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ENHANCING CINCS' INFLUENCE ON DEFENSE RESOURCE ALLOCATION: PROGRESS AND PROBLEMS

BY

JULIA C. DENMAN

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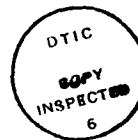
ENHANCING CINCS' INFLUENCE ON DEFENSE RESOURCE ALLOCATION:
PROGRESS AND PROBLEMS

AN INDIVIDUAL STUDY PROJECT

by

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ENHANCING CINCS' INFLUENCE ON DEFENSE RESOURCE ALLOCATION: PROGRESS AND PROBLEMS

CHAPTER I

INTRODUCTION

Since their inception in 1958, the Commanders in Chief of the unified and specified commands have had little influence in determining what resources would be created by the military Services for later allocation to the combatant commanders for accomplishing various military operations, missions, and objectives. While various studies decried the adverse impacts of Service parochialism in the defense resource allocation process and suggested the need for enhancing CINC participation, progress was slow in implementing changes. During the mid-1980's, however, pressures for change increased substantially from both inside and outside the Defense Department, culminating in the 1986 Goldwater-Nichols Defense Reorganization Act, the most far-reaching defense legislation since the Reorganization Act of 1958.

The objective of my research was to review changes which have been initiated over the past few years to increase the role of the combatant commanders in the defense resource allocation process. While primary focus was to be on the CINCs' role in

creating defense budgets, because of the interrelationship of this process with the creation of defense plans and programs, all aspects of defense resource allocation are addressed.

BACKGROUND

A great deal of emphasis has been placed in recent years on achieving "jointness" in military operations. Dating back as far as the early 1900's, however, the concept of jointness is not new. Between 1903 and 1942, the Joint Army and Navy Board sought cooperation between the two services, although little was accomplished in improving joint command. In effect, decisions on joint matters in dispute went to the President, who was the single "commander" having authority over both services. Early in World War II, General George C. Marshall, Army Chief of Staff, realized that the complexity of modern warfare made unification essential.

The first definitive legislation for a unified command structure was the National Security Act of 1947, which set out "to provide for unified strategic direction of the combatant forces, for their operation under unified command, and for their integration into an efficient team of land, naval and air forces." (1-1) The basic charter of the unified commands¹ was the Unified Command Plan, prepared by the Joint Chiefs of Staff

¹A unified command is a command with a broad and continuing mission under a single commander and composed of significant assigned components of two or more Services.

(JCS) and approved by President Harry Truman on December 14, 1946. On the same day the Strategic Air Command became the first example of what was later to be designated a specified command.²

The Commanders in Chief (CINCs) of the unified and specified commands today are considered a key element in translating potential U.S. military capability into military power on the battlefield. The CINCs were formally established in 1958 by amendments to the 1947 National Security Act. Although the goals of earlier legislation had not been accomplished, the need for establishing the CINCs and eliminating the separate Services' approaches to warfare was clearly articulated by then President Dwight D. Eisenhower:

Separate ground, sea and air warfare is gone forever. . . strategic and tactical planning must be completely unified, combat forces organized into unified commands . . . singly led and prepared to fight as one, regardless of service.(1-2)

In the 42 years since the original provision for unified commands, there have been numerous changes as commands changed designations, were established, or disestablished. Today the unified commands are: U.S. Atlantic Command; U.S. Central Command; U.S. European Command; U.S. Pacific Command; U.S. Space Command; U.S. Special Operations Command; U.S. Southern Command; and U.S. Transportation Command. The specified commands are Forces Command and Strategic Air Command. The unified and

²A specified command is a command which has a broad and continuing mission and is normally composed of one Service. While the concept of specified commands originated in 1946, the term "specified command" was not used until 1951.

specified commands are established by the President through the Secretary of Defense (SECDEF) with the advice and consent of the Chairman of the Joint Chiefs of Staff (CJCS).

Each unified command consists of a headquarters with an integrated staff with personnel from each of the services having units assigned to the command. The forces of the unified commands, however, are not integrated. They are organized as service components; for example, for the European Command (EUCOM), the component commands are U.S. Air Forces Europe (USAFE), U.S. Army Europe (USAREUR) and U.S. Navy Europe (USNAVEUR). One component, the Tactical Air Command, serves as the Air Force component for four unified commands. The components maintain their forces through links with their respective services, and are in fact part of the services--typically functioning in a dual role as a service major command. The Services are the providers of forces and equipment. They are the buyers of weapons and the managers of the weapons acquisition process and the planning, programming and budgeting system (PPBS), the Defense Department's resource allocation process. The Services also provide the major supplies and spare parts and maintain the weapons; they also recruit, train and assign personnel.

NEED ESTABLISHED FOR DEFENSE REORGANIZATION

By the mid-1980's, many studies had concluded that the

unified command system had not achieved its intended objectives and additional reform was needed. One problem frequently identified was that forces provided to the unified CINCs were often not the forces needed to accomplish the commands' various combat missions and objectives. This condition was often attributed to the CINCs not having sufficient participation and influence in the defense resource allocation process.

The 1970 Report of the President's Blue Ribbon Defense Panel examined the CINCs' role in one aspect of PPBS, the requirements process, concluding that defense requirements were generally identified unilaterally by the Services. Furthermore,

There is an apparent inability of Service staff elements to divorce themselves from their own Service interests in establishing priorities for requirements. It is evident that the needs of the user in the field often take second place to weapons developments considered most important to the particular Service for the protection or expansion of its assigned roles and missions. (1-3)

The 1970 Blue Ribbon Defense Panel urged the development of greater CINC capability to establish well-founded individual requirements.

In 1982 the Special Study Group of the Chairman, Joint Chiefs of Staff (CJCS) concluded that the CINCs still had limited influence in defense resource allocation, noting:

Today the CINCs are at best only superficially involved in many things critical to their commands. They play almost no role in the programming and budget process (though they recently were invited by the Secretary of Defense to participate occasionally in meetings of the Defense

Resources Board) and have little influence in the JCS force allocation process. In addition, they are not strongly supported by either the Services or the Joint Staff.(1-4)

Also in 1982, senior national defense specialist John M. Collins of the Congressional Research Service provided Congress the following analysis of the role of the JCS in the defense planning process:

The Joint Chiefs of Staff "prepare strategic plans." They are not, however, organized to connect those plans with programs and budgets "which are developed through dialogue and debate between OSD and the Services." . . . The SECDEF therefore falls back on civilians in the OSD Program Analysis and Evaluation (PA&E), who have found favor for more than twenty years, as architects of joint strategies constrained by available means. (1-5)

A former Deputy CINC, General William Y. Smith, made the following observations about the lack of authority of unified commanders in a 1985 commentary, "The U.S. Military Chain of Command--Present and Future."

The unified commander has scant control and limited influence over the day-to-day activities of his component commands. That responsibility rests with the military departments. The Reorganization Act of 1958 removed the departments from the operational chain of command but charged them with responsibility to organize, train, equip, and administer service forces so that they become combatant forces to be assigned to a unified or specified command. The broad, service oriented charter of the military departments means that U.S. present and future military capabilities are developed predominantly on a unilateral service basis.

In truth, the military departments--the administrative chain of command--play the dominant role in the resources allocation

process outside of a specific operational necessity. That dominance comes from the legislation setting forth the responsibilities of the military departments--to organize, train, equip, administer. That is a large order which contains many broad implications that find expression in a myriad of different ways. Unless the law is changed, a large service participation in these matters is assured. (1-6)

The 1985 Defense Science Board Summer Study also addressed the need to more effectively involve the CINCs in the determination of defense requirements and the acquisition of military systems, making the following points.

