposition was simply the overall Services' structure's resistance to any major reorganization. This was also why Congress stepped in and isolated the SOF command in defense programing.[54] See Figure 7 for current depiction of major force programs along with the relationship to major claimants, functional warfare tasks, supporting warfare tasks, and other functional tasks Figure 7 relates different ways of viewing the PPB system in terms from the programmatic and appropriation level up to the claimant and sponsor level.[55]

4. The Effect of the Goldwater-Nichols Act

Signed into law on 1 October 1986, the substance of this bill was designed to correct

> ...serious deficiencies in the capabilities of the United States to conduct special operations and to engage in low intensity conflicts. [Senate and House Conference Report: 1986 H10330]

Soon after this bill was enacted, the FY87 DoD Authorization Act made more specific changes in the control and management of SOF and LIC [Goldich: 1987 7].

These statutes specifically targeted 11 major SOF concerns as outlined below:

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54. Adapted from MN4302 class lecture at NPGS on 2 November 1987.

55. Adapted from a MN 4302 course lecture on 30 September 1987 at the NPGS. A Major Claimant, also known as Operating Budget Grantor, is a bureau, command, or office which is designated as an administering office under Operations and Maintenance Appropriations. They receive operating budgets from designated Service headquarters offices, such as the Office of the Chief of Naval Operations (OP-90) for the Navy, and issue operating budgets to their responsibility centers. [NPGS: 1979 A-17]

1. Concerning the executive branch, it recommended establishing a board for Low Intensity Conflict with the NSC and appointment of a Deputy Assistant to the President of NSC for LIC.

2. Within the Office of the SECDEF, provisions for a civilian assistant to the SECDEF for SOF and LIC with oversight authority were made.

3. The establishment of a unified combatant command for special operations. Implementation of this provision has already been accomplished. (The U.S. Readiness Command (USREDCOM) was disestablished, the majority of its functions were transferred to FORSCOM, and in its place is the U.S. Special Operations Command (USSOC) at MacDill Air Force Base, Florida.)[56]

4. The USSOC Commander will be either an admiral or general and is responsible for developing strategy, doctrine and tactics; training assigned forces; conducting specialized instructions; combat readiness; interoperability; intelligence needs and career monitoring of assigned officers.

5. All active and reserve SOF will be assigned to USSOC.

6. Granted the CINC, USSOC the authority to create a new Major Force Program (MFP) for SOF in the FYDP; development of SOF resource requirements and execute congressionally approved funding programs.

7. Specifically defined ten missions for the SOF.

8. Directed the CINCSOC with the responsibility for defining the intelligence needs of the new unified SOF and requested the SECDEFs support for these issues.

9. SECDEF became responsible for developing SOF regulations.

10. Three implementation review dates were mandated. 120 and 180 days after establishment of the new command the SECDEF was to report to Congress on the current progress and one year later, the President was to give his own assessment.

11. Special provisions for SOF airlift were specified to place a high priority on airlift deficiencies. [Grant: 1987 28-39]

In a memorandum to the President, Mr. Weinberger attached proposed changes to the UCP to allow for the establishment of a U.S. Special Operations Command (USSOC) and to permit the activation of USSOC by 16 April 1987 in following the directions of Title 10, Section 167 of the National Defense Authorization Act.[57] Approval was also

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[56]. Adapted from information provided by MAJ Lower on 17 June 1988.

[57]. PL 99-661 dated 14 November 1986.

requested for the deactivation of U.S. Readiness Command (USREDCOM) and transfer of remaining missions to the new Specified Command, FORSCOM. [Weinberger: 1987 1]

Through the law, USSOC was given unique powers. The Act mandated a minimum headquarters staff be provided to allow USCINCSOC to participate in PPBS. An amendment, effective 4 December 1987, established a civilian staff of up to 120 personnel for USSOC headquarters [Goldich: 1987 9]. Furthermore, CINCSOC became the only CINC with a checkbook.[58] Congress directed that CINCSOC have a budget and that a new major force program be established for the allocation of resources to SOF and LIC missions. The amendment required that CINCSOC:

> ...shall have the authority, regarding the procurement of special operations-peculiar equipment, supplies, and services, equivalent to that of the SECDEF or a Service Secretary. [Goldich: 1987 9]

A great deal of support existed in Congress for SOF programs; Congress did not believe that DoD would implement them without statutory direction.[59] DEPSECDEF Taft emphasized, in his 1987 memorandum to the Secretaries of the Military Departments and the CJCS, that SOF aircraft had to be in the CINCSOC budget since airlift was the particular item which Congress intended to fund in the budget. The Act directed the SECDEF to create a special new major force program category in the FYDP for Special Operations. Special Operations became Program 11 and would be reviewed by the DRB along with the other ten major force programs. Another mandate was that the ASD (SO/LIC), with the advice of CINCSOC, supervise the preparation and justification of programing and budgeting matters. The program and budget for SOC can be revised only by the SECDEF. [U.S. Congress: Senate 1124 7]

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58. Adapted from interview with COL Deason on 18 December 1988.

59. Adapted from interview with COL Deason, USSOC on 18 December 1987 and MAJ Lower, USCENTCOM, on 30 May 1988.

The Navy was the most resistant to this change. While the Departments of the Air Force and Army were not responsive to CINC requests for support, they reluctantly complied once directed by OSD [Baxter: 1987 12]. On the other hand, The Navy Department refuses direct contact with the CINCs on PPBS matters and requires them to submit these requests through the various channels within the Navy's organization, making direct interface very difficult [Baxter: 1987 12]. DRB minutes reflect that the Navy was directed to work with CINCSOC because they were unwilling to provide information and participate.[60] In a memorandum for the Secretaries of the Military Departments and CJCS, DEPSECDEF Taft specifically addressed the Navy issue:

> ...funding for JSOC requires a discipline and support not now evident and these resources will be included in the CINCSOC budget. Navy Special Warfare Forces are and have been included in DoD descriptions of Special Operating Forces and their resources must be included under Program 11. [Taft: September 1987 1]

Other legislative issues were present indicating the need for revisions of both the Goldwater-Nichols Act and the FY 1987 DoD Authorization Act that included special operations statutes. Congress charged that DoD was responding too slowly and thwarting congressional intent in establishing the newly mandated SOF command. Specific allegations were made that (a) USSOC was not given full control over all SOFs because certain Naval SOFs remained outside of the command; (b) that DoD was acting contrary by not naming a new ASD (SO/LIC) until Congress gave DoD the authority for another assistant secretary; and (c) that delays incurred in the appointment of a CINC for USSOC;[61] (d) that establishing USSOC headquarters in Florida instead of in Washington D.C. was incorrect; (e) that giving the ASD (SO/LIC) a staff only half the size of other ASDs was wrong;

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60. Adapted from interview with COL Deason, on 19 December 1987.

61. A CINC was finally designated for USSOC on 15 April 1987.

and (f) that locating his office outside of the Pentagon, all reflected DoD's intent to oppose this congressional mandate. [Goldich: 1987 7] DoD's counter was in part that the very nature of SOF responsibility and the high sensitivity of SOF missions required lengthy time frames to find appropriate leaders and to establish the new command. In rebuttal, the Chairman and ranking minority member of the Senate Armed Services Subcommittee on Projection Forces and Regional Defense informed SECDEF Weinberger on 19 May 1987 that no other nominations to DOD positions would be approved by the SASC until a nominee was received for the ASD's position, and that nomination was confirmed by the Senate. [Goldich: 1987 7-8]

Congressional interest in SOF programs secured additional funds for USSOC after its formation and protected the command from the severity of the $32 billion of congressionally mandated cuts in the FY 1989 budget. After major programs were restored subsequent to a proposed reduction of a third of all USSOC funds, Lieutenant General Harry Goodall, Deputy Commander of USSOC, stated the following:

> Members of Congress have accused the Pentagon of failing to back the congressionally created Special Operations Command, which takes resources otherwise slated for the individual services. Consequently, a one-third reduction in the budget for that command would most likely have met with vocal criticism from Capitol Hill. [Defense News: 1988 34]

In the legal mandating of an eleventh MFP solely for special operations and the creation of a Unified Command for SOF, the SOF issue serves as a prime example of congressional control over the military. And it is this congressional control of DoD budgets that is part of the motivation for greater CINC involvement in the budget process. The necessity of the SOF mission as a part of our national defense strategy is acknowledged, but through the enactment of the provisions of the Goldwater-Nichols Act and amendments, the area of special operations permitted more

specific congressional budgeting of DoD. The intent implicit in the creation of USCINCSOC by the Goldwater-Nichols Act was the same as the intent in requiring more CINC involvement in PPBS - to get around OSD.

This chapter described the significant aspects of Goldwater-Nichols Act affecting CINC authority and influence. In summary, these features were the enhancement of the position of the CJCS, the creation of the position of the Vice Chairman of the JCS, the expanded role of the JROC, and the increased authorities of the CINCs. The discussion of the creation of the eleventh MFP, Special Operations, and the formation of USCINCSOC, highlight the strength of congressional interest in this area, and the desire of Congress to increase its control over DoD.

The next chapter articulates the policy issues pertaining to CINC involvement in the defense budget process including the objectives of such involvement, and contextual factors influencing passage and implementation of the Act.

IV. POLICY ISSUES

The purpose of this chapter is to analyze some of the policy included in surrounding the Goldwater-Nichols Act in order to clarify the roles of defense policy arena participants including Congress. The chapter also examines some of the environmental influences on Goldwater-Nichols Act implementation, to form a basis for understanding the changes made to increase CINC authority and influence.

A. CONGRESSIONAL EMPHASIS

The influence of strong negative public opinion on congressional representatives has increased the pressure on Congress to carry out and codify current DoD reforms into laws such as the Gramm-Rudman-Hollings Act and the Goldwater-Nichols Act. Criticisms are made in the press and other media that the costs of defense are too high, or that the defense resource allocation and management process is wasteful. [JCS: 1987 139]

In *The Politics of Defence Budgeting*, Hobkirk suggests that some problems with defense resource management could be reduced or eliminated through centralization and unification of the services. Prior to the initial reform movement in the 1950' and 1960's the opinion that such centralization should occur was voiced by many congressmen, but the body of Congress did not act.[62]

Perhaps, as Hobkirk also implies, the reason for such inaction can be attributed to the congressional perception that some of its power to control the SECDEF and the Services over the executive would be lost if the Services were merged. Congress wants to continue to maintain the independence of the three Service Departments to enhance its side of the separation of powers. This also strengthens its

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62. Adapted from telephonic interview with MAJ Lower on 10 December 1987.

ability to micromanage budgetary decisions which is currently the status quo. Combined with a one year congressional budget cycle, such an approach lends itself toward a short-term view of budgetary decision making. The specific details of the Goldwater-Nichols Reorganization Act show that Congress is continuing to micromanage the services.

It should also be noted that research in management tends to indicate that large complex organizations resist change. [Hurley: 1983 46] Therefore, consideration should also be given that a structure as large as the DoD bureaucracy will resist change, even if the reorganization is congressionally mandated. No department likes to lose discretion over what is perceived as its fair share of resource allocation, because there are no incentives for doing so.

Another side to this resistance to change is the opinion prevailing with some members of Congress that much of what Congress wanted accomplished would not be readily responded to by the Pentagon without a law.[63] One example is the clear intent and guidance from Congress for continued Service support of Special Operations Forces [Taft: September 1987 1].

Congress seeks to have high level resource management decisions made with the experienced military judgement of theatre commanders from outside Washington, D.C., in hopes of striking a better balance in the defense resource allocation process. The Goldwater-Nichols Act which increased the role of the JCS and the operational authority of the CINCs included specific measures to ensure that those who are held accountable for fighting any war have an adequate voice in the formation of the Service budgets responsible for their assets and forces.

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[63]. Adapted from interview with COL Deason, of the Directorate of Resources and Requirements, USCINCSOC, on 18 December 1987.

The CINCs are called to testify before Congress and in that respect are held accountable. Many others who perform analysis and make resource allocation recommendations neither have this visibility nor are they held accountable.[64] Yet the CINCs do not maintain the data base and do not have the staff the Services do for in-depth analysis, provision of detailed justifications, and making informed, overall resource allocation decisions. For example, the CINCs are not knowledgeable of delivery time, research, development, and other technical problems associated with major acquisition programs which they may eventually be recipients of. When coming out of Research, Development, Training, and Evaluation (RDT&E) and entering into the acquisition cycle the CINCs are neither aware of difficulties arising in evaluation which may indicate that the contract needs to be dropped and more funds placed into research and development nor that the contract came in way overbid.[65]

The CINCs are concerned with their readiness to fight and sustain a war. Although their focus is more short-term than the Services, they also look to the future, and seek the best and latest equipment for their commands. Yet, the balance is a tenuous one, with the Services vying more strongly for modernization at the expense of current military preparedness for war [Defense News: 1988 34].

For those CINCs with geographic concerns, priorities are compiled based on more immediate needs such as what is needed to go to war tomorrow in their theatre of operations. The CINCs look to the future, but are also faced with the practical realities of their present situation. For example, the Commander in Chief of European Forces (CINCEUR) may prefer a larger quantity of older M-1 tanks to counter any threat in the European theatre, instead of fewer of a

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64. Ibid.

65. Ibid.

more expensive and more highly modernized version. However, in most cases, the "sexier," state-of-the-art equipment is easier for the Services to sell to Congress, and the strategies of defense budgeting prevail.[66]

One example of a current success for the CINCs is the influence they had on the Army's Training, Sustaining, and Facilities Panels, whereby over $300-million in CINC requests for modernization were granted during the 1987 POM. [Coggin and Nerger: 1987 98]

B. THE ARMY'S PROGRAM

Beginning in the summer of 1984, the Army Chief of Staff, General John A. Wickham, anticipated the upcoming reforms. His office, along with the guidance of his Director of Program and Evaluation, developed a framework to support CINC involvement in the Army's decision making process and began implementation. Procedures implemented increased the visibility of resource priorities set by the CINCs. The goal was to achieve program balance both within the CINCs and among rival perspectives. By involving the CINCs more in the PPB process, the Army hoped for an enhancement of the resource allocation and decision making process. CINCs priorities are foremost on readiness and sustainability - warfighting needs, and secondarily on future research, development, and acquisition. [Coggin and Nerger: 1987 98]

The Army began a combat support management review and opened all meetings up for CINC input. Since then there have been many examples of greater CINC involvement in the PPB process. Coggin and Nerger provide support for their claim that the CINC's have been able to influence decision makers and obtain funds for priority requirements, as indicated below:

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66. Adapted from interview with Mr. Robert M. Malis, Program and Budget Analysis Branch, Planning and Programming Division, J53, USCINCPAC, on 5 April 1988.

1. During the 1987 POM, programmed Integrated Priority List (IPL) requirements were maintained against the claims of others who sought CINC dollars and another $300 million in CINC requests were approved.

2. In March of 1986, the Army's Program Budget Committee accommodated U.S. CENTCOM, EUCOM, LANTCOM, PACOM, and SOUTHCOM by changing priorities to allow for the funding of $60-million of tactical communications and intelligence systems in the Army's program.

3. Just prior to approval of the Army's program in April of 1986, key decision makers adjusted resourcing considerations to deal with one of USCINCLANT's sustainment issues which previously received no support during numerous reviews.

4. At that same time when Army representatives went to Panama to brief General John R. Galvin on the approved service POM, his arguments for improved living and working conditions in SOUTHCOM, along with the need for a critical intelligence capability, resulted in a restructuring of Army priorities and an "out of court" settlement prior to the summer 1986 DRB.

5. CINC priorities were protected during the reviews conducted prior to OSD's approval of the Service POM's when fiscal guidance demanded further reductions in proposed levels of funding. In particular, CENTCOM's vital communications improvement was retained.

6. In 1986, the Army approved $76 billion out of approximately $125 billion in CINC requests. In the fiscally constrained budgetary environment of today this 61% support rate can be considered a good one. Furthermore, a high degree of support was maintained for CINC issues during the summer 1986 DRB and fall 1986 budget review when $18 billion was removed from the Army's program. [Coggin & Nerger: 1987 98]

The examples above indicate that CINC participation has affected the distribution of resources. As the CINCs participate in PPBS and testify before Congress, their views are heard. The impetus for CINC participation is summarized well by the following statement:

> Clearly, the door is wide open for the CINC's to declare and lobby for their interests within the Department of Defense. [Coggin & Nerger: 1987 98]

See Figure 10 for a model of CINC participation in PPBS.

C. OBJECTIVES OF CINC INVOLVEMENT IN THE BUDGET PROCESS

One variable which currently affects the demand for increased participation of the CINCs is the constrained budget and economic decisions that must be made to adequately fund for national security. The United States

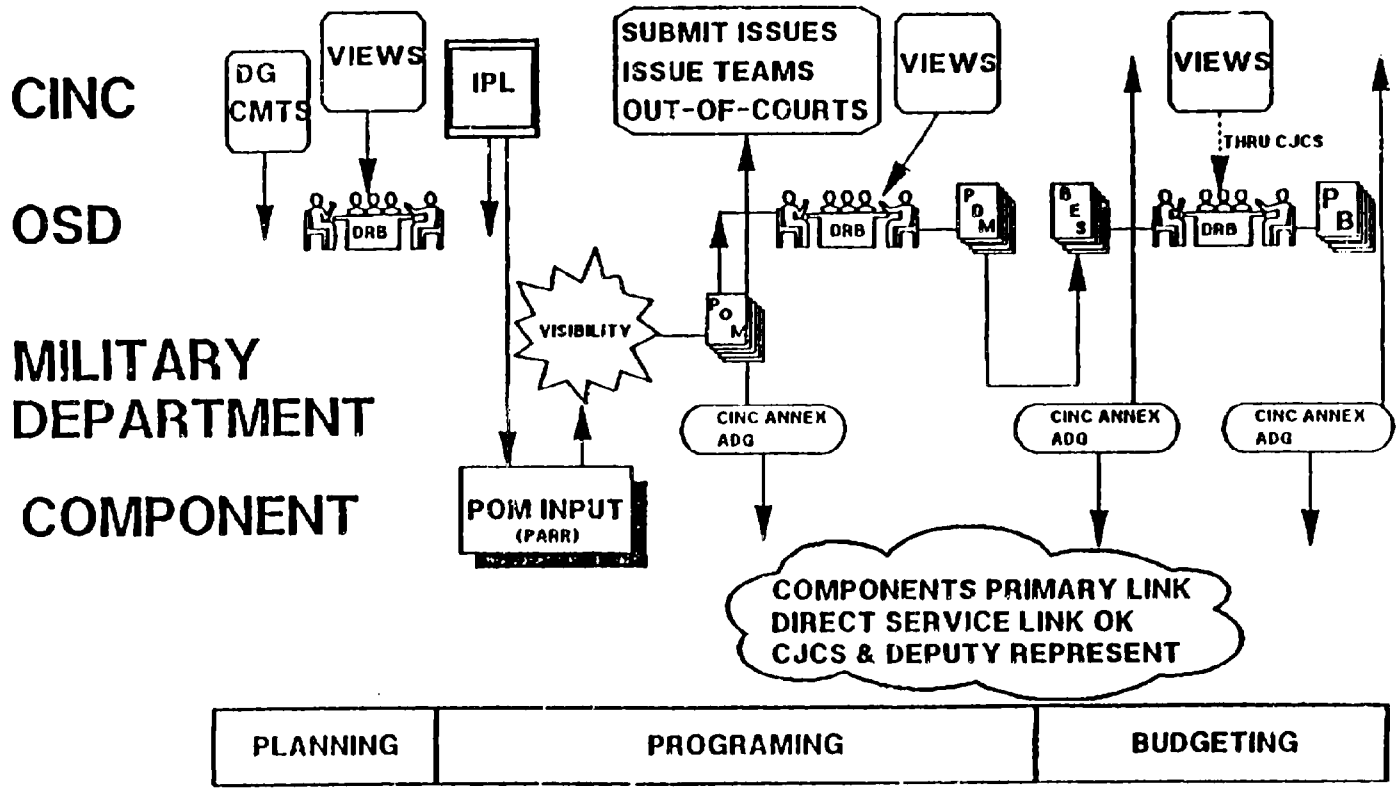

Figure 10. CINC Participation in PPBS [Adapted from USCENTCOM presentation]

must support its allies to deter aggression against mutual national interests. In reducing the defense budget greater levels of risk must be accepted, yet the nation still must demonstrate the political will needed to support its doctrine of flexible response.