The CINCs represent the most knowledgeable user community. OSD and the Services must strive to bring the CINCs' inputs into their decisions on long range development needs and into the operational capability/cost/risk trades being performed during the development process. The CINCs in turn must be required to engage in longer range force development planning to make their inputs to the resource allocation and systems acquisition processes more useful. They must remain in the loop as cost/capability trades are made during development. (1-7)

In June 1986, the President's Blue Ribbon Commission on Defense Management (the Packard Commission) issued its final report--A Quest for Excellence--which offered recommendations to enhance the planning, budgeting and acquisition of defense systems. The commission focused on the need for a more effective military organizational structure, pointing out the need for developing military advice that better integrates the individual views of the combatant commanders and the Service Chiefs. The Commission noted that the views of the CINCs must be "more

strongly and purposefully represented than they are at present within the councils of the Joint Chiefs and in weapons requirements decision-making." The Commission recommended the establishment of a Vice-Chairman of the Joint Chiefs of Staff and his designation as the OJCS member with responsibilities for representing the interests of the CINCs and reviewing weapons requirements to better focus them on the needs of the combatant commands. (1-8)

Most recommendations of the Packard Commission's final report were also contained in its Interim Report to the President, submitted in February, 1986. On April 1, 1986, the President issued National Security Decision Directive (NSDD) 219 directing DOD and other responsible executive agencies to implement virtually all recommendations in the Interim Report that did not require legislative action. On April 24, 1986, the President sent a message to Congress requesting the early enactment of legislation to, among other things, implement the balance of these recommendations.

1986 DEFENSE REORGANIZATION ACT

The 1986 Goldwater-Nichols Defense Reorganization Act was the culmination of several years of Congressional focus on defense reorganization issues. One of the major purposes of this legislation was to strengthen the CINCs "to place clear responsibility on the commanders of the unified and specified

combatant commands for the accomplishment of missions assigned to those commands and to ensure that the authority of the unified and specified commanders is fully commensurate with the responsibility of those commanders." (1-9) The Act stated that the CJCS would advise the Secretary of Defense on the extent to which the program recommendations and budget proposals of the military departments conform with the priorities established for the unified and specified combatant commands. More specifically, the Defense Reorganization Act states that the CJCS is required to:

- confer with and obtain information from the commanders of the combatant commands with respect to the requirements of their commands;
- evaluate and integrate such information;
- advise and make recommendations to the Secretary of Defense with respect to the requirements of the combatant commands; and
- communicate the requirements of the combatant commands to other elements of the Department of Defense. (1-10)

The 1986 Defense Reorganization Act and subsequent legislation also provided for special programming and budget provisions for one of the combatant commands--the Special Operations Command. Additionally, the Act provided that all combatant commanders be given control over some limited resources affecting their commands--permitting them to submit their own operations and maintenance budget proposals for certain functions.

Remaining sections of this paper discuss various actions

accomplished by the Defense Department since the passage of the 1986 Defense Reorganization Act to increase the role of the CINCs in the resource allocation process. While the primary focus is on the CINCs' role in defense budgeting, observations also are provided regarding the planning and programming aspects of PPBS as well as the complementary defense weapon system acquisition process. Many of the changes are still evolving and for those already implemented, the full effects may not be known. However, to the extent possible, I shall also address the impact of the actions accomplished on achieving increased CINC contributions on two major outputs of the defense resource allocation process--defense programs and budgets.

ENDNOTES

1-1 House Committee on Armed Services, Report to Accompany H.R. 4370 (Defense Reorganization Act of 1986), July 21, 1986, p. 20.

1-2 "Special Message to Congress on Reorganization of the Defense Establishment," Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 12958, GPO, Washington, D.C., p. 274.

1-3 Report to the President and the Secretary of Defense on the Department of Defense by the Blue Ribbon Defense Panel, July 1, 1970, p. 68.

1-4 Chairman's Special Study Group, The Organization and Function of the JCS, Report for the Chairman, April 1982, p. 32.

1-5 Collins, John M. U.S. Defense Planning: A Critique, 1982, Westview Press, Boulder, Colorado, pp. 69-70.

1-6 Reorganizing America's Defense: Leaders in War and Peace, Edited by Art, Davis and Huntington, Pergamon-Brassey's International Defense Publishers, Washington, DC, 1985, pp. 295 and 304.

1-7 Office of the Under Secretary of Defense for Research and Engineering, Report of the Defense Science Board 1985 Summer Study, Practical Functional Performance Requirements, Washington, D.C., March 31, 1986.

1-8 The President's Blue Ribbon Commission on Defense Management, A Quest for Excellence, Final Report to the President, June 1986, p. 35.

1-9 U.S. Congress, The Goldwater-Nichols Department of Defense Reorganization Act of 1986, Conference Report to accompany H.R. 3622, Report 99-824, September 12, 1986, p. 3.

1-10 Ibid

CHAPTER II

INCREASING CINC INVOLVEMENT IN THE DEFENSE RESOURCE ALLOCATION PROCESS

Since passage of the 1986 Goldwater-Nichols Defense Reorganization Act, actions have been taken by the Department of Defense to strengthen the roles of the Chairman, Joint Chiefs of Staff, and the commanders of the unified and specified commands in defense resource allocation. There are many indications of increased opportunities for the CINCs to be involved in the defense resource decisionmaking processes. However, there are also indications that the military services continue as the primary drivers of key resource allocation decisions. Furthermore, systemic impediments remain which inhibit the effectiveness of CINC contributions. Thus, it is unclear whether or not the changes undertaken will result in the CINCs having "real" influence over key outputs of the resource allocation process, the development and execution of defense programs and budgets.

THE PPBS AND INTERFACING PROCESSES

The primary Department of Defense resource management process is the Planning, Programming, and Budgeting System (PPBS). The purpose of PPBS is the production of a plan, a program, and finally a budget for the Department of Defense.

The budget is forwarded to the President for his approval, and the President's budget is then submitted to Congress for authorization and appropriation. By design, the PPB system establishes the framework and process for decisionmaking on future programs, as well as permits prior decisions to be examined and analyzed from the viewpoint of the current environment (threat, political, economic, technological, and resources). The ultimate objective of PPBS is to provide the operational commanders in chief the best mix of forces, equipment and support attainable within fiscal constraints.(2-1)

The planning phase of the resource allocation process focuses on the following major objectives:

- Defining the national military strategy necessary to maintain national security and support future U.S. foreign policy.
- Planning the integrated and balanced military forces necessary to accomplish that strategy.
- Ensuring the necessary framework to manage DOD resources effectively for successful mission accomplishment consistent with national resource limitations.
- Providing decision options to the Secretary of Defense to help him assess the role of national defense in the formulation of national security policy and related decisions.

The promulgation of strategic plans is a statutory function of the Joint Staff. The Joint Strategic Planning System (JSPS), serves as a framework for developing military advice on resource allocation considerations and converting national security policy into strategic guidance. The Joint Strategic Planning System is a separate process from PPBS, but one which is intended to be

integrated and complementary. It begins with the assessment of military threats to national security from all areas of the world and results in the publication of the Joint Strategic Planning Document (JSPD). The JSPD links the advice of the CJCS to the President, the National Security Council, and the Secretary of Defense on the military strategy and force structure required to attain U.S. national security objectives. The JSPD serves as a key input to the OSD-developed Defense guidance (DG), the culmination of the planning process. The most tangible facet of the DG is the identification, by Service, by Defense Agency, and by unified or specified CINC of specific midterm objectives which must be satisfied by the allocation of resources.

The programming phase of the PPB system focuses on the development of programs consistent with the DG. These programs should ideally reflect:

- systematic analysis of missions and objectives to be achieved;
- alternative methods of accomplishing the objectives; and
- effective allocation of resources to achieve the objectives.

Each military department and defense agency transmits its proposals for resource allocation to the Office of the Secretary of Defense (OSD) in its Program Objective Memorandum (POM). The Joint Staff has the responsibility of analyzing the Service programs to assess the associated risk and ability of the U.S. Armed forces to execute the type strategy approved during the planning phase. This review is formalized by the publication of

OJCS's Joint Program Assessment Memorandum (JPAM). The POMS are analyzed, in light of the JCS risk assessment, for compliance with previous guidance documents. Issues are developed, staffed, and compiled in Issue Books. The Defense Resources Board (DRB) then meets to discuss the issues. Decisions made on the issues by the Secretary and Deputy Secretary are then formally announced in Program Decision Memorandums. (PDMs)

The budgeting phase of PPBS focuses on developing detailed budget estimates for the budget years of the programs approved during the previous programming phase. The military departments submit a budget estimate submission (BES) which represents their estimate of the cost of the approved program--the POM as adjusted by the PDMs. The budget process involves OSD and Office of Management and Budget reviews of Service estimates of program costs. Decisions and adjustments emerging from budget reviews are formalized by Program Budget Decisions (PBDs), with the Defense Resources Board resolving budget issues raised during the review process for which agreements cannot be reached. The completion of this process culminates in the DOD input to the President's Budget.

Theoretically, decisions reached as a result of the program review and promulgated in PDMs should not be reexamined in the budgeting phase. However, since the POM-build has traditionally been accomplished with unrealistic expectations about future defense budget levels, program costs, rates of inflation, etc., the budget drill is a much more comprehensive and complex process

than originally envisioned. While it is technically the responsibility of the OSD and Service comptrollers, the programming divisions must become heavily involved to reassess previous inputs in light of revisions to program information and other factors.

STRENGTHENING CINC PARTICIPATION

As discussed in Chapter I, widely held views that CJCS and CINC participation in the PPBS process was deficient, prompted the initiation of changes to increase their inputs. While changes were begun in the late 1970's, and continued into the early 1980's, progress had been slow in increasing the influence of the combatant commanders in defense resource allocation decisions. NSDD 219 provided for numerous reforms to improve defense resource allocation and passage of the 1986 Goldwater-Nichols Defense Reorganization Act modified the law to support additional changes. The policy was clearly established that the combatant commanders should be more effectively incorporated into the resource allocation process. However, there have been delays in completing revisions to OSD and OJCS directives providing guidance as to how these changes are to be accomplished. A July 1, 1988 report on Service reporting systems supporting the CINCS pointed out that both OSD and Joint Staff directives to provide current documentation of PPBS policy and procedures have not been completed. The report stated:"...with the passage of time, the

rationale and intent of past PPBS decisions are lost if not incorporated into standing directives." The report recommended that staffing of draft revisions of both DOD PPBS regulations include the CINCs and be completed as soon as possible. The Assistant Secretary of Defense (Comptroller) nonconcurred with this recommendation.(2-3)

A March 1989 General Accounting Office (GAO) report also recognized DOD's failure to update PPBS directives. The report noted that the Chairman's enhanced role in the resource allocation process is not reflected in current policy guidance, saying:

Guidance clarifying the functions of the Joint Staff in this process is needed to ensure that other organizations, such as OSD and the services, do not limit the ability of the Joint Staff to support the Chairman in exercising his influence as intended in the Reorganization Act.(2-4)

Despite DOD's failure to formalize key PPBS directives, various documents have been issued providing revised guidance for more effectively processing CINC inputs to the process. An April 1987 change to the 1984 DOD instruction on PPBS implementation provided the departments general guidance on how the CINCs should be involved in each phase of the process.(2-5) Additional information has been disseminated through various position papers and memos from OSD and OJCS. The following information relies heavily on these sources.

In the planning phase, the CINCs are to advise the CJCS during development of the JSPD and to submit recommendations to

the Secretary of Defense for major changes to the existing Defense Guidance. The CINCs have an opportunity to comment on drafts of the DG and to personally meet with the DRB to discuss their views and recommendations.

The primary interaction between the CINCs and the Military Departments during the programming phase is through the component commanders. At a time specified by the Military Departments, each CINC identifies his requirements to the Service commands responsible for providing programming support. Should CINC concerns not be resolved by the components, direct communications between the CINCs and the Military Departments may be used during POM development. The CINCs participate in reviewing military departments' POMs, and they may submit major issues for later discussion during the DOD program review. The CINCs are also included in some meetings of the Defense Resources Board.

Integrated Priority Lists

CINC Integrated Priority Lists (IPLs) provide another key input from the combatant commanders to the programming phase of the defense resource allocation process. While recognized as a positive step in enhancing CINC involvement in PPBS, assessment of the value of the IPLs in influencing the development of Service programs is mixed.

The IPL concept was established by a November 1984 memorandum from Deputy Secretary of Defense Taft. The memo provided that the CINCs would prepare a list of their higher

priority needs, with priorities being set across Service and functional lines, and with consideration of reasonable fiscal restraints. The lists were to be provided to the Secretary of Defense, the Deputy Secretary, and the CJCS each December.(2-6)

While the IPL concept has matured in the years since its inception, the objective is the same--to provide visibility for those few key problem areas which, in the judgement of a CINC, require the highest priority attention by the Department of Defense in finding solutions. Today, each military department responds to these lists by preparing an annex to its Program Objective Memorandum indicating how the CINC priorities are addressed and providing supporting rationale for those priority needs not met.

Interviews with CINC staff revealed their concern that the timing of CINC IPL inputs is too late to have more than marginal impact on the development of Service programs. They said that major force structure and equipment resourcing decisions have already been made by the time the IPLs are submitted in November of the POM-building years. Additionally, CINC program and budget staff noted that Service POM and budget building panels sometimes make reductions to CINC priority programs without knowing that these items are on the IPLs.(2-7) Service programmers noted that their assessment of Service support for the CINC annex is primarily an attempt to determine how well previously identified program decisions support the needs of the CINCs. While minor program changes can be made, the programmers

indicated the CINC IPL's are submitted too late to have significant impact.(2-8)

Joint Staff officials identified other limitations in the IPL process. First, the items identified do not necessarily represent the CINCs highest priority programs. There is inconsistency among the CINCs as to what constitutes a program. The IPLs vary significantly in both the number of programs submitted (from 6 to 300) and in the basis for determining the items to be included. Some CINCs base their lists on how well various weapons programs are faring in congress or in DOD's resource allocation process, while others give priority to war reserves needed for immediate mobilization. Second, although the original intent was to require the CINCs to apply some degree of resource constraint, that limitation has not been enforced. IPLs are currently neither resource-constrained nor costed.(2-9)

While a detailed discussion of IPL specifics cannot be included in an unclassified paper, unclassified summary data was provided the Institute for Defense Analyses (IDA) for its recent review of the CINCs and the acquisition process. The Secretary of the Army provided a breakdown of CINC requests which it categorized into 130 issues. The Army projected that 92 of these issues were "supported" in the Army program, meaning that the Army determined its program funded 67 to 100 percent of the estimated requirement. Support for 23 issues was projected between 34 to 66 percent of the estimated requirement, while the Army's support for 15 issues was said to range between 0 and 33

percent. According to the IDA report, those issues not supported fell generally in the area of sustainability, war reserves, major items, munitions and secondary items. Army combat support and combat service support equipment and force structure requirements were said to be unsatisfied needs for all the CINCs.(2-10)

The IDA report noted that for CINC IPL items in each of the services, aggregating the very dissimilar CINC requests "blurs the significance of the statements." Further, the report concluded that because the CINC requests are not resource constrained or costed, "...the Services can pick and choose which items are to be bought. In the end they can reflect Service priorities rather than CINC priorities."(2-11)

OSD's 1988 Review of Service Support to the Warfighting CINCs also identified deficiencies with the IPL process. For example:

- They do not convey a clear and understandable set of important problems that can be addressed in program development and review by the Department's senior leadership.
- Since few ground rules exist for constructing IPLs, the documents tend to vary in scope, complexity, and merit.
- Neither OSD nor JCS reviews the IPLs from the standpoint of highlighting total warfighting capability nor prioritizes the CINC's requirements to focus attention on the most urgent programming needs.
- The IPL's are not evaluated in light of the DG Illustrative Planning Scenario. Hence the Services may fund requirements that are not directly related to the DG or are of relatively low priority.