D. CONTEXTUAL FACTORS INFLUENCING IMPLEMENTATION OF THE ACT

From the standpoint of DoD, much of what the Act required was already being accomplished, and the various departments within DoD saw little need for many of the congressional mandates. In a letter, dated 21 June 1985 to Representative Nichols, Chairman of the Investigations Subcommittee, House Committee on Armed Services, General Vessey, CJCS, discussed the various bills and the 1983 DoD recommendations concerning changes to the JCS which were not yet a part of the law. Although General Vessey wanted the 400 officer ceiling on Joint Staff manning removed, and supported placing the CJCS in the chain of command, he considered many of the other proposed changes unnecessary. A list of his concerns is shown below:

1. The CJCS did not need to be designated as principle military advisor.
2. Chairman did not require a full-time, four-star deputy.
3. A council of senior military advisors separate from the Service chiefs was not needed.
4. The Joint Staff should not be subordinated directly to the Chairman.
5. The CINCs and JCS member should not comment formally on Joint Staff reports and any recommendations to the JCS.
6. Finally, that since the changes already placed into law made the CJCS the CINCs' spokesman for operational requirements, no need existed to specifically require the Chairman to supervise the CINCs. [JCS: 1987 200-201]

From a Congressional viewpoint, DoD was not responding quickly enough to implement those DoD reorganization measures which Congress recognized as having a high priority. Therefore Congress passed the Goldwater-Nichols Act to codify these actions and strengthen its control of

the process and outcomes. One Congressional goal was to strengthen the Unified and Specified Commanders. While the CINCs are held responsible for everything that occurs in their command, their authority is not commensurate with their responsibility.[67] Since the thrust of Congressional action is control, one element of the Goldwater-Nichols Act stated that the:

> Secretary of Defense shall include in the annual budget of the Department of Defense a separate budget proposal for such activities of each of the Unified and Specified Combatant Commands as may be determined under...a previous provision.

The intent of Congress was to require the SECDEF to submit CINC budget proposals but to afford him flexibility over the contents. [HASC: 1988 277] However, the wording of this provision is vague and does not have DoD support.[68] The impetus for creating separate programs and budgets to be administered by Congress was twofold. First, a CSIS study in February 1985 recommended the establishment of these budgets to grant the CINCs a stronger institutional role in the resource allocation process. Second, the study also recommended enhancing CINC participation in PPBS. Controversies over unreasonable acquisitions, such as $700 hammers and $10,000 coffee pots, further fed the Congressional momentum to reform DoD. [Baxter: manuscript 4-5]

Considering the incremental process at work in DoD, such a radical change met with resistance, especially from OSD and the Services who maintained control of budgeting.[69]

> The Services and OSD are almost predictable in their responses, fears, and parochial behavior. The JCS, within certain limits, is truly interested in achieving the

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67. One such indication was the Lebanon investigation where the authority of the European commander was not commensurate with his responsibility, yet in 1983, he was held responsible.

68. The words "shall" and "as may be determined" were used by Congress to give the SECDEF latitude over the content of the CINC budgets. [HASC News Release: 1988 17]

69. After IPL submissions to the Services and OSD, the budget process is, for the most part, out of a CINC's control.

> proper balance between keeping the CINCs an effective warfighting headquarters and an articulate voice in the PPBS...JCS clearly balks at large, innovative advances in budgetary authority for the CINCs such as those found in PL99-433.[70] [Baxter: 1987 12]

Although progress was made in increasing the influence of the CINCs in PPBS and improving their authority with their own commands, initiatives promulgated by Deputy SECDEF met with strong opposition. The Services and some factions within OSD viewed the reforms as a zero sum game; any gains acquired by the CINCs were seen as losses to the their power and a threat to their perceived territories [Baxter: manuscript 9-10].

At times even Mr. Taft's position seemed nebulous. Two impressions existed as to why Mr. Taft directed the moderate actions to increase the CINCs role in PPBS. The first position viewed his actions as a result of the pressure from the reforms proposed by Generals Jones and Meyer, ex-JCS Chairman Vessey, and the testimonies of General Rogers and other CINCs. The second impression is that Mr. Taft saw the momentum building in Congress for a major DoD reorganization, and unsuccessfully attempted to preempt legal action by increasing the CINCs' role in PPBS. OSD proffered that Taft was simply a benefactor of the CINCs, however, little support existed for this idea. As a result, the CINCs remained distrustful of OSD's position on separate CINC budgets. When JCS was tasked by SECDEF Taft to assess separate budgets for the CINCs, restraints were placed on the response, such as that no additional manpower would be granted to administer and prepare these budgets. With already limited staffing and the potential for future manpower reductions on the their headquarters staffs[71], the CINCs were funneled into the most logical answer. Since JCS could obtain no consensus from the CINCs on the issue, their

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[70]. PL99-433 is the Goldwater-Nichols Act.

[71]. This is another provision of the Goldwater-Nichols Act.

recommendation was not to implement these budgets. [Baxter: manuscript 10-11]

OSD, the Deputy SECDEF, CJCS, JCS, and the CINCs did not want to establish separate CINC budgets as Title 10, Section 166 of the U.S. Code dictated. They concurred that the PPBS, along with the other new authorities established by the Goldwater-Nichols Act provided sufficient opportunities for increased CINC participation in the budget process. The decision reached was to take no further action on the budget issue, but to await the results of other changes and conduct a periodic review on the responsiveness of the PPBS to CINC needs. [Taft: April 1987 1]

At this point, a review of the perceptions of the participants in this issue is beneficial. Although these participants concurred, reasons for agreement appeared to differ. Because of a perceived lack of consensus on the part of the CINCs, CINC action officers were tasked to comment in reply to the JCS J-8 Office's request[72], and on the independent budgets and their content. Most responded that the CINC staffs would not be able to handle the function. The action officers responsible knew that due to the small size of the CINC staffs, saying yes to separate CINC budgets would mean that the function for implementation and management would return to them, increasing their already heavy workload.[73] Other reasons expressed by the CINCs were that the increased authority provided by the Goldwater-Nichols Act should be given a chance to work; lack of authorized positions to requisition the needed experts, lack of expertise, and lack of data and documentation; the limited staff size; and most importantly, the distraction from the CINC's primary mission - preparation for war. In general, most of the Unified Commands concluded that

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[72]. The J-8 of the JCS is the former SPRAA. [Lower: 1988 18]

[73]. Adapted from interviews at CINCPAC's Planning and Programing Division, Plans and Policy Directorate.

separate budgets were not needed and all of the CINCs agreed the elements of the Act needed time to be given a chance to work. As expressed in MAJ Lower's article, "An Assessment of the Unified Commander's Role in PPBS Programming,"

> ...the Unified Commands are neither ready nor able to implement this new law. [Lower: 1988 17-18]

When JCS conducted the study on behalf of the Deputy SECDEF, they perceived a lack of consensus on the part of the CINCs as to how to implement or structure the individual CINC budgets. As a result, JCS took the opportunity to recommend that Mr. Taft take no action on the separate budgets. Separate CINC budgets would make programs more visible to OSD and Congress, which could then directly fund selected CINC requirements over the programs of the Services. JCS's position is that the CINCs, in gaining added congressional visibility, will receive little compensation for large effort, and that the CINCs do not have sufficient manpower even to manage their own budgets. Since the Services execute and maintain budgets, almost any initiative which increases CINC involvement in the PPBS or acquisition process is opposed. The Service Departments view themselves as the controllers of the purse strings. In the past, they were allowed to fund force structure and modernization improvements over readiness and sustainability, a balance the Goldwater-Nichols Act sought to change. Therefore, the JCS study was easily accepted by Mr. Taft who issued his memorandum for the CJCS concurring that separate budgets were not needed at this time [Taft: April 1987 1]. [Baxter: manuscript 11-13]

Congress concluded that DoD had taken advantage of both the spirit and exact wording of the law when DoD did not submit CINC budgets [HASC News Release: 1988 17]. The HASC voted to remove the unintended latitude previously allowed the SECDEF in deciding whether to submit such budgets. The committee was adamant and added more measures in Section 705 of the National Defense Authorization Act for FY 1989,

requiring the submission of separate budget line items for the CINCs under combatant command related command and control activities, contingencies, joint exercises, force training, and selected operations. [HASC: 1988 277]

E. COMPONENTS OF THE ACT

In passing the Goldwater-Nichols Act, Public Law 99-433, Congress declared eight specific intentions:

> To reorganize the Department of Defense and strengthen civilian authority in the Department of Defense, to improve military advice provided to the President, the National Security Council, and the Secretary of Defense, to place clear responsibility on the commanders of the unified and specified combatant commands for the accomplishment of missions assigned to those commands and ensure that the authority of those commanders is commensurate with that responsibility, to increase attention to the formulation of strategy and to contingency planning, to provide for more efficient use of defense resources, to improve joint officer management policy, otherwise to enhance the effectiveness of military operations and improve the management and administration of the Department of Defense, and for other purposes. [Goldwater-Nichols Act: 1986 1]

The Goldwater-Nichols Act attempts to stimulate constructive compliance on the part of DoD. The Act specifically requested speedy implementation to be documented in a series of reporting requirements to Congress. Deliberate speed on the part of DoD was requested to implement changes that the law compelled. Before passage of the Act the CINCs were not active participants in the final budget decision process, [Defense Issues: 1988 34] but were confined to limited appearances before the DRB in the planning and programing stages. Additionally the Act served to codify many actions which were already taking place in DoD. For example, the IPL and its related system already under operation was codified in statute by this 1986 law [Defense Issues: 1988 34]. According to staff members at USPACOM, the Act did not grant additional PPBS authority to the CINCs, but it did codify and endorse the increased authority and responsibility of CINCs which indicates that

Congress expects the CINCs to be more influential and knowledgeable in PPBS actions [Malis: 1988].[74]

This chapter has addressed the roles of the CINCs, as opposed to the Services' perspective, and has analyzed the developing interest of Congress in rectifying the perceived inequitable distribution of resource allocations between the Services and the CINCs. Measures to increase the influence of the CINCs in the resource allocation process were instituted within DoD prior to congressional passage of the Act. But that Congress received external pressure to do something and also distrusted DoD. Congress decided to demand that reform efforts progress more quickly. Several Army examples of changes in resource allocations resolved in favor of the CINCs resulted from their increased participation. On the other hand, internal contextual factors limited or prevented the CINCs from effective participation, such as possessing timely, real world knowledge of the status of RDT&E programs. The next chapter provides both the positive an negative views of the demand for increased CINC participation in the resource allocation decision making process.

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[74]. Currently, the increase in PPBS activity is being handled "out of hide" by USCINCPAC staff.

V. ASSESSMENT OF INCREASED PARTICIPATION DEMANDS

A. GENERAL

In analyzing issues arising from implementation of the Goldwater-Nichols Act, this chapter presents both positive and negative aspects of the defense reform effort. The purpose of this chapter is to critique the existing decision process to evaluate the value added to budgeting by CINC participation and to discuss how the CINCs role can be improved from the viewpoint of the CINCs, Congress, JCS, OSD, and other external agencies. Within this chapter the information needed for better CINC participation is addressed.

The intent of the provisions of the 1986 Reorganization Act was to shift budgetary attention from the functional aspects of the military's resource needs to the needs of combatant commanders.

However, many of the changes that are currently emerging were actually initiated before the Goldwater and Nichols reforms mandated the expanded roles of the JCS and the CINCs. The Act caused these changes to become more visible. Current reformations have been codified and made irreversible by this legislative action. Yet, whether such changes are made within DoD, or directed by law, an element of conflict is inherent in strengthening both the JCS and the CINCs at the same time. By strengthening the JCS, the risk of usurping civilian control through the SECDEF is increased [Baxter: manuscript 5]. One of the JCS's principle functions is to present the consolidated views of the Services, forming a mutualistic relationship between JCS and the Services, yet the HASC and SASC are now requesting more information from the CINCs which increases competition. Even if the CINCs confer with the Services prior to testifying before Congress, they are still able to express

their own opinions. Adding the viewpoints of the CINCs to Congress and within PPBS fulfills the perceived congressional need to express a wider variety of alternatives to decision makers. Conflict is further increased by the provision in the law for separate budgets for each of the CINCs. If implemented, separate budgets would give the CINCs even greater visibility in Congress. Therefore, while some military staffs recognize a need for defense reform, others oppose it. Mr. Weinberger, viewed such reform as a congressional invasion of DoD civilian authority [Baxter: manuscript 5].

If one of the intentions of Congress is to compel more analysis to ensure better policy decisions, then the CINCs add a competitive feature to budgeting. Our entire system of government is very competitive and contains many conflicting interests. Using competing viewpoints to improve decision making may have a variety of results. The best ideas may be selected. Moreover, competition allows preparation for facing a threat before it surfaces through confrontation of ideas.[75]

The Goldwater-Nichols Act fostered a plethora of analysis and studies. The conduct of these studies is a sign of another step taken toward obtaining a synergistic effect in reaching national objectives from the integration of the CINCs, the Joint Staff, and the Service Departments in strategic planning and the allocation of defense resources. One such study is presently underway at the Center for Strategic and Intelligence Studies (CSIS) and the Foreign Policy Institute of John Hopkins University (JHU) in Washington D.C.. This joint study was developed by these organizations because of a need they saw for researching CINC and JCS issues concerning implementation of the Goldwater-Nichols Act. James R. Schlesinger, former SECDEF,

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[75]. Adapted from MN 4302 lecture by Professor Jones at NPGS on 7 November 1983.

is Co-Chairman for CSIS and Harold Brown, also a former SECDEF, is the Co-Chairman for JHU. Mr. Jim Blackwell is the staff director for the research effort and is also responsible for coordinating meetings of the joint study's steering committee of 40 academics, congressmen, former DoD officials, and military retirees.

This research is analyzing areas in the Goldwater-Nichols Act which mandated CINC and JCS involvement. Two researchers are currently visiting all of the Unified and Specified Commands and will review the minutes and requirements of the Defense Acquisition Board (DAB), the DRB, and the JROC. The consensus report of the steering group is expected to be released in October of this year and will be based upon data compiled in September. Conclusions reached will focus on issues and program decisions in this first normal budget cycle that the CINCs and JCS will participate in under the requirements of the Act. Data points will be the areas where the CINCs and JCS played major roles. Answers to the following questions are being sought by this research effort:

1. Were the CINCs and JCS involved in areas where they should not have been?
2. Were there areas where the CINCs and JCS were not participants, but should have been?
3. Was participation of the CINCs and JCS as Congress intended their role should be?[76]

Mr. Blackwell anticipates that a book on the study's findings and recommendations will be published in the Spring of 1989.

B. POSITIVE VIEWS OF CHANGE

In this decade, there has been a trend toward more interaction and participation in defense policy decision making [Joint DoD/GAO: 1983 21]. To that end, the roles of the CINCs and JCS were increased. The result of this

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[76]. Adapted from telephonic conversation with Mr. Jim Blackwell of John Hopkins Foreign Policy Institute on 27 May 1988.

congressionally mandated organizational change has been to shift the influence of power from resource managers, the builders of force structure, in the direction of the operational warfighting structure. In doing so, the role of the JCS Chairman has been significantly strengthened. His position has transitioned from spokesman of the CINCs (and sounding board for a committee - the JCS) to that of principle military advisor to the President, SECDEF, and the NSC. The corporate body of the JCS formerly held this advisory responsibility.

With the reorganization, the views that the Chairman holds may now be his own. He must now integrate his new advisory position with the operational needs of the CINCs. Through the strengthening of the Chairman's function, the influence of the CINCs has also increased.

Additionally, the Chairman is now responsible for advising the SECDEF as to the degree which the Service's budget submissions coincide with the CINC's warfighting priorities, which are set forth in the IPL. Previously, this direct link from the Chairman to the PPBS process did not exist. General Herres statement summarizes well the impact of the reorganization on the role of the Chairman:

> One of the far-sighted results of the reorganization is that the chairman has not only been given a number of new responsibilities, he has been given the tools necessary to carry them out. [Herres: 1987 4]

The JCS Vice Chairman, has duties as the Chairman of the JROC and as vice chairman and sole uniformed member of the DAB. He serves to fill a gap which existed previously between combatant commanders, and the PPBS process for authorization of operational requirements. The Vice Chairman is then theoretically a very important link between the CINCs and the military departments. As the connection between the advocates or budget spenders and the builders or budget cutters, he has the potential to enhance continuity, reduce unnecessary duplication, and thereby, promote military effectiveness. [Herres: 1987 3]

From the DEPSECDEF's side, a 1985 review of the effects of the November 1984 Taft memo indicated that implementation actions taken by OSD, the Service Departments, and the CINCs resulted in a broadening of the role of the CINCs in the POM process and in enhancing CINC warfighting capabilities. In fact, the review determined that the Services took the steps necessary to assist CINC involvement in program development and to improve communications between the CINCs and the Services, especially through their link with the component commanders. [Cummings, et al.: 1986 24]

During the last budget exercise, CINC participation was significantly enhanced. Congress directed that $32 billion be cut from the 1989 portion of the two year FY 1988-1989 budget delivered to Congress in 1987. In revising the 1989 budget, in the short time frame allowed, the CINCs were invited by OSD to assess and submit proposals on recommendations made by the Services to implement the necessary cuts [Defense News: 1988 34]. Guidelines for making program reductions remained the same as for the formation of the FY 1989 budget[77] - people, readiness, and efficient acquisitions were to be preserved. [Defense News: 1988 43].

For the first time, in December of 1987, the CINCs were all summoned to Washington D.C. to make their priorities known. [Taft: 1988 5] They were allowed to set their own agenda during the first few days of the DRB. Of significance was the relations that formed between SECDEF Taft and the CINCs in this process. Mr. Taft personally spoke with many of the CINCs including Generals Lindsay, Piotrowski, and Woerner, the CINCs of the smallest commands [Taft: 1988 5]. During the DRB, the CINCs acknowledged that after objecting to several Service proposed cuts, needed funds were restored [Defense News: 1988 43].

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[77]. This budget was originally guided by a two percent real growth ceiling rather than the former three percent level which DoD had enjoyed.

While all of the CINCs' priorities could not be met, many of their programs were restored as a result of this DRB. Those programs which remained unfunded were at least reviewed and considered along with the ideas of the JCS and the Service Secretaries.

A few examples of programs restored as a result of CINC participation at the December DRB follow:

1. Airborne Warning and Control System (AWACS) Radar Improvements, supported by CINCCENT, CINCLANT, and CINC, North American Defense Command (NORAD);
2. Army ammunition and war reserve spares;
3. Dependents' schools program, which provides quality education to military dependents;
4. Flying hours, operating tempos, and training levels;
5. JCS exercise program;
6. National Emergency Airborne Command Post (NEAP);
7. Relocatable Over-the-Horizon Radars (ROTHR); and
8. Some Navy ships which were to be retired were restored through CINCLANT's input. [Taft: 1988 5-6]

Lieutenant General Goodall confirmed that the Air Force's proposal to cut one-third of the USSOC budget was mitigated after protests were lodged. As a result, funds were restored for several SOF programs, such as the AC-13009U gunship, the aircrew training system, and the MH-47E/MH-60K. Furthermore, DEPSECDEF Carlucci's direction that readiness concerns be addressed first in budget reductions appears to have saved the CINCs from even greater damage than they are now experiencing. [Defense News: 1988 34]

Another positive spinoff from the Act is the increase in invitations to CINCs to appear before Congress. The CINCs can now express their concerns up front to those who are responsible for approving the budget and appropriating funds.[78]

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[78]. Adapted from telephonic interview with Mr. Robert Malis on 5 April 1988.

From the Army's perspective, heightening the visibility of CINC requirements has led to a better appreciation of CINC viewpoints, while increasing the influence of the CINCs. The differing vantage points of the Army and the CINCs had to be acknowledged prior to altering the system. Curiously, the CINCs discovered that they themselves have had difficulty in weighing their theatre's geostrategic requirements with those of competing CINCs. An overall result was a more informed decision making process for both the Army and the CINCs on their respective issues. The Army hope is that as the CINCs become more involved in the PPBS process, their demands for detailed information, which the army finds hard to provide, will diminish, and they will leave the number crunching to the services who are already set up to perform this task. [Coggin & Nerger: 1987 98]

Even if all of the CINCs high priorities are not met, the impetus of the Act ensures that their views will at least be heard and considered. As General Goodall stated:

> I am finding that at least, if we knock on their door they'll answer. [Defense News: 1988 34]

Considering the present state of financial constraints it is unrealistic to presume that increased participation for the CINCs will result in high budgetary returns for their efforts. Looking from a different perspective, the CINCs may soon have to defend their budgets against reductions. However, even if the Services ar not funding all CINC programs, this does not imply that their concerns and requirements are not receiving a fair hearing in the defense decision making process for resource allocations.

Since the Taft memorandum was issued in 1984 three major, formal changes have heightened the visibility of CINC requirements:

1. The submission of CINC IPLs to the SECDEF, DEPSECDEF, and CJCS at the beginning of each PPBS cycle.
2. The independent participation of the CINCs in DRB planning and program review, to include the identification of those CINC issues which require resolution in the current POM.

3. The development of a separate CINC Annex to for each of the Service's POMs.

Add to these the support found in OSD, JCS, and the Services through their heightened awareness of the CINCs warfighting needs, and the growing level of satisfaction with CINC participation may be understood.

C. NEGATIVE VIEWS AND IMPEDIMENTS

1. General

The most important question on implementation of the Goldwater-Nichols Act is whether it will result in better resource decisions to obtain the best mix of equipment, forces, supplies, and training for the 1990's given the lean fiscal and budgetary policy forecasted for that era.

With the current budgetary constraints stemming from the Gramm-Rudman-Hollings bill and other deficit reduction measures, the CJCS, with his new responsibilities and increased influence, will have to make some tough decisions to ensure the development of national strategies that are achievable, effective, and feasible within the budgetary constraints set for the next six years. With the current scarcity of funds, and the prevalent forecast for an era of cut-back management, the question then becomes how can we get the most return for our nation's dollars?

2. Negative View of Change

One negative view of CINC influence in this process was expressed before the HASC[79] by Lawrence Korb, former ASD for Manpower, who stated that the CINC's influence on the budget process was minimal. Mr. Korb ascribed this to the lack of CINC participation in the early part of the budget process, and to the large number of participants at DRB meetings. The argument that the DRB has grown into an unwieldy size has been advanced by others. Yet, the antithesis of this view is that the DRB is now a more open

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[79]. Testimony was in 1987.

forum where needs may be heard, ending the search for "advocates to champion their positions" [Cummings, et al: 1986 22]. [Army Times: 1987 38] Whether the current goals of interoperability and jointness are met in the balance between those who must employ all operating forces within any given theatre, and those who must structure those forces, depends to some extent upon the personality and influence of the person filling the position of the Vice Chairman of the JCS.

Although the Services are responsible for procuring equipment and training forces, and the SECDEF is responsible for assigning those forces which provide some degree of coherence, it is the CINCs who are responsible for the employment of those forces. Thus, the most significant budgetary problem often is not directly addressed in centralized Service and OSD budgeting:

> The training, equipping, and selecting of forces is not carried out by the individuals who are responsible for their command in combat. As a result, the Unified Commanders may be insufficiently familiar or comfortable with their forces. [Halperin: 1985 116]

This is an area where the Act sought a better balance, but the degree of change has been moderate and the reforms have not yet matured enough to provide data on the results. Some reforms, such as separate budgets for each of the CINCs, have yet to be implemented. These are also the more substantial changes resisted by DoD and which require more time to change. Few benefits are seen by OSD in instituting separate CINC budgets. One problem already arose with the improper management of the SOF budget. The Act which gave the USSOC programs additional support resulted in significant abuses which cause DoD to remove USSOC control of those funds last year.[80]

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[80]. When requests for SOF requirements were submitted in the POM, many item authorizations were doubled, such as for radios and other equipment items. In executing the budget concerns arose over the excesses in various expenditures such as travel. (Adapted from telephonic interview with MAJ Lower on 30 May 1988.)

The benefits of separate CINC budgets in an already complex resource allocation process are viewed by some as marginal to none. For these opponents, such as OSD, ten additional CINC budgets would not result in an increase of readiness or sustainability, but would further complicate an already overburdened defense system. Further statutory changes mandating the allocation of Service Department programs by theatre and codifying more detailed changes in the current system are also not considered as measures which would improve the balance in DoD's PPBS. [Cummings: 1986 68]

The standards, phases, programs, and requirements of the PPBS have defined and enumerated the types of documents that should be prepared along with the how and when of preparation and submission. Each of the various CINCs have different concerns. Some are regionally and theatre oriented, others are functionally based, some have component commanders, and others do not. Some focus on sustainability as their highest priority, while others are more concerned with readiness first. Consider the difficulty in interpreting the values and meanings of ten more budgets if each were an original creation. Add this variable to an already complex and overburdened defense system with well defined roles and responsibilities for budgeting and the impediments to implementation of the provisions of the Goldwater-Nichols Act are evident. Four major drawbacks exist in preventing implementation of the Act:

1. For the large amount of effort involved in planning, building justifying, and maraging the budget through the PPBS cycle the programs enumerated in the law, the returns to visibility and readiness and sustainability are minimal. Separate budgets are viewed by the CINCs as detractors from their primary mission of preparing for war.

2. Larger staffs would be required in the CINCs' programing divisions, however, staffing guidelines do not currently fulfill the program and budget needs of the C in C. With current reductions and emphasis on reducing the size of headquarters staffs, aid in this area is not expected. Increasing the size of the staffs can only be done "out of hide," as done by CENTCOM, PACOM, and others.

3. Better programing data is needed. The CINCs have found their data in this area to be redundant and less accurate than the Services who are manned for that function.

4. The CJCS now serves as a more powerful advocate for CINC programs and funding. Separate CINC budgets would remove the Chairman from the process and may leave the budget to speak for itself. [Lower: 1988 19]

Another problem is that the CINCS have little analytical data upon which to base decisions and with which to play the budget game. This same problem was also identified by McNamara when he instituted PPBS. However, a difference exists in that McNamara was able to change the budget process in DoD quickly, while Congress makes changes more slowly through consensus. [Joint DoD/GAO: 1983 21] CINC staffs need more training and experience in the unspoken rules of the budgetary game and in DoD's PPBS process [Batchellor: 1986 iii].

One criticism argues that the detailed provisions of the Goldwater-Nichols Act have weakened the roles of the Service Chiefs. This opinion argues that as a result of increasing the requirements for organizations not under the purview of the Services (a) bureaucratic layers involved in budgeting will develop; (b) resources will be depleted from the Services; and (c) optimum resource decisions for particular Service missions will be subliminated into inadequate solutions. Although strengthening the role of the Secretaries was the intent of the Act, some congressmen are still concerned that the provisions of the Act which require consolidation of the Service Secretaries' and Service Chiefs' staffs may actually weaken civilian control of the military. [Goldich: 1987 5-9]

3. Impediments to Change

The proper balance between present and future needs must be decided upon. Whether the emphasis of the CINCs on

meeting readiness[81] and sustainability on the one hand, and the more future-oriented outlook of the Services' defense planners on the other hand, will result from a new synergism in resource allocation decision making is still a tentative proposition.[82] Many impediments to the increased participation of the CINCs exist.

These problems include the distance between the CINCs and the center of decision making and power-Washington, D.C.; time delays incurred in informing the CINCs of current PPBS developments as well as the limited time frames in which the CINCs have to respond to POM documentation; the shortfalls in CINC manpower for resource allocation participation, particularly analytical experts; and inexperience in playing the defense resource game. These problems will act to constrain the CINCs influence and participation in their new roles. The most important variable of those cited above is distance. As the CINCs make more frequent and lengthier visits to Capitol Hill and the Pentagon in order to minimize this problem, the resulting effect on the administration and operation of their commands is yet unknown. The staff at USCINCPAC commented that currently, no problems were evident from the increased absence of Admiral Hays, but the long-run effects of continuing such action could not be forecast. Another persistent complication is the limited time frames in which decisions must be made. The percentage of time the Services have to make decisions and prepare documented responses is compressed even further for the CINCs' responses to the Services. Service component and subordinate Unified

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81. Readiness is the primary concern of the CINCs. However, for certain CINCs, such as USCINCPAC, because of their functional mission and area of responsibility, sustainability is the basic concern and readiness is secondary.

82. The four pillars of defense are force structure, moderization, readiness, and sustainability.

Commands can expect very short response times [USCINCPAC: 1987 1].

Although communication methods such as the PPBS Electronic Delivery System (PEDS) are currently being refined, the timeliness in the current distribution of the PPBS documentation needs to be improved.[83] The development of PEDS was directed by DEPSECDEF Taft in October of 1985 to replace the courier service being used and improve the timeliness of the delivery of program review documentation. See Figure 11 for a model of the PA&E PEDS concept.[84] [Polk: 1987 3-4]

One example of the results of impediments to participation can be seen at the developments in the PPBS analysis branch at USCINCPAC. Although the staff in the Program and Budget Analysis Branch at USCINCPAC grew slightly over the past few years,[85] more work hours and longer work days are still the only solution to the quick response time dictated upon receipt of the Services' POMs. Prior to the Act, members of the Analysis Branch worked a 40-hour week. Afterwards, the branch was required to change the focus of its work, increase its level of activity, and work extra hours both during the week and on Saturdays to complete critical actions in the PPBS cycle. The Chu study in 1985 decided that no increases in CINC staffs would be directed, leaving the CINCs to do the best they could from within their own limited assets.[86]

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83. Adapted from Batchellor's, *CINC Involvement in the PPBS*, as well as from a personal interview with Mr. Malis at USCINCPAC on 5 April 1988.

84. PEDS was developed as a means of transferring classified program review information between the CINCs.

85. Growth in the staff occurred not by adding of personnel to the size of the staffs, but by taking personnel "out of hide" from other areas within the command.

86. Adapted from interview with Mr. Malis at USCINCPAC on 5 April 1988.

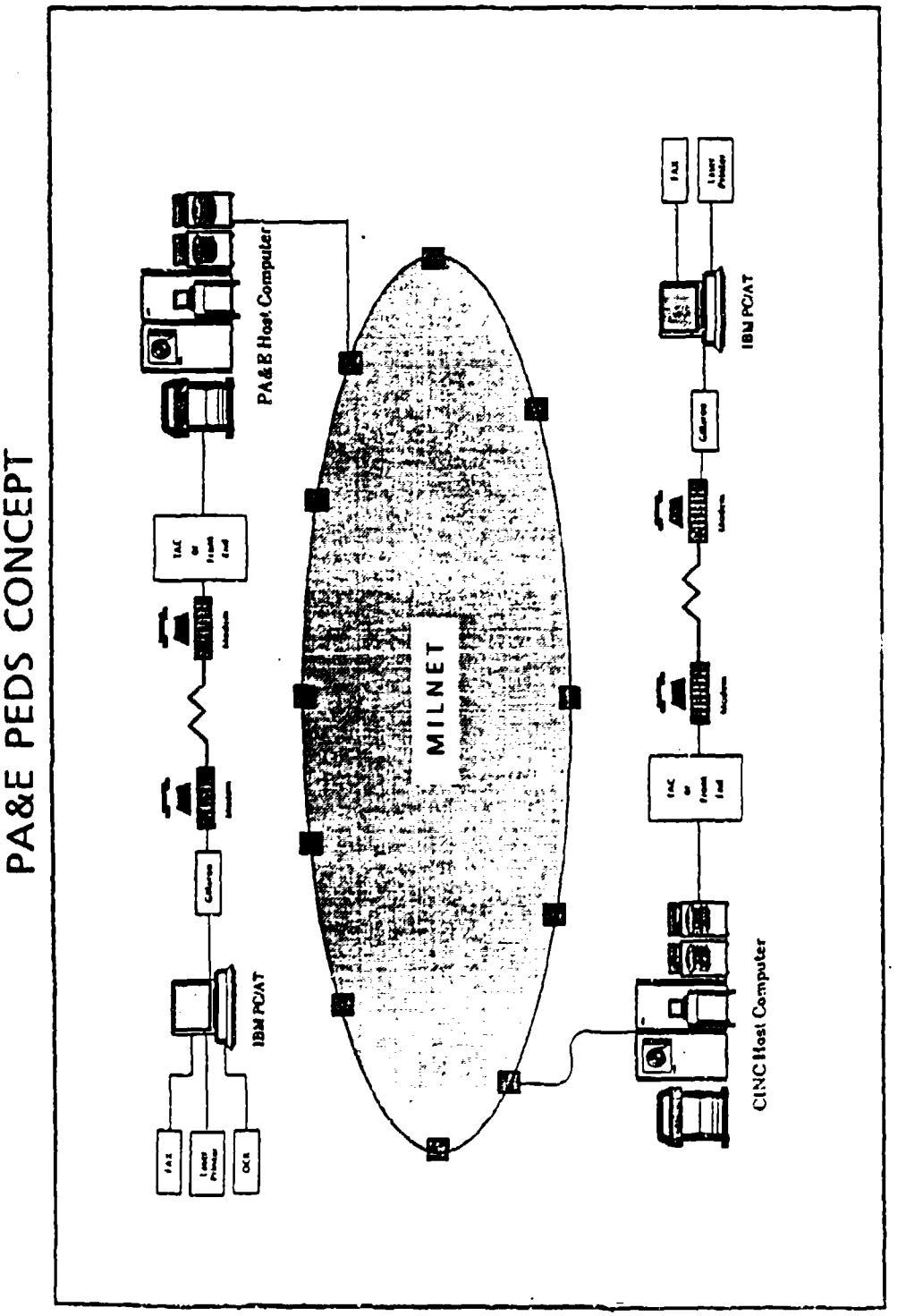

Figure 11. The PA&E PEDS Concept
[Miklas: 1986 8-9]

Two difficulties pinpointed by some of the CINCs are: (a) inability to track how the requirements they submit in their IPLs are reflected in the subsequent FYDP which is forwarded to OSD, since they are still not formally involved in the development of those plans, and (b) concern over their lack of knowledge about special access programs-weapons programs classified higher than top secret. Admiral Hays recommended that some arrangement be developed to keep the Unified Commanders more aware of the status of such programs. [Defense News: 1988 34]

DoD and JCS advocate moderate changes and have raised objections to some of the more substantial changes encompassed by the Act such as the separate CINC budgets and demanding joint officer specialty requirements. DoD desired to change those aspects of the Goldwater-Nichols Act regarding the new joint officer specialty which they felt were overly restrictive. DoD objected to the length of joint duty assignments, the qualifications required for joint positions, restrictions on who could fill the positions, and the educational requirements for expert in joint assignments. In hearings before the HASC in May and June of 1987, the JCS testified that the new specifications were extremely limiting, as they removed too many officers from serving in joint assignments, detached many others from their Services for too lengthy a period of time, and eliminated others from assignments required for promotion to flag or general level. Explicit rebuttals by the JCS over the restrictiveness of the new joint officer specialty requirements did not affect Congressional opinion. Instead, the joint officer personnel guidelines became even more restrictive in the amendments. Congress intended to allow more time to see if the original provisions would work.

D. PERCEPTIONS OF A NEED FOR CHANGE

The need for change arose from the perception of those proposing the DoD reorganization that the DoD focus was on

functions instead of missions. The dichotomy between the views of the "builders of force structure" [Herres: 1987 3] and the concerns of the combatant commanders is again highlighted. The opinion of some of those who were responsible for the reorganization legislation was that far too much influence had shifted to DoD's resource managers and as a result, the warfighter's were suffering through an acquisition process that did not support interoperability and jointness. These advocates saw the defense system suffering from excessive independence of the Services, and insufficient central direction, leadership, and planning which would require a significant strengthening of the national command joint structure, namely, the Chairman and JCS [Goldich: 1987 3].

On the other side of the debate were those who believed the system was working or that the existence of the Joint System acted to confine individual Service initiatives. These advocates sought to increase the dominance of the Services and attributed current problems in budgetary and operational area to several factors. First, since the end on World War II national commitment to the military establishment waned. Second, after Vietnam defense budgets diminished even further and became inadequate. The effects of excessive civilian and micromanagerial congressional control of the DoD decreased DoD's flexibility. And finally, the last factor was the normal disorder and conflict accompanying any war or in any large organization. Nevertheless, both sides supported increasing the authority and influence of the CINCs [Goldich: 1987 4-5].

One factor weighing against DoD was that the Chairman and the JCS were considered to be governed by parochial interests, and therefore were viewed as not capable of providing unbiased and competent advice [Herres: 1987 3]. The Chairman was thought to arrive at positions which represented the "lowest common denominator" by finding some

consensus among the Service Chiefs [Herres: 1987 3] instead of presenting the best alternative.

Although these criticisms may have been based on only part of the truth, they gained sufficient acceptance to create the current concern in both the public sector and Congress that strong, active measures needed to be taken.