Another DOD study, a review of OSD by the Service Secretaries, recommended developing standardized preparation

instructions for the IPLs, noting:

Once established, such instructions would serve to help clarify the linkage of strategy to programs by alleviating the challenge of integration of the priorities, which are currently difficult to align because of the differing perspectives of the combatant commanders. These instructions should at a minimum: (1) define what constitutes a priority; (2) require justification based upon both national military strategy and regional plans; and (3) provide guidelines for integrating and rank-ordering the priorities.(2-12)

Based on my limited analysis of the Services' IPL evaluation process and reporting procedures, I believe some standardization may also be needed in this end of the process. For example, the Air force provided few written details about its support for CINC IPL items, relying primarily on CINC briefings to relay this information. Air Force officials noted it is difficult to identify with any degree of specificity how much of a centrally managed program will be allocated during program execution to a given theater of operations.

The CINC Annex to the Army POM does break CINC IPL items into specific program elements and project how well CINC requirements for these elements are supported by its program. However, my analysis indicates that while Army support for some CINC IPL items was identified in the 67 to 100 percent category, the program requirement for some of these items may be significantly greater than that identified. This would suggest the degree of support provided may be far less than indicated by the Army's analysis. CINC representatives noted that component

commands identify the specific requirements for each CINC IPL item, and there is some question about the consistency and validity of the methodologies used.(2-13)

In March 1989 OSD issued a memorandum providing guidance on CINC IPL submissions for the FY 92 to 97 POM cycle. The memorandum noted that IPLs are to remain "highly focused supplements to--not substitutes for--a CINC's normal communication of programming requirements to the services (through assigned components or programming support activities)." The memo noted that IPLs should be a sharp statement of the CINCs most important concerns.(2-14) Rather than provide standardized preparation procedures as some suggest are needed, the memorandum noted that the CINCs should adapt the IPL format to fit individual CINC situations. The date for CINC IPL submission was moved forward by one month from November to October 1989.

CINC High Interest Small Programs

While IPLs were established to highlight CINC concerns during the programming phase, another list of items has been identified for review and tracking during the budget phase. An October 29, 1987 Program Execution Review Memorandum established general procedures for the CINC High Interest Small Program List. CINCs recommend high interest, theater-specific items to OJCS where the final program list is determined. The list for each CINC consists of no more than five theater specific items, with

no more than three managed by any one service. The items are generally low-dollar value items and are not necessarily on the CINC IPL list.

The CINC High Interest Small Program List is provided the ASD (Comptroller) who is responsible for tracking the programs during the budget review and budget execution phases of PPBS. In developing its Budget Estimate Submission, each Military Department will identify any change to an item on the list. The ASD(C) uses the "Detail of Evaluation" section of each PBD or PBD Reclama to identify the specific effects of each alternative that would alter a program on the list. The Services must also track the programs through budget execution and alert the CJCS of any reprogramming that effects an item on the list.

A key role in this process is played by the Joint Staff Force Structure and Assessment Directorate (J8) which receives notification of relevant PBDs from the ASD(C). The J8 Program and Budget Analysis Division (PBAD) reformats the PBDs and transmits them electronically to the CINCs.(2-15)

Joint Staff officials queried the CINCs about their assessment of Service tracking of their small programs during development of the FY 1989 Amended Budget Submit. Seven CINCs indicated they believe the Services were effective in tracking their programs. None indicated they were denied an opportunity to reclama a changed item. Five CINCs felt that the "detail of evaluation" of the PBDs needs more attention. All CINCs said there should be periodic Service review and reports to CINCs on

tracked programs. Additionally, all CINCs indicated they wanted the automated notification system established by JCS for transmitting CINC small program information to be used to transmit all PBDs rather than only those effecting items on the CINC High Interest Small Program List.(2-16)

Organizational Changes

In addition to procedural changes discussed above, organizational changes have been accomplished within the Joint Staff to enhance OJCS participation in the requirements, PPBS and acquisition processes. One of the roles of that staff is to assure that CINC views are incorporated into these processes. However, changes may also be needed in the CINC staffs to further enhance their ability to more effectively contribute to defense resource allocation decisionmaking.

The new VCJCS who now serves as chairman of the Joint Requirements Oversight Council and vice-chairman of the Defense Acquisition Board is expected to be a significant asset to the CJCS in enacting required Joint Staff reforms. He is to represent a continuous, formal connection between the combatant commanders as advocates of requirements and the various defense resource allocation decision bodies.

There are three Joint Staff directorates which have major roles in the resource allocation process. The new Joint Staff Force Structure, Resource, and Assessment Directorate (J8) is to function as the focal point for Joint Staff participation in the

PPBS--providing recommendations on force structure, developing trade-off analyses between effectiveness and alternative resource levels, producing the military net assessment, and developing resource-constrained force structures. J8 is expected to function somewhat like a Joint staff version of the OSD(PA&E). The J8 Program and Budget Analysis Division is responsible for program and budget assessment and reviews and serves as the Joint Staff point of contact with the CINCs, Military Services, and OSD for resource allocation and budgeting matters within the PPBS. The Force Program Integration and Resource Assessment Division is responsible for assessing the potential impact that future budget and manpower changes have on warfighting capability. The Acquisition and Requirements Division of J8 is responsible for performing OJCS assessments of weapons and support systems requirements and programs and support the CJCS/VCJCS in their participation in Defense Resource Board, Defense Acquisition Board, and Joint Requirements Oversight Council meetings.

Another Joint Staff directorate with key resource impact is Strategic Plans and Policy Directorate (J5) whose responsibilities include deriving the resource-constrained national military strategy and strategic objectives for the combatant commanders' campaign plans. A third Joint Staff directorate with resource allocation responsibilities is the Operational Plans and Interoperability Directorate (J7) which is the Joint Staff focal point at the front end for defining CINC requirements and evaluating their plans.

As illustrated above, significant changes have occurred within the Joint Staff to improve the CJCS's ability to participate and influence the resource allocation process. However, while improvements have been noted in the Joint Staff's involvement in resource allocation activities, it is too soon to assess how effective the current organization will be in achieving the desired OJCS input to defense resource allocation decisionmaking.

The ability of CINC staffs to assume their desired role in the resource allocation process does not seem to have been significantly improved. The Institute for Defense Analyses noted in its 1988 report on CINCs in the Acquisition Process that the CINC staffs have neither the size nor quality to carry out their enhanced responsibility. According to the IDA report:

While the CINCs may have the capability to provide an enhanced input in regard to readiness and sustainability, there is some doubt they will be able to offer much more in regard to acquisition. One former CINCLANT who served within the last four years states that he had only two officers and a secretary to handle his acquisition input to the PPBS.

One former CINC suggests that what is needed on the CINC staff would include: (1) an analytical group to determine what is needed for operations; and (2) a PPBS group who know how to "work" the PPB system. Staff increases need not be large; quality will count far more than numbers. (2-17)

IDA also noted that the existing CINC liaison offices in Washington are too small to be effective in achieving the required PPBS coordination between the various Pentagon offices and the regional CINCs.

One problem with CINC participation involves the schedule and the quick responses needed during the Program Budget Decision cycle. The CINCs, who must participate from distant locations, can not take full advantage of the opportunities that exist within the current process. However, the establishment of Washington liaison offices which could follow the action on a daily basis and keep the CINCs informed in a timely manner, could to some degree mitigate the negative aspects of remote CINC locations, provided these liaison offices were given access to appropriate information.(2-18)

IDA concluded that a shift of resources from the Service staffs to the CINCs may be appropriate.

The procedural and organizational changes discussed in this section are expected to increase the involvement of the OJCS and facilitate the participation of the CINCs in the resource allocation process. Yet, it is still too early to determine how much impact these changes may have on generating defense programs and budgets which better reflect the requirements of the combatant commanders. As discussed in the following section, there are indications that changes implemented to date will not address systemic problems which have in the past inhibited the effectiveness of CINC participation in the defense resource allocation process.