> The American people and the Congress have told us in no uncertain terms that they expect more functional and technical interoperability amongst the Services - the capability to mesh systems and forces into an integrated defense team. They do not believe that we are doing or have done as well as we should in this regard - and they are tired of footing what they perceive as a bill for what all that seems to cost. [Herres: 1987 4]

In the area of defense budgeting three major areas were criticized as a result of domineering Service interests:

1. The underfunding of operations, readiness, and sustainability as opposed to investments and new major weapons system acquisitions;
2. Inadequate funding for joint operations and warfare programs not considered central to the Services' perceptions of their main mission, such as, air, sea, and amphibious lift; anti-terrorist and commando forces; naval patrol craft; and tactical air support for Army forces;
3. The exorbitant costs, poor performance, and untimely delivery of weapons systems to their assigned operational units. [Goldich: 1987 4]

This chapter has indicated both the benefits and disbenefits of increased CINC participation in the resource allocation process. It discussed the perceptions of the various participants regarding the desire for or opposition to the direction of this movement. The next chapter summarizes the research performed for this thesis. It also provides concluding comments and offers suggestions for further research.

VI. SUMMARY AND CONCLUSION: REVIEW OF THE INCREASED PARTICIPATION OF THE CINCS IN PPBS

A. PURPOSE

The purpose of this thesis is to present an overview of the Goldwater-Nichols Act and a broadening of the role of the CINCs in the PPBS process. The research addressed several specific questions.

1. How can the CINCs be better integrated into DoD's PPBS and Congressional budgeting?
   a. How can improved participation within PPBS be effected?
   b. What types of information do the CINCs, in their expanded role, need to participate effectively?
2. What factors impede more effective CINC involvement in the DoD resource allocation process?
   a. What factors impede effective participation within DoD?
   b. What factors impede effective participation from the OSD?
   c. What factors impede effective participation from the external environment, e.g. Congress, and from the internal environment, within the commands of CINCs?

B. SUMMARY

As we have seen, DoD's resource allocation process underwent a series of both dramatic, as with McNamara influence on the DoD budget process in 1961, and gradual changes since the National Security Act of 1942. Generally, radical change is not the norm. Congressional changes occur very slowly and are the product of consensus building. Within DoD, evolutionary rather than revolutionary changes are also preferred. Therefore, the fact that the CINCs involvement in the budget process did not change immediately, was not unexpected [Baxter: manuscript 9].

As a result of these gradual changes, almost imperceptibly since 1961, more and more of DoD's budget has become governed by annual authorizations. To complicate

matters, a dichotomy exists in that although Congress views the budget in output (program) terms, authorizations and appropriations remain input (resource) oriented [Joint DoD/GAO: 1984 21]. Furthermore, a given fact is that resources in peacetime will not be unconstrained and that proper balances must be struck in order to assure effectiveness in meeting national objectives. Tradeoffs must be made between military capabilities and cost. Joint or cross-service views are essential in those tradeoffs affecting in the formulation of strategic doctrine and policies, and the allocation of resources among the Service Departments.

Nevertheless, the current harbingers of reform came from many directions of the political spectrum and substantial support now exists to facilitate an increased voice for the CINCs to assure that critical needs are not ignored. The soundings of congressmen, industrial defense experts, and professional military officers have opened the pathway for changes which are flexible, constructive, and reasonable. The reform movement which led to the passage of the Goldwater-Nichols Act is now more visible. With the passage of the Act there was an immediate commotion created as all budget participants rushed to assess the impact of the law on their areas of responsibility [Baxter: manuscript 8]. A part of this increase in activity produced studies such as the J-8 assessment of separate CINC budgets, the Government Accounting Office (GAO) study directed by Congress to assess the impact of the Goldwater-Nichols Act on the Unified Commanders, and the CSIS study on how to best implement the law with respect to the CINCs.[87] Future actions will be based on the rigor and amount of steadfast leadership this movement maintains along with financial considerations,

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[87]. The results of the GAO study have not yet been released and the CSIS study is currently ongoing. The results of the CSIS study are anticipated to be ready in the Fall with a book to follow in the Spring of 1989.

political motives, and other external factors. Will the invitations to Washington D.C. continue for the CINCs? And, considering the effect of other participants in the defense budget game, what results will ensue?

Certain aspects of the Act, such as providing the CINCs "full operational command" over all forces assigned to their commands, served to further strengthen the CINCs authority. It enhanced coordination between the CINCs and their Service component commanders. Both actions are indirect but important to the resource allocation process.

On one side we are faced with the argument that Congress may not have gone far enough to ensure the interest of the CINCs within the PPB process and on the other side we are faced with the perspective that perhaps Congress has gone too far in mandating a unified SOF and strengthening the voice of the CINCs. Time will tell whether the current micromanagerial view of Congress will yield big payoffs in efficiency and effectiveness within the DoD or whether the burden of management and advocacy should be shifted again. Nevertheless, active CINC participation in the resource allocation decision making process may prove beneficial in obtaining the viewpoints of the operational theatre warfighters.

C. CONCLUSION

The main objective of the Goldwater-Nichols Act was to prevent an imbalance between the long range Service Department goals oriented toward expansion and modernization, and the cross-service or joint goals of readiness and sustainability needed for warfighting preparedness [Defense News: 1988 34].

It is the defense budget that sets the parameters for the future. The decision makers in the process must determine which priorities best support our national military strategy. The end product of the PPBS, the allocation of defense resources, will ultimately affect how

the CINCs will fight. This review of the role of the CINCs indicates that CINC participation in the DoD resource allocation process has increased and in its present stage has heightened awareness of the CINCs' warfighting needs. The CINCs are currently satisfied with the results. Five[88] of the ten CINCs who testified before Senate Armed Services Committee on March 15th of this year stated without reservation that the Act did lead to an expansion of their role in determining how defense allocations are spent [Defense News: 1988 34]. In general, the CINCs seem satisfied with their increased role and with the direction and momentum of the reform movement. They are confident about the effects of their of their growing abilities to contribute to PPBS processes. Comments from the CINCs show a general optimism about the projected results of this Act. The CINCs, JCS, and OSD all support cautious and gradual reform measures and condemn radical ones. Therefore, integration can be best performed on an incremental basis, giving each of the major changes instituted since the Taft memorandum in 1984 a chance to work.

The time constraints in DoD's PPBS remain unchanged. To allow for the more effective participation of the CINCs, the length of time for many PPBS events needs to be expanded. To better integrate the CINCs into the PPBS staff members at USCINCPAC recommended that (a) scheduled time be allotted to the CINCs throughout the PPB process; (b) that specific theatre allocations be given greater visibility; and (c) that data exchange mechanisms be improved. To improve participation within PPBS, the staff advocated opening the President's budget to the CINCs' review and developing a

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88. The five CINCs who testified were Admiral Lee Baggett, Jr., USLANTCOM; Admiral Ronald Hays, USPACOM; General George Crist, USCENTCOM; Lieutenant General Harry Goodall, Deputy Commander, USSOC; and General Thomas Richards, Deputy Commander, USEUCOM.

"push" data system to keep the CINCs' headquarters informed of program and budget activity affecting CINC interests.[89]

In analyzing the types of information useful to the CINCs in their expanded role, the CINCs need more access to the Services' documentation. Particularly, the CINCs need better program data. In October 1985, a review of CINC participation in program formulation indicated that the CINCs' data was less accurate than the Services and, therefore, contributed little to program development [Lower: 1988 19]. The CINCs would also desire information which would allow them to track outlays earmarked for their commands through to execution. Following an item through the execution process is extremely difficult. Finally, the CINCs need better information from within their commands. The communications link between the CINCs and their Service component commanders and subordinate unified command needs to be strengthened to improve participation in the PPBS. The types of information needed by the CINCs to participate effectively, in their expanded role, was summarized by CINCPAC members into three main areas: (a) information on the theatre allocation of items, (b) program activity data, (c) information promoting visibility into acquisition decisions, and (d) Service-to-CINC information .[90]

Recently, DEPSECDEF Taft directed a review of the reporting systems through which the Services display to the CINCs how they are providing for theatre warfighting needs [Taft: 1988 1]. In response to this review, USCINCPAC addressed five major issues:

1. CINC Representation in the POM Development - All of the Services provide adequate opportunities for CINCs to voice their concerns during the POM building process. In this area, the IPL is a valuable tool as the Services attach appropriate weights to the IPLs and component commanders communicate well with Service

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89. Adapted from interviews with COL Robert W. Molyneux, Jr., Mr. Malis, and other staff members at USCINCPAC from 6 to 8 April 1988.

90. Ibid.

headquarters on specific items which support IPL concerns.

2. CINC Knowledge and Use of Service Processes - The Service systems in place since POM 88 have enhanced component commanders' responses to requests for information from USCINCPAC. However, the information provided during budget review and execution still needs to be improved. Automated published channels of communication must be developed by each of the Services to ensure the CINCs have access to the necessary data to enable them to fulfill their role.

3. Timeliness of Information - A "push system" of information is needed during budget execution and review. Recommendations were for the CJCS to institutionalize the system and expand the scope of this pilot program.

4. Theatre Perspective - While highly visible programs are easy to track through channels, large general programs, such as theatre reserve stocks, are more difficult to assess. A data base showing theatre apportionment data under a base-case OPLAN for all POM items which support CINC IPL concerns should be developed and updated with the FYDP.

5. CINC Integrated Priority Lists and POM Annexes - IPLs serve to focus DoD's leadership on a few major problem areas and provide the program development requirements to the Services for POM building. In the last IPL submission, USCINCPAC prepared two versions of the IPL: (a) and executive summary which listed only key warfighting concerns, and (b) an expanded list detailing the programs which the CINC prefers to support his warfighting needs. The executive summary was submitted to OSD while the expanded list was distributed to Service programmers.

To enhance the critical linkage between the CINC and his Service component commanders, USCINCPAC developed Mission Area Review Panels (MARPs) as a part of the formal procedures for its staff to assist in compliance with the Goldwater-Nichols Act and JCS Publication 2 [USCINCPAC: 1987 1-3]. From within the command, a chairman, who is the functional expert for the particular issue or program area under concern, is selected for each MARP as appropriate. Service component commands also provide representatives for the MARPs and subordinate unit commanders furnish input for preparation and review of PPBS documents. The MARPs are initially convened for the IPL and are later reconvened to assess how the Services have supported each of the issues after the POMs. If the MARP determines that a priority issue was not supported, it then may become an issue for the DRB. For CINCPAC, the Army POM is not specific enough.

Determining how much of the POM is for CINCPAC is difficult. Other information problems deal with timeliness. In CINCPAC's case, obtaining timely Program Budget Guidance (PBG) from Eighth Army and US Army Japan is difficult. Important is the fact that USCINCPAC does not control these two commands, it only speaks for them on resource issues. The Unified Commanders do not submit a POM; instead program requirements must be included in Service POMs [Lower: 1988 17].[91] [USCINCPAC: 1987 1-3]

Congressional actions codified many of the initiatives already begun within DoD and added others. Now, by law, the CINCs are increasingly involved in planning, programing, and budgeting in the defense resource allocation system. The Act has served to increase the visibility and the voice of the CINCs in the PPBS to assist them in the determination of the resources needed for warfighting. Some critics advocate that Congress has gone too far with the Goldwater-Nichols Act and has given the CINCs too much visibility. Another important concern is that the CINCs are neither ready nor able to implement the provisions of the Act. [Lower: 1988 16]

Congress has the power to reduce the President's budget. However, congressional interest has turned toward balancing the CINCs' warfighting needs within the DoD resource allocation structure. The demand for various CINCs at congressional hearings has significantly increased over the past year. Therefore, what Congress does with the budget with respect to resourcing the CINCs is an issue for further study. CINC programs that are a part of the budget when it leaves DoD have little benefit if the funds are not authorized and appropriated by Congress. [Batchellor: 1986 45]

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[91] Adapted from interviews at USCINCPAC's Planning and Programing Division on 5 April 1988.

From DoD's perspective reducing the congressional tendency to micromanage the budget would significantly improve DoD's PPBS [Batchellor: 1986 45]. For Congress, increasing the voice and visits of the CINCs may be desired to acquire more information for use in budget augmentation or reduction. A general public presumption exists that a direct link exists between the overall budget and the defense budget. Wildavsky in *The New Politics of the Budgetary Process* cites this supportive relationship between budgeta y norms where a decline in one promotes a contraction to others [Wildavsky: 1988 401].

> Budget balance comprises two kinds of equivalencies: accepted limits on revenue and expenditure, and the desire for these totals to come close together. Such limits foster a sense of mutual dependence because all faced similar constraints. The norm of balance engendered a sense of self-sacrifice because each of the parts had to limit their wants to achieve the broader goal of balance. ...Participants knew that their individual adherence to the provisions of the budget contract would be rewarded by the contract being kept by all other parties. Everyone knew the size of the pie and the size of the pieces. [Wildavsky: 1988 401]

As a result of these budgetary norms, defense spending is anticipated to increase whenever the federal budget increases. Congress made a decision to compel the involvement of the CINCs in order to have less money spent on the large acquisition projects and more on readiness and sustainability. Congressional concern was reinforced by interoperability problems such as Desert I and communications problems in Grenada. From the budgetary perspective, a sequencing problem exists in that while DoD is trying to adhere to the two year cycle, Congress is still on a one year schedule.[92]

OSD does not want the CINCs to usurp their role in force development. The needs of the various CINCs differ, and it is OSD and the Services which must look at all the various requirements across the board. An increase in power to the CINCs may be considered a decrease in power to OSD.

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[92]. Adapted from interview with Mr. Malis of the Program and Budget Analysis Branch, at USCINCPAC.

OSD views the insistence of Congress on having separate CINC budgets as an unreasonable intrusion into their area of responsibility. The impact of the Act in the area of separate CINC budgets may be much smaller than many people expect. OSD plans to comply with the stronger wording in the recent amendments to the Act which mandate separate CINC budgets. However, OSD may not comply in a way which some Congressmen expect. OSD is planning to submit CINC budgets dealing only with CINC headquarters and staffs, a smaller amount of funds which fulfills requirements of the law and uses the flexibility in the wording.[93] Although some of the CINC have added additional budget personnel to their staffs, they are not equipped to handle separate budgets.[94] The CINCs are not equipped to make tradeoffs between themselves and the Services.[95] And, the Services are no more or less parochial than the CINCs. Therefore, it appears that JCS needs to oversee the process.[96]

Impediments to CINC involvement in the budget allocation process exist both outside and within the various commands. The adequacy, responsiveness, and timeliness of data produced within command headquarters and between the headquarters and component commands or subordinate unified commands needs to be improved. The analytical expertise of the headquarters staffs is also a limiting factor. With respect to the external environment, CINC staffs need more training and experience in the unspoken rules of the budgetary game and in DoD's PPBS process to enhance the affects of their increased visibility and influence on the outcomes of the defense resource allocation process.

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93. Adapted from telephonic interview with Mr. Leeland Jordan, of Program and Budget Integration, OSD, on 18 May 1988.

94. Ibid.

95. Ibid.

96. Adapted from telephonic interview with Mr. Malis on 4 April 1988.

D. RECOMMENDATIONS FOR FURTHER STUDY

If the strength of the DoD reorganization reform movement becomes more comprehensive in nature, and if the roles of participants continue to change in the quest for better balance in the decision making process for the allocation of defense resources, then it may follow that the structure must also be altered to accommodate such changes. Therefore, a question for further study is how should the structure change to accommodate CINC participation to make it more effective? Where can participation within PPBS be most effective? Another area of concern is how can the CINCs track outlays, requested by them in IPLs and budgeted for their theatre areas by the Services, through the PPBS to program execution and receipt of those resources in order to determine if those funds are spent on items for their command.

APPENDIX A

DOD DIRECTIVE 7045.14, THE PPBS

SUBJECT: Implementation of the Planning, Programing, and Budgeting System (PPBS)

References: (a) DoD Instruction 7045.7, "The Planning, Programming and Budgeting System," October 29, 1969 (hereby canceled)
(b) DoD Directive 7045.14, "The Planning, Programing, and Budgeting System (PPBS)," May 22, 1984
(c) DoD 5025.1-M, "DoD Directives System Procedures," April 1981, authorized by DoD Directive 5025.1, October 16, 1980
(d) General Accounting Office (GAO) PAD-81-27, "A Glossary of Terms Used in the Federal Budget Process," March 1981[1]
(e) through (m), see enclosure 1

A. REISSUANCE AND PURPOSE

1. This Instruction reissues reference (a) and establishes procedural guidance in support of reference (b) for the formulation, submission, analysis, review, and approval of new and revised DoD plans, programs, and budgets; the processing and approval of resource changes to the Five Year Defense Program (FYDP); and the maintenance and updating of the FYDP structure.

2. It authorizes the publication of DoD 7045.7-H, "FYDP Program Structure Handbook," consistent with reference (c).

B. APPLICABILITY

This Instruction applies to the Office of the Secretary of Defense (OSD), the Military Departments, the Organization of the Joint Chiefs of Staff (OJCS), the Unified and Specified Commands, and the Defense Agencies (hereafter referred to collectively as "DoD Components").

C. DEFINITIONS

Terms used in this Instruction are defined herein and in reference (d).

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[1] Can be obtained from U.S. General Accounting Office, Document Handling and Information Services Facility, P.O. Box 6015, Gaithersburg, Maryland. 20760, (202) 275-6241.

D. POLICY

1. The purpose of the PPBS is to produce a plan, a program, and finally, a budget for the Department of Defense. The budget is forwarded to the President for his approval. The President's budget is then submitted to Congress for authorization and appropriation.

2. The PPBS processes are based on and consistent with objectives, policies, priorities and strategies derived from National Security Decision Directives. Throughout the three major phases of planning, programing, and budgeting the Secretary of Defense will provide centralized policy direction while placing program execution authority and responsibility with the DoD Components. The DoD Components will provide advice and information as requested by OSD to permit the latter to assess execution and accountability. Participatory management involving the DoD Components shall be used in each phase to achieve the objective of providing the operational commanders-in-chief (CINCs) the best mix of forces, equipment and support attainable within resource constraints. The decisions (as modified by legislation or Secretary of Defense direction) associated with the three major phases of the PPBS will be reflected in the FYDP as Secretary of Defense approved programs for the military functions of the Department of Defense. The FYDP will address the prior, current, budget and program years.

E. PROCEDURES

1. Key PPBS Documents. See enclosure 2. These documents are:

a. Joint Long Range Strategic Appraisal (JLRSA);

b. Joint Strategic Planning Document (JSPD);

c. Defense Guidance (DG);

d. Program Objective Memoranda (POMs);

e. Joint Program Assessment Memorandum (JPAM);

f. Issue Books (IBs);

g. Program Decision Memoranda (PDMs);

h. Budget Estimates;

i. Program Budget Decisions (PBDs);

j. President's Budget.