IMPEDIMENTS TO MORE EFFECTIVE CINC CONTRIBUTIONS

A major impediment to more effective CINC participation in the defense resource allocation process is that CINC staffs

think in terms of current capability shortfalls rather than future requirements. CINC staffs can identify the failings of the forces and equipment they have, but are not generally able to describe in feasible terms what new force structure alternatives or new systems they would like to have. This disconnect is complicated by the CINC staffs lack of knowledge about the impact of force structure and equipment upgrades which will be provided them by the Services between the present and the outyears of the planning period for which resource requirements are being determined.

There are essentially three independent systems which are involved in the defense resource allocation process--the Joint Strategic Planning System (JSPS) and the PPBS which were previously discussed, and the Joint Operational Planning System (JOPS). Under the JOPS system, the CINCs build war plans based on resources the Joint Staff informs them are available. CINC data bases contain information about current forces. JOPS looks at current operational requirements and identifies shortfalls in current capabilities. PPBS on the other hand addresses expected capabilities six years in the future and requirements which are anticipated to be needed to address future capability shortfalls. Service data bases have information about systems which they project will be in the inventory during the planning period, with projected factors associated with these systems. Thus, while the CINCs are encouraged to contribute to the side of the process which deals in future requirements, they are

limited in their ability to participate.

This position was supported by CINCSOC in a March 13, 1989 memo to the DEPSECDEF addressing the status of various aspects of resource allocation provisions of the 1986 Defense Reorganization Act.

Our efforts strive to improve the connectivity of the Joint Strategic Planning System (JSPS), the Joint Operational Planning System (JOPS), and the Planning, Programming, and Budgeting System (PPBS). JOPS identifies shortfalls in capabilities, not CINC requirements. The timing of the POM process versus the JOPS cycle does not provide for a credible analysis. The IPL represents a CINC's critical warfighting needs and, in essence, his in-house capability to analyze capabilities and assets to meet warplan missions and tasks. Since the IPL is nearterm, CINC's have little impact on RDTE efforts of future systems.(2-19)

As a result of the system disconnects described above, the combatant commanders have in the past been inhibited from translating their operational shortfalls into language understood and accepted by the Services. A recent example of these disconnects is presented below in a discussion of the CINC/Army force structure question of how to define the appropriate balance between combat and support forces.

CINC Support Shortfalls Unresolved

For several years combatant commanders have stressed the critical shortage in their ability to support land combat operations due to serious deficiencies in Army combat support and combat service support (CS/CSS) capability. CINCs have included

CS/CSS on their IPLs and the issue has been addressed but not resolved by the Defense Resources Board. According to information obtained from the General Accounting Office, this major CINC priority continues now, as in the past, to be poorly supported by the Army.(2-20)

The current shortfall resulted from the Army's force structure policies of (1) reducing the number of divisional support forces by centralizing many support functions in non-divisional support units; (2) moving many non-divisional support units into a non-existent "comp-04" status; (3) transferring many of the remaining active duty non-divisional support units to the reserves; and (4) assigning support units lower resource priorities than combat forces regardless of their criticality of need or expected time to be employed in combat. The Army's position has been that these actions were necessary in order to man and equip its new divisions; furthermore, future improvements in non-divisional support unit capability are expected to reduce future requirements for these forces.

In testimony before the Senate Armed Services committee in 1985, a former CINCEUR emphasized the potential impact of critical theater level support shortfalls. He said that insufficient combat service support capability could greatly degrade the ability of U.S. forces to conduct required conventional combat operations in Europe. In 1986 testimony, the then-current CINCCENT pointed out the potentially grave consequences of the support imbalance on his ability to respond

to a crisis situation in the Middle East. That same year, the commander of the Southern Command told a gathering at the Brookings Institution that the Army needs combat service support capability far more urgently than shooters. He noted that he would rather have four more engineering battalions than four light divisions.

Proponents of current Army structure concede the degraded condition of Army support capability, but argue that emphasis on combat equipment and personnel are justified because only combat forces deter. They also point out that current Army support deficiencies have received adequate emphasis in defense resource planning, particularly in light of the fact that the Army has a shortfall in combat forces as well as support forces. Furthermore, they believe planned host nation support and U.S. support force improvement initiatives should considerably enhance Army support capability in the future.

Proponents of the need for a restructuring of the current force structure balance point out that the Army's current requirements determination process based on the DG Illustrative Planning scenario does not adequately address theater support force requirements. Additionally, they note that the Army has significantly overestimated the capability improvements which can be achieved with planned support enhancements. Furthermore, these improvements continue to receive low funding priority and are slipping further into the future.

Thus, despite continued CINC emphasis on the need for

significantly improved combat support and combat service support capability, the resource allocation system continues not to respond. As illustrated by the above discussion, Service priorities rather than those of the theater operational commanders continue to be the driving force for requirements, and thus of programs and budgets.

However, as a result of provisions of the 1986 Defense Reorganization Act, one of the unified commands has achieved a unique status in the defense resource allocation process. The following chapter discusses the evolution of independent validation of requirements, programming and budgeting authority for the U.S. Special Operations Command.

ENDNOTES

- 2-1 "The Planning, Programming, and Budgeting System (PPBS)," DOD Directive 7045.14, May 22, 1984, pp 1-2.
- 2-2 This section draws heavily from DOD Instruction 7045.7, "Implementation of the Planning, Programming, and Budgeting System (PPBS)," May 23, 1984.
- 2-3 OSD(PA&E), "Review of Service Reporting Systems Supporting CINC Warfighting Needs," July 1, 1988.
- 2-4 U.S. General Accounting Office, Defense Reorganization: Progress and Concerns at JCS and Combatant Commands, GAO/NSIAD-89-93, March 1, 1989.
- 2-5 "Participation in the Planning, Programming, and Budgeting System by the Commanders in Chief of the Unified and Specified Commands (CINCs)," enclosure 8, April 9, 1987, change to "Implementation of the Planning, Programming, and Budgeting System (PPBS)," DOD Instruction 7045.7, May 23, 1984.
- 2-6 "Enhancement of the CINCs' Role in the PPBS, Memorandum from DEPSECDEF for Members of the Defense Resources Board, DRB 84-50, November 14, 1984.
- 2-7 Interviews with U.S. CENTCOM and U.S. SOCOM officials, March 5-8, 1989, McDill AFB, Florida.
- 2-8 Interviews with Army(PA&E) and AF(PR) staff, January and February, 1989.
- 2-9 Interviews with Joint Staff officials, February, 1989.
- 2-10 Institute for Defense Analyses, The CINCs and the Acquisition Process, IDA Paper P-2113, September 1988, pp VI-6 - VI-8.
- 2-11 *ibid*, p VI-9.
- 2-12 *ibid*, p VI-3.
- 2-13 Interviews with U.S. CENTCOM staff, March 5-8, 1989 and telecommunications with U.S. EUCOM staff, March 12 and 13, 1989.
- 2-14 The FY 1992-1997 Integrated Priority Lists, Memorandum for the Commanders-In-Chief of the Unified and Specified commands, March 14, 1989, p 1.

2-15 VCJCS Memorandum for the Deputy Secretary of Defense on Report of the Review of Service Reporting Systems Supporting CINC Warfighting Needs, November 15, 1988.

2-16 ibid, p 3.

2-17 Institute for Defense Analyses, The CINCs and the Acquisition Process, IDA Paper P-2113, September 1988, p IV-6 - IV-7.

2-18 ibid, p VII-6.

2-19 Memorandum for the Honorable William Taft, Subject: Report to Congress in Accordance with Section 714, FY 1989 DOD Authorization Act, p 1.

2-20 Information for this section taken from internal working papers of the U.S. General Accounting Office, Review of Army Combat Support and Combat Service Support.

CHAPTER III

A SEPARATE BUDGET FOR SPECIAL OPERATIONS COMMAND

Congress recognized serious shortfalls in U.S. capability to perform special operations missions and attributed this difficulty to the way special operations forces were organized, trained, equipped and used. To address these deficiencies, Congress enacted legislation intended to drive significant changes in DOD's overall management of special operations forces. The body of public law on special operations enacted since 1986 provides for establishment of a unified combatant command with unique missions and with authority and responsibilities more extensive than those of other unified or specified commands. This authority includes defining and validating requirements; developing and acquiring special-operations-peculiar equipment; and developing and executing plans, programs and budgets. After considerable resistance by several elements of the Department of Defense, the guidelines, procedures and systems for accomplishing these objectives are finally being put into place.

CONGRESSIONAL INVOLVEMENT

Work leading to passage of the Goldwater-Nichols Defense Reorganization Act of 1986 set the stage for reorganizing special forces operations and providing special programming and budget authority for managing special operations resources. The

Goldwater Nichols Act recommended the "... creation of a unified combatant command for special operations missions which would combine the special operations missions, responsibilities, and forces of the armed forces." (3-1) The National Defense Authorization Act for 1987 amended the Goldwater Nichols Act and added Section 167 to Title 10 of the U.S. Code. This legislation mandated creation of two new organizations within DOD--an Assistant Secretary of Defense for Special Operations and Low Intensity Conflict [ASD(SO/LIC)] and a unified command for special operations forces, the United States Special Operations Command (USSOCOM). The 1987 Authorization Act also provided for the establishment of a new major force program (MFP) category within the DOD Five Year Defense Program (FYDP) for planning, programming and budgeting special operations forces. (A major force program is an aggregation of program elements that reflects a DOD force mission or support mission and contains the resources needed to achieve an objective or plan.) It specified that the ASD(SO/LIC), with the advice and assistance of the Commander in Chief, USSOCOM, provide overall supervision of the preparation and justification of program recommendations and budget proposals to be included in the new MFP 11. DOD was given 180 days to implement the special operations provisions of the 1987 authorization act. (3-2)

Perceiving that implementation of congressional intent for establishing new procedures for managing special operations was progressing too slowly, Congress incorporated additional

legislation into the Defense Authorization Act for 1988. Among other provisions, this Act required that the Secretary of Defense provide sufficient resources to USCINCSOC to carry out the duties and responsibilities assigned him in the Defense Authorization Act of 1987, especially those relating to:

- developing and acquiring special-operations-peculiar equipment and acquiring related materiel, supplies and services;
- providing advice and assistance to the ASD(SO/LIC) in his overall supervision of the preparation and justification of the special operations program recommendations and budget proposals; and
- managing assigned resources from the newly established special operations forces major force program, MFP 11.(3-3)

DOD RESPONSE TO LEGISLATION

On March 27, 1987, Deputy Secretary of Defense (DEPSECDEF) Taft issued a memo stating that DOD should proceed with deliberate speed to implement the special operations forces program "in the spirit in which Congressional guidance was provided".(3-4) However, debate continued as to how this should be accomplished. The controversy seemed to become enshrouded in a separate debate over another section of the 1987 Authorization Act (Sec 166) which provided that each of the unified and specified commands should have separate budgets for such activities as joint exercises, force training, contingencies, and selected operations. (This issue is discussed further in Chapter IV of this paper.) An April 13, 1987, Joint Chief of Staff memo

recommended against separate CINC budgets as permitted in Section 166, while an August 23, 1987, DEPSECDEF memo concluded that Section 166 of the 1986 Defense Reorganization Act did not require CINC budgeting.(3-5)

On August 10, 1987, the Commander in Chief of the newly created Special Operations Command (USCINCSOC) met with Deputy Secretary of Defense Taft to clarify the USSOCOM role in managing Major Force Program 11. A September 29, 1987, DEPSECDEF memo provided guidance for control of MFP 11. The Services and Defense agencies would continue to be responsible for planning, programming and budgeting for special operations capability, with USSOCOM participating in the process in the normal manner. USSOCOM, however, was given the responsibility to plan, program and execute its own headquarters budget, with the Air Force acting as executive agent. Additionally, the new policy provided the special operations community certain preferential treatment during the PPBS and budget execution process. Specifically:

- Decisions on special operations issues were to be recorded in all appropriate PPBS decision documents, with these documents as well as reprogramming requests and fund releases to be coordinated with ASD(SO/LIC). Where appropriate the documents would be accompanied by dissenting views so that the Secretary of Defense and Deputy Secretary of Defense were fully informed of differing positions before they made decisions.
- Special operation budget exhibits were to be included in the justification material that accompanied the President's budget to Congress.
- Documents that released appropriated funds to the Components would display all identifiable special operations resources. Those documents would specify that funds released for special operations be used only for special operations programs.(3-6)

USCINCSOC concurred with the Taft memo but maintained the USSOCOM objective for participation in the PPBS process as full POM and Budget Execution Authority for the FY 92-96 (now FY 92-97) planning period. In November 1987, the ASD(SO/LIC) tasked the Logistics Management Institute to make recommendations on USSOCOM's role in acquisition, programming and budgeting. Debate continued within OSD throughout 1988 as to whether or not the newly established procedures for handling Major Force Program 11 complied with congressional intent.

While SOCOM continued to press for its own program and budget authority, there was much opposition within the Pentagon. The Services viewed assigning separate programming and budget authority to SOCOM as an erosion of their programming and budget authority and considered the then-current process as more efficient since it used existing service systems. OSD(PA&E) viewed the possible assignment of POM and budget authority to USSOCOM as contrary to the established OSD PPBS system and felt that providing such authority would set an undesirable precedent since other CINCs did not have the same authority. The OSD Comptroller objected to SOCOM's being given budget execution authority because the Command lacked the required infrastructure for implementation.(3-7)

In August 1988, the Logistics Management Institute (LMI) issued a report concluding that the current procedures for the special operations POM and budget preparation do not meet the needs of the special operations community or the intent of

Congress. The report recommended that USSOCOM be authorized to develop the Program Objective Memorandum for MFP 11 and submit copies to OSD, JCS, and the Services. MFP 11 would then go through the same process as other POMs. Following POM submission, USSOCOM would prepare and execute the research, development and acquisition portion of the special operations budget. The operations and support pieces of MFP 11 would be given to the services and appropriate Defense agencies for budgeting and execution, with USSOCOM monitoring the process. The LMI report noted that if implementing directives for this position were not issued soon, USSOCOM would not be able to establish the required infrastructure, systems and procedures necessary to build a POM in time to meet the FY 92-97 programming schedule. (3-8)

RECENT CONGRESSIONAL ACTION

In drafting the FY 89 DOD Authorization Bill during the summer of 1988, Congress again attempted to clarify its intent regarding the responsibility and authority of the Commander in Chief, U.S. Special Operations Command. Section 712 of the FY 89 DOD Authorization Act proposed a revision to Section 167 of Title 10, United States Code. It provided that the Commander of SOCOM be responsible for and have the authority to conduct the following functions relating to special operations activities:

- Preparing and submitting to the Secretary of Defense program recommendations and budget proposals for special operations

forces and for other forces assigned to the special operations command.

- Exercising authority, direction and control over the expenditure of funds.(3-9)

The Conference Report on the 1989 Defense Authorization Act further explained the intent of these revisions by indicating that the Commander of the Special Operations Command is to be responsible for executing budgets as well as preparing and submitting program recommendations and budget proposals. The report set an implementation date for budget execution not later than for the budget for fiscal year 1992. It also provided that the SOCOM commander should have specified resource allocation responsibilities for all forces assigned to his command. (3-10)

About this time legal opinions regarding the special operations programming and budgeting question were developed. For example, an August 1988 SOCOM Staff Judge Advocate memo noted:

While USCINCSOC has a variety of unique opportunities to influence budgeting for SO peculiar items, he still does not prepare his own budget. He must attempt to push SO items up through the pipeline of the service budget submissions.