2. PPBS Schedule. Timely publication of the PPBS documents is critical to the management of the Department of Defense. Since the system represents a dialogue among the many participants, the relevant documents, complete with annexes, must be issued to allow adequate time for analysis and response. A schedule of significant events in the PPBS process for the upcoming calendar year shall be developed by the Executive Secretary to the Defense Resources Board, assisted by the Office of the Assistant Secretary of Defense (Comptroller)

(OASD(C)) with input from the Under Secretary of Defense for Policy (USD(P)), and the Director for Program Analysis and Evaluation (DPA&E) and shall be issued annually to establish the dates for:

a. Submission by the JCS of a recommended national military strategy and related military advice;

b. Issuance of the DG;

c. Submission and review of DoD Components' POMs;

d. Submission by the JCS of the JPAM;

e. Development and processing of IBs;

f. Issuance of Secretary of Defense PDMs;

g. Submission and review of the DoD Components' budget estimates;

h. Issuance of PBDs;

i. Other significant items having an impact on the decisionmaking cycle.

3. General System Description. Each of the documents cited below is described in detail in enclosure 2. Enclosure 4 is a general systems flow chart.

a. The PPBS is a cyclic process containing three distinct but interrelated phases: planning, programing, and budgeting. The process provides for decisionmaking on future programs and permits prior decisions to be examined and analyzed from the viewpoint of the current environment (threat, political, economic, technological, and resources), and for the time period being addressed.

b. The planning period encompasses the upcoming FYDP period (mid-term) plus a 10-year extended planning period (long-term). In the planning phase of the PPBS, the military role and posture of the United States and the Department of Defense in the world environment are examined, considering enduring national security objectives and the need for efficient management of resources. The focus is on the following major objectives: defining the national military strategy necessary to help maintain U.S. national security and to support U.S. foreign policy 2 to 7 years in the future; planning the integrated and balanced military forces necessary to accomplish that strategy; assuring the necessary framework (including priorities) to manage DoD resources effectively for successful mission accomplishment consistent with national resource limitations; and providing decision options to the Secretary to help him assess the role of national defense in the formulation of national security policy, and related decisions. Planning goals and programing objectives, milestones, progress, issues, and problems are discussed with the Secretary and remedial plans and actions initiated, as appropriate.

c. The first fundamental documents in the PPBS cycle are the Joint Long Range Strategic Appraisal (JLRSA), the Joint Strategic Planning Document

(JSPD), complete with annexes, and the Military Departments' Long Range Plans. They contain the independent JCS and Military Departments' military strategy, advice and recommendations to be considered when developing the DG for the mid- and long-term. In addition, commanders of Unified and Specified Commands also provide the Secretary of Defense and the Defense Resources Board (DRB), their personal appraisals of major issues and problems of their commands that should be addressed in the DG, including principal concerns and trends in both the threat and the evolving U.S. response.

d. The final document of the planning phase is the DG which promulgates defense policy, strategy, force planning, resource planning and fiscal guidance. The fiscal, force and resource planning guidance reflect economic constraints and the Secretary of Defense's management priorities.

e. The DoD Components develop proposed programs consistent with the policy, strategy, force, resource, and fiscal guidance provided in the DG. These programs, expressed in the POMs, reflect systematic analysis of missions and objectives to be achieved, alternative methods of accomplishing them, and the allocation of resources. In addition to the budget year, the program period is the 4 years beyond the budget year for cost and manpower, 7 years beyond the budget year for forces.

f. After the POMs are submitted, the JCS provide in the JPAM a risk assessment based on the capability of the composite force level and support program for the U.S. Armed Forces to execute the strategy outlined in the DG.

g. The POMs are analyzed, in the light of the JCS risk assessment, for compliance with previous guidance documents. Issues are developed, staffed, and compiled in Issue Books. The DRB then meets to discuss the issues. Decisions made on the issues by the Secretary and Deputy Secretary are then formally announced in the PDMs.

h. With the establishment of program levels in the POM as modified by PDMs, the budgeting phase begins with the DoD Components developing detailed budget estimates for the budget years of the approved program. These estimates are reviewed and analyzed during the Joint OMB/DoD Budget Review and are approved or revised in budget decision documents. Decisions reached as a result of the program review and promulgated in PDMs should not be reexamined in the budgeting phase, unless new information or new factors are brought to light.

i. The President's Budget is finalized and sent to Congress as the final output of the PPBS.

j. Following the enactment of the budget into authorization and appropriation acts by the Congress, several actions are taken to monitor accountability and execution. The monitorship involves administrative control of funds; reporting of actual results; assessment of applicability of those results to the preparation of future plans, programs, and budgets; and supplying financial information to DoD managers. The centerpiece of the execution process is the annual apportionment of budget funds to the Military Departments and Defense Agencies. Resource requirements are reconsidered, revised allocations made and funds released or withheld for administrative or technical considerations. Funds are subsequently obligated and expended in accordance with apportionment guidelines. The Secretary of Defense's Performance Review is an integral element

of the execution process. This recurring review of selected programs of high priority and top level policy interest is a vehicle for Secretarial decisions and the initiation of further review or action. Goals and objectives, milestones, progress, issues and problems are discussed with the Secretary during these reviews.

k. The interface between the weapons acquisition process, as defined in DoD Directive 5000.1 (reference (k)) and DoD Instruction 5000.2 (reference (j)), and the PPBS is achieved by designated membership of the Defense Systems Acquisition Review Council (DSARC) and the Defense Resources Board (DRB), and the requirement to develop an acquisition strategy for all major systems. In the development of the acquisition strategy there are four distinct phases: (1) concept development; (2) demonstration and validation; (3) full scale development; and (4) production and deployment. Milestone decision points are identified in the acquisition strategy in conjunction with these phases. A requirement validation, based on the Military Department's justification of a major system new start, is submitted as part of their POMs. Secretary of Defense directions are included as part of his PDMs. At Milestone II, the Secretary of Defense decides on program go-ahead and whether to proceed with full scale development, based on the recommendation of the DSARC. Approval to proceed is contingent upon the Military Department's demonstration that sufficient funds are included in their POMs and extended planning annexes to fund the acquisition and support of the weapon system.

4. FYDP and Reporting Requirements

a. General

(1) The FYDP quantifies forces and resources associated with Secretary of Defense approved programs for the Department of Defense. It resides in an automated data base which is updated and published at least three times a year. Major publications coincide with (a) submission of Component POMs, (b) submission of budget estimates, and (c) submission of the President's Budget. The FYDP contains forces, manpower, and total obligational authority (TOA) identified to a program element structure aggregated into ten major defense programs. Program elements within the 10 defense programs represent aggregations of organizational entities comprising the combat forces and support functions of the Department of Defense. Resources are further subdivided by resource identification codes (RICs) which identify force type, manpower type, and budget appropriation. (See enclosure 5 for the FYDP concepts and structure.)

(2) The FYDP is assigned Report Control Symbol (RCS) DD-COMP (AR)853.

(3) DoD 7045.7-H, maintained by the ASD(C), contains the DoD program structure; it includes all approved definitions, codes, and titles used in the FYDP data base, and program and program element criteria.

(4) Program Change Requests (PCRs) will be used to propose out-of-cycle changes to FYDP data that would result in a net change to a DoD Component's resources. Pursuant to DoD 7110.1-M (reference (e)), PCRs shall be submitted by the gaining organization to reflect the resource impact of

functional transfers. The resource impact of the transfer shall be incorporated in the next FYDP update only after having been approved by a Program Change Decision (PCD). Approval for the functional transfer may be accomplished by memorandum or other decision document, but must be signed by the Secretary of Defense. PCRs will also be used to propose changes to the FYDP structure definitions and codes which would result in no net change to a DoD Component's resources. (See enclosure 6 for use and preparation of PCRs.)

(5) PCDs shall be used to reflect OSD decisions on PCRs. (See enclosure 7 for use and preparation of PCDs.)

b. Other FYDP Usage

(1) The FYDP is used extensively as a data base for many related processes within the Executive Branch. Within DoD, in addition to containing the official published results of the PPBS process, it is also widely used as a source of data both for analysis and as an input to alternative ways of displaying and portraying actual and programed resources. The uses include: the Secretary of Defense's Annual Report to the Congress; the Defense Manpower Requirements Report, and the Defense Planning and Programming Category Reports.

(2) As a result of congressional requests, a special annual publication of the FYDP, containing the prior, current, and budget years, and a procurement annex containing the prior, current, budget and four outyears, have been developed and provided to various congressional oversight committee staffs and the Congressional Budget Office (CBO). Since the FYDP outyear programs reflect internal planning assumptions, FYDP data beyond the budget year shall not be released outside the Executive Branch of the Government without the expressed written consent of the Assistant Secretary of Defense (Comptroller).

(3) The CBO has developed a Defense Resource Model (DRM) for use as an analytical tool in support of alternative levels of defense resources. Following the budget submission to Congress, budget year data are extracted from the FYDP according to CBO specifications, which aggregate program elements and resource identification codes to unclassified summary levels for input to the DRM. Data from the DRM are used by CBO to fulfill the legal requirement for mission-oriented displays under Pub. L. 93-344 (reference (f)).

c. Subsystems and Annexes.

There are a number of data bases that are subsidiary to, or reconcilable with, the data in the FYDP. The sponsoring office is responsible for design, installation, and maintenance of subsystems and annexes, their data bases, and for compliance with DoD Directive 5000.19 (reference (g)). Currently they are:

(1) Research, Development, Test, and Evaluation (RDT&E) and Acquisition Data Base. All procurement line items in the Procurement Annex, and all program elements in the RDT&E Annex are coded in accordance with the Under Secretary of Defense for Research and Engineering (USDR&E)) mission area structure, to be used as the basis for mission area analysis, justification of major systems new starts, and the POM review of all acquisition activities. Sponsoring Office: OUSDR&E. RCS DD-COMP(AR)1092.

(2) RDT&E Annex. This Annex is the official reflection of the RDT&E program elements approved during the review processes. It will be maintained to reflect all applicable decisions and provide consistency with the FYDP.
Sponsoring Office: OASD(C). RCS DD-COMP(AR)1092.

(3) Procurement Annex. This Annex is the official reflection of the procurement line item programs approved during the review processes. It will be maintained to reflect all applicable decisions and provide consistency with the FYDP.
Sponsoring Office: OASD(C). RCS DD-COMP(AR)1092.

(4) Construction Annex. This Annex is the official reflection of the construction projects approved during the review process. It will be maintained to reflect all applicable decisions and provide consistency with the FYDP.
Sponsoring Office: OASD(C) RCS DD-COMP(AR)1092.

5. Decision Implementation

a. Secretary of Defense decisions normally will be identified in one of the decision documents described herein. In addition, reprograming actions in accordance with DoD Instruction 7250.10 (reference (h)) shall be reflected in FYDP updating. DoD Components will implement Secretary of Defense decisions and will enter the forces, manpower, and cost data in the FYDP data file by program element in accordance with DoD Instruction 7045.8 (reference (i)). The ASD(C) shall issue a PCD directing FYDP updates to be submitted. The PCD will include any special instructions, program structure changes, limitations, and controls necessary for the update.

b. The Defense Systems Acquisition Review Council (DSARC) assists the Secretary of Defense in deciding on affordability and other factors bearing on the development of a weapon system in accordance with approved and proposed schedules, to include provisions for support and maintainability of the system. Reviews are held at several established milestones in the acquisition process (DoD Instruction 5000.2, reference (j)) to determine if the weapon system is ready to progress to the next phase, should be terminated, or held in current phase of development. Documentation prepared for programs presented to the DSARC by the Military Departments for review must include aggregated TOA financial data projections which demonstrate that sufficient resources are in the total Military Department FYDP and Extended Planning Annex to execute the program along with needed support funding in accordance with acquisition plans recommended. Any differences that may develop between the baseline program established at Milestone II and the program included in the POM or budget submission must be justified by the Secretary of the Military Department concerned, with respect to acquisition management requirements to budget-to-cost.

c. In accordance with DoD Directive 5000.1 (reference (k)), mission need determinations for proposed major system new starts are accomplished in the POM review and the Secretary's decision and program guidance regarding the Justification for Major System New Starts (JMSNS) are provided in the PDM. This guidance and decision authorizes the DoD Components, when funds are available, to initiate the next acquisition phase.

6. Limitations. Approval of programs in the DSARC or the PPBS process shall not constitute authority either to commit or obligate funds.

F. RESPONSIBILITIES

1. The Secretary and the Deputy Secretary of Defense, assisted by the OSD staff, exercise centralized control of executive policy direction by concentrating on major policy decisions, defining planning goals, and allocating resources to support these objectives, to include joint, DoD-wide, cross-Service and cross-command programs.

2. The Heads of DoD Components shall:

a. Participate in the planning, programing, budgeting process described above.

b. Develop and execute the necessary programs.

c. Provide the day-to-day management of the resources under their control.

d. Audit and evaluate program execution.

e. Participate in meeting the objectives and requirements of national security objectives as identified in all stages of the PPBS.

3. The Chairman, Defense Resources Board, and the Board's Members, under references (l) and (m), shall be responsible for:

a. The management and oversight of all aspects of the entire DoD planning, programing, and budgeting process.

b. Managing the planning process which develops the annual DoD DG with the USD(P) in the lead.

c. Managing the POM review process, with DPA&E in the lead, to ensure adherence to the fiscal and other mandatory guidance.

d. Overseeing the annual budget review process.

e. Minimizing the reevaluation of decisions in the absence of new information or new factors.

4. The Executive Secretary to the DRB shall:

a. Coordinate DRB management of the entire PPBS process, in support of the Board and the Chairman.

b. Manage the DRB agenda and meetings process.

c. Manage the DG preparation process.

d. Manage the POM program review issue process.

e. Oversee the annual budget review process.

f. Chair the Program Review Group to support management of the DRB program review process.

g. Record major decisions of the Deputy Secretary of Defense, taken on advice of the DRB.

h. Prepare the annual PPBS calendar of key events, assisted by the OASD(C), and with input from USD(P) and DPA&E.

i. Prepare, as appropriate, PPBS DoD Directives and Instructions, assisted by the ASD(C), in coordination with USD(P) and DPA&E.

5. The Under Secretary of Defense for Policy shall:

a. Take the lead in the development of overall policy, strategy, force and resource planning guidance.

b. Take the lead in developing and coordinating, with the DRB, the publication of the DG.

6. The Under Secretary of Defense for Research and Engineering shall:

a. Coordinate with ASD(C), ASD(MI&L), and DPA&E the interface of the acquisition process with the PPBS.

b. Coordinate review of the JMSNS provided by DoD Components in the POM to determine whether major system new starts should be included in the PDM.

7. The Under Secretary of Defense for Research and Engineering, and the Assistant Secretary of Defense (Manpower, Installations, and Logistics) shall be responsible for assisting in the development of resource planning goals, programing objectives, and related guidance.

8. The Assistant Secretary of Defense (Comptroller) shall:

a. Coordinate the annual budget review in support of the DRB.

b. Be responsible for central control and management of the FYDP, including DoD 7045.7-H, "FYDP Program Structure Handbook."

c. In conjunction with the DPA&E, develop annual fiscal guidance for the annual DG.

d. Assist the Executive Secretary to the DRB in the preparation of the annual PPBS calendar of key events, with input from USD(P) and DPA&E.

e. Assist the Executive Secretary to the DRB in the preparation of PPBS Directives and Instructions, in coordination with USD(P) and DPA&E;

f. Be responsible for coordinating the presentation and justification of the budget to Congress.

9. The Director for Program Analysis and Evaluation shall:

a. Integrate the POM Preparation Instructions;

b. Coordinate the annual program review and the IB development in support of the Executive Secretary to the DRB;

c. In conjunction with the ASD(C), develop fiscal guidance for the annual DG.

G. INFORMATION REQUIREMENTS

Each DoD Component shall comply with the provisions of DoD Directive 5000.19 (reference (g)) within their respective areas of responsibility. Reporting requirements are addressed in subsection E.4., above.

H. EFFECTIVE DATE AND IMPLEMENTATION

This Instruction is effective immediately. Forward three copies of implementing documents to the Assistant Secretary of Defense (Comptroller) within 120 days.

Vincent Puritano

VINCENT PURITANO
Assistant Secretary of Defense
(Comptroller)

Enclosures - 7
1. References
2. Description of Key Planning, Programing, and Budgeting System (PPBS) Documents
3. Definition of Issue Books and Assignment of Responsibility
4. PPBS Flow Chart
5. The FYDP Concepts and Structure
6. Instructions for the Use and Preparation of Program Change Requests (PCRs)
7. Instructions for Use and Preparation of Program Change Decisions (PCDs) and Program Budget Decisions (PBDs)

REFERENCES

(e) DoD 7110.1-M, "Department of Defense Budget Guidance Manual," July 8, 1982 (Reprint) as amended, authorized by DoD Instruction 7110.1, October 30, 1980

(f) Public Law 93-344, "The Congressional Budget and Impoundment Control Act," July 12, 1974

(g) DoD Directive 5000.19, "Policies for the Management and Control of Information Requirements," March 12, 1976

(h) DoD Instruction 7250.10, "Implementation of Reprograming of Appropriated Funds," January 10, 1980

(i) DoD Instruction 7045.8, "Procedures for Updating Five Year Defense Program Data," May 23, 1984

(j) DoD Instruction 5000.2, "Major System Acquisition Procedures," March 8, 1983

(k) DoD Directive 5000.1, "Major System Acquisition," March 29, 1982

(l) Secretary of Defense Memorandum, "Establishment of Defense Resources Board," April 7, 1979

(m) Deputy Secretary of Defense Memorandum, "Management of the DoD Planning, Programming and Budgeting System", March 27, 1981

DESCRIPTION OF KEY PLANNING, PROGRAMING, AND BUDGETING SYSTEM (PPBS) DOCUMENTS

A. JOINT LONG RANGE STRATEGIC APPRAISAL (JLRSA)

The JLRSA shall be submitted by the JCS to provide transition from long-range to mid-range strategic planning. The JLRSA is intended to stimulate more sharply focused strategic studies. Additionally, the JLRSA influences the development of the JSPD.

B. JOINT STRATEGIC PLANNING DOCUMENT (JSPD)

The JSPD shall be submitted by the JCS to provide military advice to the President, the National Security Council and the Secretary of Defense. It shall contain a concise, comprehensive military appraisal of the threat to U.S. interests and objectives worldwide, a statement of recommended military objectives derived from national objectives, and the recommended military strategy to attain national objectives. It shall include a summary of the JCS planning force levels required to execute the approved national military strategy with a reasonable assurance of success, and views on the attainability of these forces in consideration of fiscal responsibility, manpower resources, material availability, technology, industrial capacity, and interoperability in joint and cross-Service programs. The JSPD shall also provide an appraisal of the capabilities and risks associated with programed force levels, based on the planning forces considered necessary to execute the strategy as a benchmark, and shall recommend changes to the force planning and programing guidance. The JSPD provides a vehicle for an exchange of views on defense policy among the President, the Secretary of Defense, the National Security Council and the Joint Chiefs of Staff.

C. DEFENSE GUIDANCE (DG)

After consideration of the military advice of the JCS, as expressed in the JLRSA and JSPD, a draft of the DG is issued to solicit comments of all DoD Components, including the CINCs, on the major issues, problems, and resource constraints in developing and programing forces to execute the policy, strategy, and management direction. The draft DG is also provided to the Department of State, the Staff of the National Security Council, and the Office of Management and Budget for comment. The final version of the DG, which is an output of the planning phase, serves as an authoritative statement directing defense policy, strategy, force and resource planning, and fiscal guidance for development of the POMs. The DG will consist of the following elements: near and long-term threat assessment and opportunities; policy and strategy guidance; force planning guidance; resource planning guidance; fiscal guidance; and unresolved issues requiring further study.