To the extent that USCINCSOC does not have the opportunity to submit his own prioritized budget..., the current system is not in compliance with the law."(3-11)

An OSD General Counsel memo took a somewhat different interpretation, noting that legislative language provided DOD considerable latitude in implementation.

It is my opinion that, as a strict matter of statutory construction, a POM need not be prepared by CINCSOC. At the same time, however, it is clearly the political desire of certain members of Congress...With respect to budgetary execution, so long as CINCSOC has "authority, direction, and control" over expenditures of the funds provided for the SOF and related forces, the law permits a broad range of alternatives as to how the responsibility will be executed.(3-12)

A series of Pentagon meetings during August and September 1988 continued the debate regarding congressional intent on USSOCOM's role in the POM/budget process. The SOCOM position, supported by the ASD(SO/LIC) was that under the then-current process, SOCOM had influence over special operations resources, but not the control needed to make the required improvements. However, there continued to be much opposition to this point of view. Option papers discussed various alternative decisions ranging from the status quo; to creating a new Special Operations Forces Defense Agency with POM and budget authority; to having CINCSOC prepare the POM, submit the budget estimate and execute the budget for Major Force Program 11.(3-13) A January 9, 1989, memo to DEPSECDEF from the Vice Chairman of the Joints Chiefs of Staff clarified his support for the alternative providing CINCSOC POM and budget authority for MFP 11.

Two members of the Special Operations Panel of the House Armed Services Committee wrote to DEPSECDEF Taft in October 1988 regarding possible DOD misinterpretation of the legislation enacted in Section 712 of the 1989 Defense Authorization Act. The congressmen pointed out that the purpose of the legislation

was to "clearly assign to the CINCSOC responsibility for preparing and submitting to the Secretary of Defense program recommendations and budget proposals for special operations forces." (3-14) A January 9, 1989, letter to the Secretary of Defense from four key Senate Armed Services Committee members also reemphasized the intent of the Congress in having the Commander of SOCOM: (1) prepare and submit special operations programs and budget proposals and (2) exercise authority, direction and control over the expenditure of funds for the development and acquisition of special-operations-peculiar equipment, material, supplies and services. (3-15)

A January 17, 1989, memo to the Deputy Secretary of Defense provided two options for his consideration regarding special operations forces programs and budgets. One option would assign program/budget development responsibility to USSOCOM. The second option called for assigning this responsibility to ASD(SO/LIC) as head of a Special Operations Agency. The new agency would also assume responsibility for low intensity conflict, as well as related security assistance programs that are currently the responsibility of the ASD for International Security Assistance Programs and the Defense Security Assistance Agency. The special operations community firmly supported the first option.

Acting Secretary of Defense Taft issued a memo on January 24, 1989, assigning the responsibilities for programming, budgeting and execution of Major Force Program 11 to USCINCSOC. The authority was in place for SOCOM to assume full control of

the special forces program and budget, but much of the work required to set this direction into action in time to submit a POM for the FY 1992-97 cycle was still to be defined.

SOCOM INITIATIVES

A February 1989, Logistics Management Institute Report pointed out the difficulty of the tasks yet to be accomplished in effecting the transition of SOF resources from Service/Agency control to special operations control. The report noted:

This transition would be difficult if it had the support of all concerned and plenty of time; since the command has neither total support nor unlimited time, it faces an extremely difficult task. The classic questions of what resources are involved, where they are located, and who should take what action at what time must be answered. Full implementation of the transition requires a major effort, one that should be started soon. (3-16)

The LMI report identified several major problems which must be resolved if the special operations forces major force program transition is to be effective. For example:

- The current MFP 11 program element structure is unnecessarily complex and restrictive, and should be restructured to make it more flexible, coherent and consistent.
- Funds transferred by the services to Major Force Program 11 are underfunded by about \$1.2 billion over the FY 92 to 97 planning period.
- Various support resources required for special operations forces will reside with the major force programs of the Services and Defense Agencies. Formal agreements should be

developed between SOCOM and these organizations to assure that the required support will be available.

SOCOM officials acknowledged they have undertaken an ambitious effort to accomplish the required tasks to set up programming and budget procedures and systems; establish data bases; revalidate the elements of the program; obtain support agreements from other DOD activities; and finally to develop and submit the 1992-97 POM by March 1990. They noted some resistance from the services in providing required information and assistance.(3-17)

Thus, after much debate and considerable delay, SOCOM is finally preparing for its first POM and budget submission. Although Congress had also intended that the other CINCs have limited program and budget authority for certain operations and maintenance programs, this aspect of the 1986 Defense Authorization Act has not yet been implemented. The following chapter describes the CINC small budget issue.

ENDNOTES

- 3-1 U.S. Congress, The Goldwater-Nichols Department of Defense Reorganization Act of 1986, Public Law 99-433, October 1, 1986, p 1017.
- 3-2 U.S. Congress, National Defense Authorization Act of 1987, Public Law 99-661, November 14, 1986, 100 STAT. 3983-3986.
- 3-3 U.S. Congress, National Defense Authorization Act for Fiscal Years 1988 and 1989, Public Law 100-180, December 4, 1987, 101 STAT. 1154-1156.
- 3-4 DEPSECDEF Memorandum for Secretaries of the Military Departments and the Chairman of the Joint Chiefs of Staff on Guidance on Implementation of Major Force Program 11, Special Operations, March 27, 1987.
- 3-5 U.S. Special Forces Command, Undated Internal Staff Memo.
- 3-6 DEPSECDEF Memorandum for Secretaries of the Military Departments and the Chairman of the Joint Chiefs of Staff on Control of Major Force Program 11 Resources, Special Operations, September 29, 1987.
- 3-7 U.S. Special Forces Command, Undated Internal Staff Memo.
- 3-8 Logistics Management Institute, The Next Step for Special Operations: Getting the Resources To Do the Job, Report S0801R1, August 1988, pp 2-1 - 2-3.
- 3-9 U.S. Congress, National Defense Authorization Act, Fiscal Year 1989, Public Law 100-456, September 29, 1988, 102 STAT 1997-1998.
- 3-10 U.S. Congress, National Defense Authorization Act, Fiscal Year 1989, House Conference Report No. 100-989, September 28, 1988, pp 2549.
- 3-11 U.S. SOCOM Staff Judge Advocate Memo: USSOCOM's Budget, Programming, and Execution Procedures - Compliance With Statutory Provisions, August 17, 1988.
- 3-12 OSD General Counsel Memo: Special Operations Forces Legislation, October 18, 1988.
- 3-13 Various U.S. SOCOM Internal Working Papers.
- 3-14 U.S. House of Representatives, Committee on Armed Services Letter to DEPSECDEF, October 5, 1988.

3-15 U.S. Senate, Committee on Armed Services Letter to Secretary of Defense, January 9, 1989.

3-16 Logistics Management Institute, Providing Resources For Special Operations Forces: Completing the Transition, Report S0901R1, February 1989, p 2-1.

3-17 Interviews With U.S. SOCOM officials, McDill AFB, Florida, March 6-8, 1989.

CHAPTER IV

CINC O&M BUDGETS

As indicated in the previous chapters, the process of modifying traditional PPBS policy and procedures is slow. DOD believes the current system wherein the Services organize, train, equip, and provide the forces which the combatant commanders employ provides the desired balance of authority and responsibility. As described in a recent CJCS report to Congress regarding Implementation of Resource allocation provisions of the 1986 Defense Reorganization:

That system's decentralization of military authority below the level of the National Command Authorities has proven sound over time and still provides the basic framework for our strategic planning.(4-1)

With this philosophy intact, it was only through continued Congressional pressure that separate program and budget authority for the Special Operations Command was implemented.

The intent of another Defense Reorganization Act provision was for DOD to establish separate small budgets for each of the combatant commanders for certain command specific programs. However, this provision has not been implemented. The Act allowed the Secretary of Defense to determine what programs would be included in the CINC small budget--a condition which legally allowed him to choose to include no programs. The CINCs have been divided as to their support for this initiative, with about half indicating they are now in favor of some variation of the

CINC small budget provision. While there has been continued Congressional support, it is unlikely that DOD will implement the CINC operation and maintenance budget provision of the 1986 Defense Reorganization Act without the enactment of additional legislation.