D. PROGRAM OBJECTIVE MEMORANDA (POMs)

Annually, each Military Department and Defense Agency shall prepare and submit to the Secretary of Defense a POM that is consistent with the strategy and guidance, both programmatic and fiscal, as stated in the DG. Major issues that are required to be resolved during the year of submission must be identified.

Supporting information for POMs will be in accordance with the annual POM Preparation Instructions or requirements established by DoD Directive or Instruction.

E. JOINT PROGRAM ASSESSMENT MEMORANDUM (JPAM)

The JPAM shall be submitted by JCS for consideration in reviewing the POMs, developing IBs, and drafting PDMs. It shall provide a risk assessment based on the composite of the POM force recommendations and include the views of the JCS on the balance and capabilities of the overall POM force and support levels to execute the approved national military strategy. When appropriate, the JCS shall recommend actions to achieve improvements in overall defense capabilities within alternative funding levels directed by the Secretary of Defense.

F. ISSUE BOOKS (IBs)

1. Based on a review of the POMs in relation to the DG and JPAM, issues shall be prepared by the OSD staff, the DoD Components and OMB. One-page outlines of proposed major issues may be submitted by any DRB or Program Review Group (PRG) (a working group subordinate to the DRB) member. The issues should have broad policy, force, program, or resource implications. Particular emphasis should be given to cross-Service issues that have not been adequately, or consistently, addressed in the POMs. Major issues that were decided during the previous year's program and budget review should be addressed only if some major new factors have appeared since that decision.

2. The proposed issues shall be reviewed by the PRG, which shall recommend whether or not they are appropriate for DRB consideration. The selected issues shall be developed by an issue team under the direction of a lead office designated by the PRG, and assigned to one of the IBs. (See enclosure 3 for a description of the IBs and assignment responsibilities.) IBs will be sent to the DRB for their review. The full DRB will meet to discuss the issues. The major issues that are raised during the program review will be measured against the DG, against available budgetary resources, and against the management initiatives. The program produced as a result of the review should demonstrate the maximum degree of policy implementation consistent with national resource limitations. The Deputy Secretary of Defense will make all appropriate decisions after consultation with the Secretary.

G. PROGRAM DECISION MEMORANDA (PDMs)

DRB program review decisions shall be recorded in a set of PDMs, signed by the Secretary or the Deputy Secretary of Defense, and distributed to the DoD Components and OMB. The PDMs will then be the basis for the budget submissions.

H. BUDGET ESTIMATES

Annually, each DoD Component shall submit its budget estimates to the Secretary of Defense in accordance with DoD 7110.1-M (reference (e)). The budget estimates shall include the prior, current, and budget fiscal years (budget year plus one for programs requiring Congressional authorization) in accordance with established procedures. Data for the outyears (the 4 years beyond the budget year) will be derived from, or be consistent with, the FYDP

DEFINITION OF ISSUE BOOKS
AND
ASSIGNMENT OF RESPONSIBILITY

A. The Policy and Risk Assessment book (1) is intended to focus attention on broad Defense-wide policy, strategy and resource allocation issues, and to estimate the risk associated with the proposed programs submitted by the DoD Components. This book will contain two major sections. The first will be a broad overview of the effectiveness of the proposed programs in carrying out the force planning priorities stated in the Defense Guidance. The second will be an evaluation of how well the POMs carry out the strategy. This second section will draw heavily from the material presented in the JPAM, but may include other views as well. Risks and shortcomings affecting the success of the strategy will be identified. The information that will be provided in this book is intended to establish the overall context within which subsequent, more detailed, force and program decisions will be made. USD(P) and the JCS shall be the main contributors to Section I and DPA&E and the JCS to Section II. USD(P) shall be responsible for assembling the book as called for by the schedule.

B. The Nuclear Forces book (2) will include both Strategic and Theater Nuclear Force issues. USDR&E, Assistant Secretary of Defense (International Security Policy) (ASD(ISP)), and DPA&E shall be the main contributors with DPA&E responsible for assembling the book as called for by the schedule.

C. The Conventional Forces book (3) will include General Purpose Forces issues. USDR&E, Assistant Secretary of Defense (International Security Affairs) (ASD(ISA)), and DPA&E shall be the main contributors with DPA&E responsible for assembling the book as called for by the schedule.

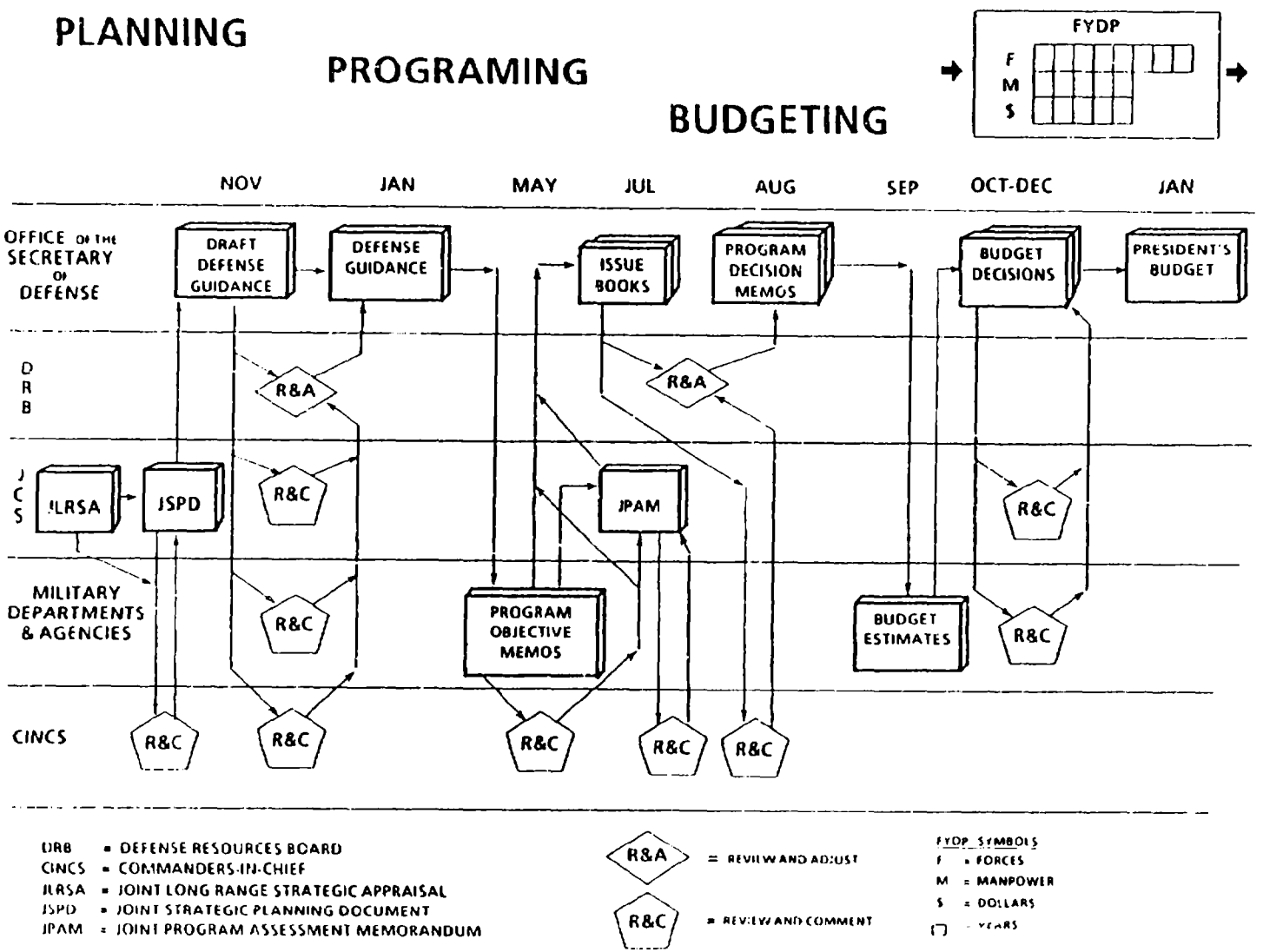
D. The Modernization and Investment book (4) will include all issues which are predominantly of a modernization and investment nature that are not appropriate to include in the Nuclear and Conventional Forces Books. USDR&E, ASD(MI&L) and DPA&E shall be the main contributors and USDR&E will be responsible for assembling the book as called for by the schedule.

E. The Readiness and Other Logistics book (5) will include readiness and logistics related issues. ASD(MI&L) shall be the main contributor and responsible for assembling the book as called for by the schedule.

F. The Manpower book (6) will include manpower related issues. ASD(MI&L) and Assistant Secretary of Defense (Health Affairs) (ASD(HA)) shall be the principal contributors with ASD(MI&L) responsible for assembling the book as called for by the schedule.

G. The Intelligence book (7) will be confined to Defense elements of the National Foreign Intelligence Program (NFIP), the Defense Reconnaissance Support Program (DRSP), and other compartmented Tactical Intelligence and Related Activities (TIARA). Other issues concerning TIARA will be addressed in the Modernization and Investment Book. The Deputy Under Secretary of Defense for Policy (DUSD(P)) and Assistant Secretary of Defense for Command, Control, Communications, and Intelligence (ASD(C3I)) jointly shall prepare the Intelligence Book, and USDR&E shall have overall responsibility for assembling the book as called for by the schedule. Due to the classification this book will be reviewed by selected members of the DRB in executive session.

H. The Management Initiatives book (8) will review the application in the POMs of the principles enunciated in the acquisition management initiatives and review and summarize the economics and efficiencies submissions. In addition to any specific issues raised in accordance with paragraph F of enclosure 2, the Management Initiatives book will include a review of JMSNS proposals; pose alternatives approving, modifying or disapproving such proposals; conduct a similar review for multi-year contracts; and propose decision alternatives that would improve the application of the acquisition management initiatives or provide increased economies and efficiencies. USDR&E, ASD(MI&L), and ASD(C) shall be the principal contributors to the book and USDR&E will be responsible for assembling the book as called for by the schedule.


PLANNING
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DRAFT DEFENSE GUIDANCE
DEFENSE GUIDANCE
ISSUE BOOKS
PROGRAM DECISION MEMOS
BUDGET DECISIONS
PRESIDENT'S BUDGET
D R B
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J C S
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R&C
PROGRAM OBJECTIVE MEMOS
BUDGET ESTIMATES
R&C
CINCS
R&C
R&C
R&C
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R&C
DRB = DEFENSE RESOURCES BOARD
CINCS = COMMANDERS-IN-CHIEF
JLRSA = JOINT LONG RANGE STRATEGIC APPRAISAL
JSPD = JOINT STRATEGIC PLANNING DOCUMENT
JPAM = JOINT PROGRAM ASSESSMENT MEMORANDUM
R&A = REVIEW AND ADJUST
R&C = REVIEW AND COMMENT
FYDP SYMBOLS
F = FORCES
M = MANPOWER
$ = DOLLARS
[ ] = YEARS

THE FYDP
CONCEPTS AND STRUCTURE

A. GENERAL

1. The FYDP is the official document which summarizes forces and resources associated with the programs approved by the Secretary of Defense (prescribed in PDMs, PCDs, budget decisions, and other Secretary of Defense decision documents) for the Department of Defense. The FYDP, which contains prior year (PY), current year (CY), budget year (BY) and BY + 1 through BY + 4 (BY + 7 for forces), is published 3 times a year and reflects the total resources programed by the Department of Defense, by fiscal year. A historical FYDP is published annually, following the POM update of the FYDP, and contains prior year resource data consistent with the official accounting records for fiscal years 1962 through the prior year.

2. In its first dimension, the FYDP is composed of ten major defense programs (5 combat force-oriented programs and 5 centrally managed support programs) used as a basis for internal DoD program review, and in its second dimension, by the input-oriented appropriation structure used by the Congress in reviewing budget requests and enacting appropriations. Hence, it serves a purpose of cross-walking the internal review structure with the congressional review structure. This two-dimensional structure and attendant review methodology provide a comprehensive approach to accounting for, estimating, identifying, and allocating resources to individual or logical groups of organizational entities, major combat force or support programs referred to as program elements. (For description of program elements, see section C., below).

3. These program elements are designed and quantified in such a way as to be both comprehensive and mutually exclusive, and are continually scrutinized to maintain proper visibility of defense programs. This scrutiny includes vigilance over the resources necessary to equip, man, operate, maintain, and manage a class of combat unit or type of support activity. The elements are frequently rearranged and reaggregated in ways to provide summary categories and FYDP dimensions different from the ten major force and support programs. Since there are varying criteria for mission categories, the Department of Defense has not restricted such analytical schemes to a single display format, favoring instead a more dynamic approach to analytical tools.

4. The approval of the ASD(C), or his designee, must be obtained prior to making any changes to the FYDP structure.

B. PROGRAMS

1. A program is an aggregation of program elements that reflects a force mission or a support function of the Department of Defense and contains the resources allocated to achieve an objective or plan. It reflects fiscal year time-phasing of mission objectives to be accomplished, and the means proposed for their accomplishment.

2. The FYDP is comprised of ten major defense programs as follows:

Program 1 - Strategic Forces
Program 2 - General Purpose Forces
Program 3 - Intelligence and Communications

Program 4 - Airlift and Sealift Forces
Program 5 - Guard and Reserve Forces
Program 6 - Research and Development
Program 7 - Central Supply and Maintenance
Program 8 - Training, Medical, and Other General Personnel Activities
Program 9 - Administration and Associated Activities
Program 0 - Support of Other Nations

3. The major programs of the FYDP fall within the general organizational areas of responsibility within the Office of the Secretary of Defense, as shown below. However, since resources in these programs may overlap areas of management and functional responsibility, the programs are not considered to be the exclusive responsibility of any one particular organizational element of the Office of the Secretary of Defense.

a. Program 1 - Strategic Forces. Offices of Prime Responsibility (PR): USD(P); USD(R&E); DPA&E. Strategic forces are those organizations and associated weapon systems whose missions encompass intercontinental or transoceanic inter-theater responsibilities. Program 1 is further subdivided into strategic offensive forces and strategic defensive forces, including operational management headquarters, logistics, and support organizations identifiable and associated with these major subdivisions.

b. Program 2 - General Purpose Forces. Offices of PR: USDR&E; DPA&E. General purpose forces are those organizations and associated weapon systems whose mission responsibilities are, at a given point in time, limited to one theater of operations. Program 2 consists of force-oriented program elements, including the command organizations associated with these forces, the logistics organizations organic to these forces, and the related support units which are deployed or deployable as constituent parts of military forces and field organizations. Also included are other programs, such as the Joint Tactical Communications Program (TRI-TAC), JCS-directed and coordinated exercises, Coast Guard ship support program, war reserve materiel ammunition and equipment, and stockfunded war reserve materiel.

c. Program 3 - Intelligence and Communications. Offices of PR: USDR&E and USD(P). Consists of intelligence, security, and communications program elements, including resources related primarily to centrally-directed DoD support mission functions, such as mapping, charting, and geodesy activities, weather service, oceanography, special activities, nuclear weapons operations, space boosters, satellite control and aerial targets. Intelligence and communications functions which are specifically identifiable to a mission in the other major programs shall be included within the appropriate program.

d. Program 4 - Airlift and Sealift Forces. Offices of PR: USDR&E; DPA&E. Consists of program elements for airlift, sealift, traffic management, and water terminal activities, both industrially-funded and non-industrially-funded, including command, logistics, and support units organic to these organizations.

e. Program 5 - Guard and Reserve Forces. Offices of PR: ASD(RA); DPA&E. The majority of Program 5 resources consist of Guard and Reserve training units in support of strategic offensive and defensive forces and general pur-

pose forces. In addition, there are units in support of intelligence and security; airlift and sealift; research and development; central supply and maintenance; training, medical, and other general personnel activities; administration; and support of other nations.

f. Program 6 - Research and Development. Office of PR: USDR&E. Consists of all research and development programs and activities that have not yet been approved for operational use and includes:

(1) Basic and applied research tasks and projects of potential military application in the physical, mathematical, environmental, engineering, biomedical, and behavioral sciences.

(2) Development, test, and evaluation of new weapon systems, equipment, and related programs.

g. Program 7 - Central Supply and Maintenance. Office of PR: ASD(MI&L). Consists of resources related to supply, maintenance, and service activities, both industrially-funded and nonindustrially-funded, and other activities, such as first and second destination transportation, overseas port units, industrial preparedness, commissaries, and logistics and maintenance support. These functions or activities, which are usually centrally managed, provide benefits and support necessary for the fulfillment of DoD programs.

h. Program 8 - Training, Medical, and Other General Personnel Activities. Offices of PR: ASD(HA); ASD(MI&L). Consists of resources related to training and education, personnel procurement, personnel services, health care, permanent change of station travel, transients, family housing, and other support activities associated with personnel. Excluded from this program is training specifically related to and identified with another major program. Housing, subsistence, health care, recreation, and similar costs and resources that are organic to a program element, such as base operations in other major programs, are also excluded from this program. Program 8 functions and activities, which are mainly centrally managed, provide benefits and support necessary for the fulfillment of DoD programs.

i. Program 9 - Administration and Associated Activities. Office of PR: ASD(C). Consists of resources for the administrative support of departmental and major administrative headquarters, field commands, and administration and associated activities not accounted for elsewhere. Included are activities such as construction planning and design, public affairs, contingencies, claims, and criminal investigations.

j. Program 0 - Support of Other Nations. Office of PR: ASD(ISA). Consists of resources in support of international activities, including Service support to the Military Assistance Program (MAP), foreign military sales, and the North Atlantic Treaty Organization (NATO) infrastructure.

C. PROGRAM ELEMENTS

1. A program element is a primary data element in the FYDP and generally represents aggregations of organizational entities and resources related thereto. Program elements represent descriptions of the various missions of

the Department of Defense. They are the building blocks of the programing and budgeting system and may be aggregated and reaggregated in a variety of ways:

a. To display total resources assigned to a specific program;

b. To display weapon systems and support systems within a program;

c. To select specified resources;

d. To display logical groupings for analytical purposes;

e. To identify selected functional groupings of resources.

2. The program element concept allows the operating manager to participate in the programing decision process since both the inputs and outputs shall be quantified in program element terms. Each program element may contain forces, manpower, or dollars, or any combination thereof, depending on the definition of the element.

D. RESOURCE IDENTIFICATION CODES (RICs)

1. RICs are used to identify the types of resources assigned to each program element. An explanation of the types of RICs follows:

a. Force Codes. The force resource identification code is a four-digit code used to identify specific hardware items or weapon systems, by type and model, such as aircraft, missiles, ships, and specific force organizations such as divisions, brigades, battalions, and wings.

b. Manpower Codes. The manpower resource identification code is a four-digit code used to identify officer, enlisted, and civilian manpower both in the active and the Guard and Reserve establishments. Separate codes permit the recognition of students, trainees, cadets and ROTC enrollees, and identify civilians as either U.S. direct hire, foreign direct hire, or foreign indirect hire.

c. Appropriation Codes. The appropriation resource identification code is a four-digit code used to identify all appropriation accounts contained in the President's budget as well as those of a historical nature applicable to the FYDP prior-years period. These codes in most cases relate to Treasury-assigned appropriation symbols.

2. Each DoD Component submitting data to the DoD FYDP has been assigned codes for use in reporting such data in response to guidance for updating the FYDP. The visibility of these resource identification codes by program element allows selection of specific data for analysis and management summary purposes.

INSTRUCTIONS FOR THE USE AND PREPARATION OF PROGRAM CHANGE REQUESTS (PCRs)

A. PCRs shall be used to request changes requiring a net increase or decrease in a DoD Component's resources as recorded in the latest FYDP, when the document expressing such a decision and requiring that increase or decrease does not provide sufficient detail to permit FYDP updating. A PCR may also be used to request program and program element restructures or resource identification codes, or for modification or deletion of such codes in connection with the above actions.

B. PCRs may be originated by DoD Components and submitted to the Secretary of Defense through the ASD(C) over the signature of the head of the Component concerned or his designee (attachment 1 to this enclosure shows the prescribed format), in accordance with the following instructions:

1. PCR Number. Assign PCR numbers in consecutive sequence starting with 1 each calendar year. The Component identifier code as prescribed by DoD 7045.7-H and a prefix designating the calendar year will precede each number (for example N-4-01). Numbers assigned to proposals that are subsequently withdrawn or canceled shall not be reused.

2. Title. Assign a brief title to each PCR which adequately describes the subject matter of the request.

3. FYDP "as of" Date. Enter the date of the specific FYDP update on which the proposal is based.

4. Principal Action Officer. Enter the name, organization, and phone number of the individual most knowledgeable of the proposed change.

5. Justification.

a. Functional Transfers

(1) Briefly describe the rationale for the transfer, provide a summary of the functions being transferred, including the organizations involved; and any additional supportive data including a copy of the required approval of the transfer (see paragraph 212.1 and Chapter 442 of DoD 7110.10-M (reference (e)). A copy of the memorandum of agreement shall be attached to the PCR. Detailed displays, in the following format, showing resource net change impact in terms of program elements, manpower, and appropriations shall be provided either in the justification section of the PCR or attached to the PCR.

	FY__	FY__	FY__	FY__	FY__
Program Element Code & Title					
Civilian Direct Hire	+ 11	+ 12	+ 13	+ 13	+ 13
Operation & Maintenance (O&M)	+ 220	+ 220	+ 230	+ 230	+ 230
Program Element Code & Title					
Civilian Direct Hire	- 11	- 12	- 13	- 13	- 13
O&M	- 220	- 220	- 230	- 230	- 230

(2) Continuation sheets may be used to provide any additional documentation in support of the proposal, or to provide any additional clarification deemed appropriate.

(3) The gaining organization is responsible for preparation of PCRs relating to functional transfers.

b. Other PCR Actions Requiring Net Resource Changes. Briefly describe the change which results in the net increase or decrease in the Component's resources. Provide any supportive data or rationale for the proposed change. Detailed resource displays similar in format prescribed for functional transfers in subparagraph B.5.a.(1) above, are required.

c. Program Structure Changes. Briefly describe the rationale for the proposal, provide a summary of the resources affected by the change, and any additional supportive information that may be of value in assessing the proposal. The following specific information is required:

(1) Proposed Implementation Date. The request must indicate in which FYDP update the proposal, if approved, should be implemented. If a special update is desired, provide detailed justification and explanation why the proposal cannot be accommodated during a regularly scheduled update.

(2) Fiscal Years Affected. The FYDP is the single most comprehensive data base in the Department of Defense for prior year information. To preserve consistency and to provide comparability with outyear data, structure change proposals should include prior years when the necessary data are available.

(3) Program Element Changes

(a) If new program elements are requested or data are being shifted among program elements, net changes in resources for the first unexecuted fiscal year affected shall be provided. The format for this display follows, and may be included in the body of the PCR or as an attachment thereto, depending on the number of program elements involved.

FY 85	Military Manpower	Civilian Manpower	Investment[1] $	Operating[1] $	Forces
PE 1	+ 100	+ 50	+ 100	+ 5,000	N/A
PE 2	+ 2,000	+ 100	N/A	+100,000	+ 6
PE 3	+ 300	+ 500	+ 1,000	+250,000	N/A
PE 4	- 2,400	- 650	- 1,100	-355,000	- 6

[1]Identify specific appropriations and amounts for each.

(b) The above data are required for the first unexecuted fiscal year only and shall be used to assess the impact of the proposal on the resource content of the programs and program elements affected.

(c) Assessment of the organizational impact of the change will be provided. For example, if the proposal will subdivide a DoD Component's funded activities into several programs or program elements, this information shall be provided.

(d) Enclosure 5 provides guidance for programs and program elements. All requests for structure changes shall be evaluated against this guidance. If the proposal deviates significantly from this guidance, detailed justification for such deviation shall be provided.

(e) New or revised program element definitions that will result if the proposal is approved shall be appended to the PCR. Revised definitions should include a marked-up version of the current definition and a final version of the proposed revision (attachment 2 to this enclosure shows sample definitions).

(f) If a program element is being deleted or designated as historical, a brief explanation is required.

(g) Program element title changes shall be included in the revised definition, or if the request is for a title change only, it shall be so stated and explained in the request.

(4) RIC Changes. RIC changes (additions, deletions, title changes) shall include an explanation or existing authorization for the change.

6. Thirty copies of functional transfer PCRs and fifteen copies of all other PCRs shall be forwarded to the Director for Program and Financial Control, OASD(C), for processing, staffing, and decision. A PCD will be prepared announcing the decision.

Attachments - 2
1. Program Change Request
2. Department of Defense Program Element Definitions

INSTRUCTIONS FOR USE AND PREPARATION OF PROGRAM CHANGE DECISIONS (PCDs) AND PROGRAM BUDGET DECISIONS (PBDs)

A. PROGRAM CHANGE DECISIONS (PCDs).

1. PCDs shall be used to reflect Secretary of Defense decisions on PCRs, to provide detailed guidance for updates of the FYDP and related annexes, and for other decisions the Secretary may make.

2. PCDs are formatted in a manner compatible with PCRs, using SD Form 428 (Program Change Decision) (attachment 1 to this enclosure) in accordance with the following instructions:

a. PCD Number. Enter the request number assigned to the PCR. When the PCD is originated without benefit of PCR input or responds to two or more PCRs, the letter X preceding the year will be assigned (for example, X-4-01). For FYDP update PCDs, and in special cases as determined by OASD(C), the letter Z will be assigned.

b. Implementing Component. Enter the DoD Component designated to implement the decision. When more than one Component is involved, insert "all" or "see below." In the latter case, specify the Components that are required to implement the decision.

c. Program Element Code. Enter the code as assigned by DoD 7045.7-H. When more than one element is involved, insert "various" and identify each program element in the body of the decision.

d. Guidance. Enter relevant DoD issuance or official (for example, DoD Instruction 7045.7, or ASD(C)).

e. Discussion/Evaluation/Decision.

(1) Provide a brief summary of the proposed change as originally submitted by the PCR, or outline the objective of the proposed change and provide summary background information to explain why the change is needed.

(2) Include an evaluation of the logic of the proposed change, and the variances or alternatives considered. Include all significant information that might influence the decision.

(3) Include the actual decision, either approved or disapproved or the approval of an alternative. If an alternative or modification to the original proposal is being approved, coordination with the Components shall be effected and the staffing results indicated in the PCD or covering memorandum. If disapproved, the reasons for disapproval shall be stated.

(4) The decision shall be described in program element terms.

(5) The PCD shall specify when the change will be incorporated in the FYDP. If OASD(C) determines that a special update to the FYDP is justified, the date for that update will be specified in the PCD.

f. Signature and Date. Normally, PCDs will be signed by ASD(C) or his designee.

B. PROGRAM BUDGET DECISIONS (PBDs)

1. General. The data applied to the PBD (attachment 2), and its continuation sheet (attachment 3), are variable and shall not be confined to a specific pattern. As frequently as possible, the decision will be expressed by use of a single-page document:

2. Specific Entries. Enter data in accordance with detailed instructions prescribed by the annual Program/Budget instructions.

3. Attachments. When an out-year impact (first year beyond the budget year) is apparent, the decision record that accompanies the PBD will express the impact in program element terms.

Attachments - 3
1. Program Change Decision, SD Form 428
2. Program Budget Decision
3. PBD Continuation Sheet

PROGRAM CHANGE REQUEST	Request Number
Title	FYDP As of Date
Principal Action Officer	
Description	
Justification	
Signature and Date	

313270 (A,N) Technical Reconnaissance and Surveillance;X-1-007;C

31328F Strategic Air Command GDIP Activities;X-0-007;
Includes manpower authorizations, unique and support equipment, necessary facilities and the associated costs specifically identified and measurable to support GDIP efforts assigned to SAC. Activities include:

544th Strategic Intelligence Wing (544th SIW), 9th Reconnaissance Technical Squadron (9th RTS), SAC Intelligence Data Handling System, Defense Dissemination System (DDS).

313290 (A,F,N) European Command GDIP Activities;X-0-007;
Includes manpower authorizations, unique and support equipment, ADP, necessary facilities and the associated costs specifically identified and measurable to support the General Defense Intelligence Program efforts in Europe, includes:

ARMY: European Command Defense Analysis Center (EUDAC), EUCOM J-2 Intelligence Data Handling System (IDHS), EUCOM Special Security Office (SSO).

NAVY: European Command Headquarters; Commander in Chief U.S. Naval Forces Europe; Fleet Ocean Surveillance Information Center Detachment, London; Fleet Ocean Surveillance Information Facility, Rota, Spain; EUDAC Manpower.

AIR FORCE: 497 Reconnaissance Technical Group, Intelligence Data Handling System (IDHS), Defense Dissemination System (DDS), EUDAC Manpower.

313300 (A,N,F) Pacific Command GDIP Activities;X-0-007;
Includes manpower authorizations, unique and support equipment, ADP, secure communications, necessary facilities, and the associated costs specifically identified and measurable to the General Defense Intelligence Program mission of the Pacific Command. Includes:

ARMY: IPAC Manpower

NAVY: Commander in Chief Pacific, Commander in Chief Pacific Fleet, Intelligence Center Pacific (IPAC), Fleet Intelligence Center, Pacific, Fleet Ocean Surveillance Information Center Detachment, Pacific, Fleet Ocean Surveillance Information Facility, Western Pacific.

AIR FORCE: 548 Reconnaissance Technical Group, Intelligence Data Handling System (IDHS), Defense Dissemination Program (DDP), IPAC Manpower.

PROGRAM CHANGE DECISION		PCR NUMBER
IMPLEMENTING DOD COMPONENT	PROGRAM ELEMENT CODE	GUIDANCE
ADJUSTMENT REQUESTED		
SIGNATURE AND DATE		

SD OCT 69 428

PAGE _____ OF _____ PAGES

FOR OFFICIAL USE ONLY

PROGRAM BUDGET DECISION

No. _____

SUBJECT:

DOD COMPONENTS:

ISSUE:

	(TOA, Dollars in Millions) FY 1984	FY 1985
Service Estimate		
Alternative		

SUMMARY OF EVALUATION:
ALTERNATIVE:

DECISION _____ Date _____

FOR OFFICIAL USE ONLY

PBD Continuation Sheet

No. _____

DETAIL OF EVALUATION: (Continued)

SUMMARY OF ECONOMIES AND EFFICIENCIES: Not applicable

OUTYEAR IMPACT:

(TOA, Dollars in Millions)

	FY 1986	FY 1987	FY 1988	FY 1989
Service Estimate				
Alternative				

DEPARTMENT OF DEFENSE
DIRECTIVES SYSTEM TRANSMITTAL

NUMBER	DATE	DISTRIBUTION
7045.7, Ch 1	April 9, 1987	7000 series

ATTACHMENTS

Enclosure 8 (pages 8-1 and 8-2)

INSTRUCTIONS FOR RECIPIENTS

The following pen and page changes to DoD Instruction 7045.7, "Implementation of the Planning, Programing, and Budgeting System (PPBS)," May 23, 1984, are authorized:

PEN CHANGES

Page 10, Enclosures. Change "Enclosures - 7" to "Enclosures - 8"
Add a new enclosure, "8. Participation in the Planning, Programming and Budgeting System by the Commanders in Chief of the Unified and Specified Commands (CINCs)"

PAGE CHANGES

Insert: Attached Enclosure 8 (pages 8-1 and 8-2)

EFFECTIVE DATE

The above changes are effective immediately.

James L Elmer

JAMES L. ELMER
Director
Correspondence and Directives

WHEN PRESCRIBED ACTION HAS BEEN TAKEN THIS TRANSMITTAL SHOULD BE FILED WITH THE BASIC DOCUMENT

SD FORM 106-1
1 MAR 84

PREVIOUS EDITIONS ARE OBSOLETE

PARTICIPATION IN THE PLANNING, PROGRAMMING AND BUDGETING SYSTEM BY THE COMMANDERS IN CHIEF OF THE UNIFIED AND SPECIFIED COMMANDS (CINCs)

A. Objective

The Planning, Programming and Budgeting System should provide the Commanders in Chief of the Unified and Specified Commands (CINCs) the best mix of forces, equipment, and support attainable within resource constraints. This enclosure describes how the CINCs participate in each phase of PPBS.

B. Planning Phase

The CINCs shall be invited to provide, at the beginning of the Defense Guidance (DG) drafting process, their personal recommendations to the Secretary of Defense for major changes to the existing DG. These comments, along with those of Defense Resources Board (DRB) members, shall be considered during the drafting process. Successive drafts of the DG shall be forwarded to the CINCs for comment. The DRB shall meet with the CINCs before the final draft is provided for the Secretary's signature in order to consider their views on the adequacy of the DG's treatment of policy, strategy, forces, and resource planning guidance.

C. Programming Phase

The primary interaction between the CINCs and the Military Departments shall be through component commanders. At a time specified by the Military Departments, each CINC shall identify his requirements to the Service commands responsible for providing programming support. The components shall be afforded every opportunity to resolve CINC concerns. In addition, direct communications between the CINCs and the Military Departments may be used to resolve CINC problems and concerns during Program Objective Memorandum (POM) development.

Each CINC shall prepare a list of his high priority needs, prioritized across Service and functional lines and with consideration of reasonable fiscal constraints. These Integrated Priority Lists (IPLs) shall be submitted to the Secretary of Defense, the Deputy Secretary of Defense, and the Chairman of the Joint Chiefs of Staff (CJCS) on a date determined by the Executive Secretary to the DRB (Programming Phase). The IPLs are intended to provide visibility for those few key problem areas which, in the judgment of a CINC, require the highest-priority attention by the Department of Defense in finding solutions.

In order to assess the degree of responsiveness to CINC requirements in the POMs, there must be sufficient visibility of the manner in which those requirements were considered. Each Military Department, therefore, shall prepare a Unified and Specified Command Annex to the POM that clearly identifies the CINCs' requirements, whether they were met in the POMs, and provide supporting rationale where such needs were not met. The IPL submitted by the CINCs shall form the framework for this Annex, with supporting details derived from the CINCs' requirements. The CINCs shall review the POMs and submit to the Executive Secretary to the DRB outlines of major issues each would like to have discussed during the program review. In addition, CINCs shall be afforded the opportunity to participate on program review issue teams and in "out-of-court" settlements. The CINCs shall meet, at the beginning of the program review, with the Secretary of Defense and the DRB to present their views on the national military strategy and the adequacy of the POMs to meet that strategy. Finally, the CINCs shall attend such other sessions of the DRB as the Deputy Secretary deems necessary. The CJCS shall serve as the spokesman for the CINCs in their absence.

D. Budgeting Phase

Normally, the CJCS shall present CINC concerns during the OSD/OMB budget review and during discussion of major budget issues with the Deputy Secretary. The Chairman shall establish appropriate procedures to inform the CINCs of significant budget review events.

APPENDIX B

DEPSECDEF MEMORANDUM TO MEMBERS OF THE DRB, AND CINCS OF UNIFIED AND SPECIFIED COMMANDS, DATED 14 NOVEMBER 1984, SUBJECT: ENHANCEMENT OF THE CINCS ROLE IN PPBS

I have carefully reviewed the recommendations of the members of the Defense Resources Board and of the Commanders-in-Chief (CINCs) of the Unified and Specified Commands on ways to enhance the role of the CINCs in the POM development process and in the DRB Program Review. I appreciate very much the suggestions that have been made by each of you in this regard, not only in making recommendations but in commenting on the proposals of others.

The comments submitted addressed four major areas of concern: the CINCs' submission of prioritized requirements, the relationship between the CINCs and the Military Departments during POM development, the visibility of responses in the POMs to CINC requirements, and the participation of the CINCs in the DRB Program Review process.

The following actions are to be taken in conjunction with the development of the FY 1987 POMs and in preparation for the FY 1987 Program Review. Where elements of such actions are already underway, this memorandum confirms the requirement for such actions.

CINCs' Submission of Prioritized Requirements

The CINCs will, as previously, submit clearly identified requirements to the Military Departments through their component commanders. In addition, each CINC shall prepare a separate list of their higher priority needs, prioritized across Service and functional lines and with consideration of reasonable fiscal constraints. Copies of that list should be submitted to the Secretary of Defense, to me, and to the Chairman of the Joint Chiefs of Staff in December of each year.

Tracking CINC Concerns During POM Development

The POM development process remains the responsibility of the Military Departments. The primary interaction between the CINCs and the Military Departments shall continue to be through the component commanders. All three Military Departments have taken steps to strengthen the links between the CINCs and their component commanders. I endorse such steps and encourage any additional actions needed along these lines.

In addition, the CINCs should have an opportunity for direct interface with the Military Departments on issues of concern to them. Direct communications between the CINCs and the Military Departments should be used to resolve CINC problems and concerns during POM development.

Visibility of CINC Requirements in the POMs

In order to assess the degree of responsiveness to CINC requirements in the POMs, there must be sufficient visibility of the manner in which those requirements were addressed. In the past, when confronted with DRB issues of unfunded CINC priorities, it has been difficult to measure that shortfall against other priorities which were accommodated in the POMs.

In the future, there should be a separate annex for each POM which clearly identifies the CINCs' requirements as submitted through their component commands, whether they were met in the POM, with supporting rationale where such needs were not met. The POM Preparation Instructions shall be adjusted accordingly.

Participation of the CINCs in the DRB Program Review Process

Several suggestions were made to increase the CINCs' role in the Program Review process. At present, the CINCs must raise Program Review issues through a DRB member as issue sponsor. CINCs attend only the special DRB meetings set aside to hear their views on the POMs and the DRB meeting on Issue Book One, Policy and Risk Assessment.

The CINCs will in the future be permitted to raise Program Review issues independently. Issue outlines submitted by the CINCs will be subject to the same procedure currently used for selecting and assigning issues for consideration by the DRB. I will invite relevant CINCs to attend the DRB Program Review meetings when the issues they have raised will be considered.

Role of the Joint Chiefs of Staff

In connection with the consideration of these issues, the Chairman of the JCS has proposed several changes in the role played by the JCS in the development of the POMs. Specifically, he has proposed that the JCS should review and coordinate the concerns of the CINCs and provide them to the Military Departments, and that the CINCs should present their unresolved concerns with the POMs to the JCS before the POMs are completed. These changes, along with any others relating to the participation of the JCS in the PPBS process, will be reviewed by the DRB on the recommendation of the Chairman of the JCS. Until they have been reviewed and approved, their implementation is deferred.

William H. Taft, IV

APPENDIX C

TRACTS FROM THE GOLDWATER-NICHOLS ACT RELATING TO THE CINCS

10 USC 161.

"§ 161. Combatant commands: establishment

President of U.S.

"(a) UNIFIED AND SPECIFIED COMBATANT COMMANDS.—With the advice and assistance of the Chairman of the Joint Chiefs of Staff, the President, through the Secretary of Defense, shall—

"(1) establish unified combatant commands and specified combatant commands to perform military missions; and

"(2) prescribe the force structure of those commands.

"(b) PERIODIC REVIEW.—(1) The Chairman periodically (and not less often than every two years) shall—

"(A) review the missions, responsibilities (including geographic boundaries), and force structure of each combatant command; and

"(B) recommend to the President, through the Secretary of Defense, any changes to such missions, responsibilities, and force structures as may be necessary.

President of U.S.

"(2) Except during time of hostilities or imminent threat of hostilities, the President shall notify Congress not more than 60 days after—

"(A) establishing a new combatant command; or

"(B) significantly revising the missions, responsibilities, or force structure of an existing combatant command.

"(c) DEFINITIONS.—In this chapter:

"(1) The term 'unified combatant command' means a military command which has broad, continuing missions and which is composed of forces from two or more military departments.

"(2) The term 'specified combatant command' means a military command which has broad, continuing missions and which is normally composed of forces from a single military department.

"(3) The term 'combatant command' means a unified combatant command or a specified combatant command.

"§ 162. Combatant commands: assigned forces; chain of command

"(a) ASSIGNMENT OF FORCES.—(1) Except as provided in paragraph (2), the Secretaries of the military departments shall assign all forces under their jurisdiction to unified and specified combatant commands to perform missions assigned to those commands. Such assignments shall be made as directed by the Secretary of Defense, including direction as to the command to which forces are to be assigned. The Secretary of Defense shall ensure that such assignments are consistent with the force structure prescribed by the President for each combatant command.

"(2) Except as otherwise directed by the Secretary of Defense, forces to be assigned by the Secretaries of the military departments to the combatant commands under paragraph (1) do not include forces assigned to carry out functions of the Secretary of a military department listed in sections 3013(b), 5013(b), and 8013(b) of this title.

"(3) A force assigned to a combatant command under this section may be transferred from the command to which it is assigned only—

"(A) by authority of the Secretary of Defense; and

"(B) under procedures prescribed by the Secretary and approved by the President.

"(4) Except as otherwise directed by the Secretary of Defense, all forces operating within the geographic area assigned to a unified combatant command shall be assigned to, and under the command of, the commander of that command. The preceding sentence applies to forces assigned to a specified combatant command only as prescribed by the Secretary of Defense.

"(b) CHAIN OF COMMAND.—Unless otherwise directed by the President, the chain of command to a unified or specified combatant command runs—

"(1) from the President to the Secretary of Defense; and

"(2) from the Secretary of Defense to the commander of the combatant command.

"§ 163. Role of Chairman of Joint Chiefs of Staff 10 USC 163.

"(a) COMMUNICATIONS THROUGH CHAIRMAN OF JCS; ASSIGNMENT OF DUTIES.—Subject to the limitations in section 152(c) of this title, the President may—

"(1) direct that communications between the President or the Secretary of Defense and the commanders of the unified and specified combatant commands be transmitted through the Chairman of the Joint Chiefs of Staff; and

"(2) assign duties to the Chairman to assist the President and the Secretary of Defense in performing their command function.

"(b) OVERSIGHT BY CHAIRMAN OF JOINT CHIEFS OF STAFF.—(1) The Secretary of Defense may assign to the Chairman of the Joint Chiefs of Staff responsibility for overseeing the activities of the combatant commands. Such assignment by the Secretary to the Chairman does not confer any command authority on the Chairman and does not alter the responsibility of the commanders of the combatant commands prescribed in section 164(b)(2) of this title.

"(2) Subject to the authority, direction, and control of the Secretary of Defense, the Chairman of the Joint Chiefs of Staff serves as the spokesman for the commanders of the combatant commands, especially on the operational requirements of their commands. In performing such function, the Chairman shall—

"(A) confer with and obtain information from the commanders of the combatant commands with respect to the requirements of their commands;

"(B) evaluate and integrate such information;

"(C) advise and make recommendations to the Secretary of Defense with respect to the requirements of the combatant commands, individually and collectively; and

"(D) communicate, as appropriate, the requirements of the combatant commands to other elements of the Department of Defense.

"§ 164. Commanders of combatant commands: assignment; powers and duties

"(a) ASSIGNMENT AS COMBATANT COMMANDER.—(1) The President may assign an officer to serve as the commander of a unified or specified combatant command only if the officer—

"(A) has the joint specialty under section 661 of this title; and

"(B) has served in at least one joint duty assignment (as defined under section 668(b) of this title) as a general or flag officer.

"(2) The President may waive paragraph (1) in the case of an officer if the President determines that such action is necessary in the national interest.

"(b) RESPONSIBILITIES OF COMBATANT COMMANDERS.—(1) The commander of a combatant command is responsible to the President and to the Secretary of Defense for the performance of missions assigned to that command by the President or by the Secretary with the approval of the President.

"(2) Subject to the direction of the President, the commander of a combatant command—

"(A) performs his duties under the authority, direction, and control of the Secretary of Defense; and

"(B) is directly responsible to the Secretary for the preparedness of the command to carry out missions assigned to the command.

"(c) COMMAND AUTHORITY OF COMBATANT COMMANDERS.—(1) Unless otherwise directed by the President or the Secretary of Defense, the authority, direction, and control of the commander of a combatant command with respect to the commands and forces assigned to that command include the command functions of—

"(A) giving authoritative direction to subordinate commands and forces necessary to carry out missions assigned to the command, including authoritative direction over all aspects of military operations, joint training, and logistics;

"(B) prescribing the chain of command to the commands and forces within the command;

"(C) organizing commands and forces within that command as he considers necessary to carry out missions assigned to the command;

"(D) employing forces within that command as he considers necessary to carry out missions assigned to the command;

"(E) assigning command functions to subordinate commanders;

"(F) coordinating and approving those aspects of administration and support (including control of resources and equipment, internal organization, and training) and discipline necessary to carry out missions assigned to the command; and

"(G) exercising the authority with respect to selecting subordinate commanders, selecting combatant command staff, suspending subordinates, and convening courts-martial, as provided in subsections (e), (f), and (g) of this section and section 822(a) of this title, respectively.

"(2)(A) The Secretary of Defense shall ensure that a commander of a combatant command has sufficient authority, direction, and control over the commands and forces assigned to the command to exercise effective command over those commands and forces. In carrying out this subparagraph, the Secretary shall consult with the Chairman of the Joint Chiefs of Staff.

"(B) The Secretary shall periodically review and, after consultation with the Secretaries of the military departments, the Chairman of the Joint Chiefs of Staff, and the commander of the combatant command, assign authority to the commander of the combatant command for those aspects of administration and support that the

Secretary considers necessary to carry out missions assigned to the command.

"(3) If a commander of a combatant command at any time considers his authority, direction, or control with respect to any of the commands or forces assigned to the command to be insufficient to command effectively, the commander shall promptly inform the Secretary of Defense.

"(d) AUTHORITY OVER SUBORDINATE COMMANDERS.—Unless otherwise directed by the President or the Secretary of Defense—

"(1) commanders of commands and forces assigned to a combatant command are under the authority, direction, and control of, and are responsible to, the commander of the combatant command on all matters for which the commander of the combatant command has been assigned authority under subsection (c);

"(2) the commander of a command or force referred to in clause (1) shall communicate with other elements of the Department of Defense on any matter for which the commander of the combatant command has been assigned authority under subsection (c) in accordance with procedures, if any, established by the commander of the combatant command;

"(3) other elements of the Department of Defense shall communicate with the commander of a command or force referred to in clause (1) on any matter for which the commander of the combatant command has been assigned authority under subsection (c) in accordance with procedures, if any, established by the commander of the combatant command; and

"(4) if directed by the commander of the combatant command, the commander of a command or force referred to in clause (1) shall advise the commander of the combatant command of all communications to and from other elements of the Department of Defense on any matter for which the commander of the combatant command has not been assigned authority under subsection (c).

"(e) SELECTION OF SUBORDINATE COMMANDERS.—(1) An officer may be assigned to a position as the commander of a command directly subordinate to the commander of a combatant command or, in the case of such a position that is designated under section 601 of this title as a position of importance and responsibility, may be recommended to the President for assignment to that position, only— 10 USC 601.

"(A) with the concurrence of the commander of the combatant command; and

"(B) in accordance with procedures established by the Secretary of Defense.

"(2) The Secretary of Defense may waive the requirement under paragraph (1) for the concurrence of the commander of a combatant command with regard to the assignment (or recommendation for assignment) of a particular officer if the Secretary of Defense determines that such action is in the national interest.

"(3) The commander of a combatant command shall—

"(A) evaluate the duty performance of each commander of a command directly subordinate to the commander of such combatant command; and

"(B) submit the evaluation to the Secretary of the military department concerned and the Chairman of the Joint Chiefs of Staff.

"(f) COMBATANT COMMAND STAFF.—(1) Each unified and specified combatant command shall have a staff to assist the commander of the command in carrying out his responsibilities. Positions of responsibility on the combatant command staff shall be filled by officers from each of the armed forces having significant forces assigned to the command.

"(2) An officer may be assigned to a position on the staff of a combatant command or, in the case of such a position that is designated under section 601 of this title as a position of importance and responsibility, may be recommended to the President for assignment to that position, only—

10 USC 601.

"(A) with the concurrence of the commander of such command; and

"(B) in accordance with procedures established by the Secretary of Defense.

"(3) The Secretary of Defense may waive the requirement under paragraph (2) for the concurrence of the commander of a combatant command with regard to the assignment (or recommendation for assignment) of a particular officer to serve on the staff of the combatant command if the Secretary of Defense determines that such action is in the national interest.

"(g) AUTHORITY TO SUSPEND SUBORDINATES.—In accordance with procedures established by the Secretary of Defense, the commander of a combatant command may suspend from duty and recommend the reassignment of any officer assigned to such combatant command.

"§ 165. Combatant commands: administration and support

"(a) IN GENERAL.—The Secretary of Defense, with the advice and assistance of the Chairman of the Joint Chiefs of Staff, shall provide for the administration and support of forces assigned to each combatant command.

"(b) RESPONSIBILITY OF SECRETARIES OF MILITARY DEPARTMENTS.—Subject to the authority, direction, and control of the Secretary of Defense and subject to the authority of commanders of the combatant commands under section 164(c) of this title, the Secretary of a military department is responsible for the administration and support of forces assigned by him to a combatant command.

"(c) ASSIGNMENT OF RESPONSIBILITY TO OTHER COMPONENTS OF DOD.—After consultation with the Secretaries of the military departments, the Secretary of Defense may assign the responsibility (or any part of the responsibility) for the administration and support of forces assigned to the combatant commands to other components of the Department of Defense (including Defense Agencies and combatant commands). A component assigned such a responsibility shall discharge that responsibility subject to the authority, direction, and control of the Secretary of Defense and subject to the authority of commanders of the combatant commands under section 164(c) of this title.

"§ 166. Combatant commands: budget proposals

"(a) COMBATANT COMMAND BUDGETS.—The Secretary of Defense shall include in the annual budget of the Department of Defense submitted to Congress a separate budget proposal for such activities of each of the unified and specified combatant commands as may be determined under subsection (b).

"(b) CONTENT OF PROPOSALS.—A budget proposal under subsection (a) for funding of activities of a combatant command shall include funding proposals for such activities of the combatant command as the Secretary (after consultation with the Chairman of the Joint Chiefs of Staff) determines to be appropriate for inclusion. Activities of a combatant command for which funding may be requested in such a proposal include the following:

"(1) Joint exercises.

"(2) Force training.

"(3) Contingencies.

"(4) Selected operations.".

(b) COURT-MARTIAL JURISDICTION.—Section 822(a) (article 22(a) of the Uniform Code of Military Justice) is amended— 10 USC 822.

(1) by redesignating paragraphs (2) through (7) as paragraphs (4) through (9), respectively; and

(2) by inserting after paragraph (1) the following new paragraphs (2) and (3):

"(2) the Secretary of Defense;

"(3) the commanding officer of a unified or specified combatant command;".

(c) REPEAL OF SECTION 124.—(1) Section 124 is repealed.

(2) The table of sections at the beginning of chapter 3 is amended by striking out the item relating to that section.

SEC. 212. INITIAL REVIEW OF COMBATANT COMMANDS 10 USC 161 note.

(a) MATTERS TO BE CONSIDERED.—The first review of the missions, responsibilities (including geographic boundaries), and force structure of the unified and specified combatant commands under section 161(b) of title 10, United States Code, as added by section 211 of this Act, shall include consideration of the following:

(1) Creation of a unified combatant command for strategic missions which would combine—

(A) the missions, responsibilities, and forces of the Strategic Air Command;

(B) the strategic missions, responsibilities, and forces of the Army and Navy; and

(C) other appropriate strategic missions, responsibilities, and forces of the armed forces.

(2) Creation of a unified combatant command for special operations missions which would combine the special operations missions, responsibilities, and forces of the armed forces.

(3) Creation of a unified combatant command for transportation missions which would combine the transportation missions, responsibilities, and forces of the Military Traffic Management Command, the Military Sealift Command, and the Military Airlift Command.

(4) Creation of a unified combatant command for missions relating to defense of Northeast Asia. Asia.

(5) Revision of the geographic area for which the United States Central Command has responsibility so as to include—

(A) the ocean areas adjacent to Southwest Asia; and

(B) the region of the Middle East that is assigned to the United States European Command. Middle East.

(6) Revision of the geographic area for which the United States Southern Command has responsibility so as to include the ocean areas adjacent to Central America. Central America.

Alaska.

(7) Revision of the geographic area for which the United States Pacific Command has responsibility so as to include all of the State of Alaska.

(8) Revision of the missions and responsibilities of the United States Readiness Command so as to include—

(A) an enhanced role in securing the borders of the United States; and

(B) assignment of regions of the world not assigned as part of the geographic area of responsibility of any other unified combatant command.

(9) Revision of the division of missions and responsibilities between the United States Central Command and the United States Readiness Command.

(10) Elimination of the command designated as United States Forces, Caribbean.

Reports.

(b) DEADLINE.—The first report to the President under such section shall be made not later than one year after the date of the enactment of this Act.

SEC. 213. REPEAL OF CERTAIN LIMITATIONS ON COMMAND STRUCTURE

(a) PROHIBITION AGAINST CONSOLIDATING FUNCTIONS OF THE MILITARY TRANSPORTATION COMMANDS.—Section 1110 of the Department of Defense Authorization Act, 1983 (Public Law 97-252; 96 Stat. 747), is repealed.

10 USC 133 note.

(b) PROHIBITION AGAINST ALTERING COMMAND STRUCTURE FOR MILITARY FORCES IN ALASKA.—Section 8106 of the Department of Defense Appropriations Act, 1986 (as contained in section 101(b) of Public Law 99-190 (99 Stat. 1221)), is repealed.

SEC. 214. TRANSITION

10 USC 162 note.

(a) ASSIGNMENT OF FORCES TO COMBATANT COMMANDS.—Section 162(a) of title 10, United States Code (as added by section 211 of this Act), shall be implemented not later than 90 days after the date of the enactment of this Act.

10 USC 164 note.

(b) WAIVER OF QUALIFICATIONS FOR ASSIGNMENT AS COMBATANT COMMANDER.—(1) The President may waive, as provided in paragraph (2), the requirements provided for in section 164(a) of title 10, United States Code (as added by section 201 of this Act), relating to the assignment of commanders of the combatant commands.

(2) In exercising such waiver authority, the President may, in the case of any officer—

(A) waive the requirement that the officer have the joint specialty;

(B) waive the requirement under section 664 of such title (as added by section 401 of this Act) for the length of a joint duty assignment if the officer has served in such an assignment for not less than two years; and

(C) consider as a joint duty assignment any tour of duty served by the officer as a general or flag officer before the date of the enactment of this Act (or being served on the date of the enactment of this Act) that was considered to be a joint duty assignment or a joint equivalent assignment under regulations in effect at the time the assignment began.

(3)(A) A waiver under paragraph (2)(A) may not be made more than two years after the date of the enactment of this Act.

(B) A waiver under paragraph (2)(B) or (2)(C) may not be made more than four years after the date of the enactment of this Act.

(4) A waiver under this subsection may be made only on a case-by-case basis.

(c) SELECTION AND SUSPENSION FROM DUTY OF SUBORDINATE OFFICERS.—Subsections (e), (f), and (g) of section 164 of title 10, United States Code (as added by section 211 of this Act), shall take effect at the end of the 90-day period beginning on the date of the enactment of this Act, or on such earlier date as may be prescribed by the Secretary of Defense. Effective date. 10 USC 164 note.

(d) BUDGET PROPOSALS.—Section 166 of title 10, United States Code (as added by section 211 of this Act), shall take effect with budget proposals for fiscal year 1989. Effective date. 10 USC 166 note.

TITLE III—DEFENSE AGENCIES AND DEPARTMENT OF DEFENSE FIELD ACTIVITIES

SEC. 301. ESTABLISHMENT AND MANAGEMENT OF DEFENSE AGENCIES AND DEPARTMENT OF DEFENSE FIELD ACTIVITIES

(a) IN GENERAL.—Chapter 8 is amended—

(1) by redesignating section 191 as section 201; and

(2) by striking out the chapter heading and the table of sections at the beginning of such chapter and inserting in lieu thereof the following:

"CHAPTER 8—DEFENSE AGENCIES AND DEPARTMENT OF DEFENSE FIELD ACTIVITIES

"SUBCHAPTER I—COMMON SUPPLY AND SERVICE ACTIVITIES

"§ 191. Secretary of Defense: authority to provide for common performance of supply or service activities 10 USC 191.

"(a) AUTHORITY.—Whenever the Secretary of Defense determines such action would be more effective, economical, or efficient, the Secretary may provide for the performance of a supply or service activity that is common to more than one military department by a single agency of the Department of Defense.

"(b) DESIGNATION OF COMMON SUPPLY OR SERVICE AGENCY.—Any agency of the Department of Defense established under subsection (a) (or under the second sentence of section 125(d) of this title (as in effect before the date of the enactment of the Goldwater-Nichols Department of Defense Reorganization Act of 1986)) for the performance of a supply or service activity referred to in such subsection shall be designated as a Defense Agency or a Department of Defense Field Activity.

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