BACKGROUND

Section 166 of the Defense Reorganization Act provides that the Secretary of Defense include in the Department of Defense budget a separate proposal for such activities of each of the unified and specified combatant commands as the Secretary, after consultation with the CINCS, determines appropriate. The Reorganization Act provides that funding be requested for such activities as joint exercises, force training, contingencies, and selected operations--activities which traditionally are funded by the operations and maintenance accounts of the separate services.(4-2)

Congressional intent concerning separate combatant command budgets was expressed in the 1986 House Committee on Armed Service's report on the Reorganization Act. The budgets were to be limited operations budgets--on the order of less than one percent of the defense budget. According to the Committee Report, there were two reasons for the separate unified and specified command budget proposal: (1) a theater commander should control resources to focus the activities of his command

that directly affect his ability to accomplish his mission; and (2) influence within the Department of Defense comes with the control of resources, yet the combatant commanders control no resources. (4-3)

The CJCS asked the combatant commanders for comments on the separate budget provision of the Reorganization Act in January 1987. At that time only the Southern and Central Commands stated they wanted their own budgets. The other combatant commanders believed that other changes to the programming and budgeting process and the increased authority provided them in the Reorganization Act made separate budgets unnecessary. Also, the unified commanders (except for the Central Command, which did not respond to the question on this subject) said that they did not have sufficient staff or the necessary expertise to implement the separate budget provision. Because of their participation in their individual Services PPBS processes, the specified combatant commands have programming and budgeting staffs.

Based on the stated views of the combatant commanders, the Chairman recommended that separate budgets not be established. An April 23, 1987 DEPSECDEF memo on separate budgets for the unified and specified commands concluded that Section 166, Title 10 U.S. Code, did not require CINC budgeting, and directed that the CINCs continue to participate in the PPBS as currently defined. A later DOD Office of General Counsel memo agreed the Reorganization Act did not require Defense to submit separate budgets, noting also that legislation was silent regarding who

was to be responsible for preparing those budget requests.

A recent U.S. General Accounting Office (GAO) report responded to a congressional request that the agency examine various aspects of the DOD's implementation of the 1986 Defense Reorganization Act, including the resource allocation provisions. GAO reviewed the legislative history concerning the submission of separate combatant command budgets. The GAO report noted that while the agency believes the Congress clearly intended for DOD to submit separate budgets for the combatant commands, "the statute as enacted did not require this because the Secretary of Defense was given discretion to determine what activities are appropriate for the budgets." GAO concluded that DOD's decision not to submit separate budgets did not violate the Reorganization Act. (4-4)

Congress has continued its support for CINC small budgets. The House bill for the 1989 Defense Authorization Act contained a provision that would amend Section 166 of Title 10, United States Code, to require the Secretary of Defense to submit a separate budget proposal for each unified and specified combatant command. The House provision would also add "command and control" to the list of activities for which funding is to be requested in such separate budget proposals. The Senate bill did not contain a similar provision.

Section 715 of Public Law 100-456, the 1989 Defense Authorization Act, did not include the House supported provision for small budgets. However, it required reports by the Secretary

of Defense, the JCS Chairman, and the commanders of the unified and specified combatant commands on the status of DOD's implementation of the resource allocation provisions of the Goldwater-Nichols Defense Reorganization Act--including the provision for separate CINC budgets. In the Joint Conference Report on the 1989 authorization bill, the conferees expressed concern that implementation of the resource allocation provisions appears to be incomplete. The committee report noted that the conferees

...intend that the required reports will assist the committees on Armed Services of the Senate and House of Representatives in determining what further actions may be necessary to ensure full implementation of the Goldwater-Nichols Act.(4-5)

In April 1989, DOD submitted to Congress its report on the status of the implementation of resource allocation provisions of the 1986 Defense Reorganization Act. Five CINCs supported a variation of the small budget provision, with a sixth suggesting programs that would be appropriate for inclusion should such a program be established. The general consensus of the supporting CINCs was that it should be established like the current fund managed by the Joint Staff and used by the CINCs for acquiring various command and control resources. For example:

- The USCINCCENT responded that he supports the proposal for a small budget which would be managed by the Chairman, Joint Chiefs of Staff but executed by the CINCs. These funds would be effectively utilized to fund critical support requirements that normally cannot be accommodated in the short time frames required. USCENTCOM's most critical areas requiring this kind of support are special (fast-reaction) military assistance requirements, exercise funding, and small command and control equipment needs.

- USCINCFOR stated that creating a separate fund for the combatant commanders is necessary for flexibility for the operational chain of command to influence the conduct of exercises, improve Joint Warfare Center operations, and conduct analytical studies.
- USCINCSO noted that creating a contingency fund managed by CJCS would be an excellent idea since it is impossible to program for all military actions. A specific example offered of the potential use of the fund was for funding a drug eradication project which was unprogrammed and required joint funding in excess of component operating budgets.(4-6)

In his April report to Congress on the implementation of resource allocation provisions of the Goldwater-Nichols Act, the CJCS stated that he does not believe the development of a small operations and maintenance budget for the combatant commanders is necessary. He noted that current procedures give the commanders ample opportunity to influence resource allocation proposals being considered by the Services. The report concluded that no further action is recommended on this subject beyond a periodic review to ensure the continuing responsiveness of the existing procedures to the needs of the combatant commanders.

In reviewing relevant small budget legislative provisions as well as the recent OJCS report on resource allocation implementation of Goldwater-Nichols, I identified a potential discrepancy regarding the intended size of the CINC O&M account. The OJCS report referred to a centrally managed fund of approximately \$50 million, while it appears that Congressional intent was to establish an account of about \$30 to \$50 million for each CINC. Since the size of the account could have a significant bearing on the CINCs' assessment of its value, I

believe the intended amount of the fund should be clarified and the issue addressed again.

CINC FUNDING ISSUE NOT NEW

The idea of giving the CINCs certain small discretionary funds for specific CINC requirements is not new. It originated in the late 1970's when the Defense Science Board suggested that the using commands should be more deeply involved in the development of their own command and control (C²) systems. A follow-up OSD/Joint Staff Steering Committee report recommended that a fixed amount of discretionary funding be provided to each CINC to adapt, modernize, and maintain his C² systems to fit the needs of his command. The purpose was to provide a process more responsive to CINC C² problems and to reduce the need for CINC reprogramming requests to the Services to correct C² systems problems. (4-7)

Using these funds, the CINCs were able to satisfy relatively low-cost, one-time requirements. The funds could be used to support an engineering solution to specific problems, procure equipment/hardware, upgrade software for existing systems, and for test and evaluation of procedures or equipment. There were, however, limitations regarding how the funds could be used. For example, funds were not to be used to fund projects that had been specifically denied in the normal PPBS system, nor to purchase equipment or services for a specific project on a continuous

basis.

According to a recent Institute for Defense Analyses (IDA) report, the program received mixed reviews.

While the OJCS called the fund a success, the Services were concerned with both loss of control over acquisitions and the potential growth in ancillary manpower and operating costs. The CINCs felt the program was underfunded and overmanaged.(4-8)

Comments by the CINCs about the JCS C2 initiatives fund in the recent CJCS report to Congress on the status of resource allocation provisions of Goldwater-Nichols were almost universally positive.

- USCINCSpace noted that the Command and Control Initiative Fund has shown even relatively small amounts of money available in a timely fashion can have tangible benefits on the local level.
- USCINCPAC lauded the highly successful program in addressing such high priority projects as command center improvements, special operations functions, and interdepartmental command and control systems.

A second small discretionary account available to the CINCs is the External Study Program, which is also administered by the OJCS. While these programs are small, they do provide a precedent for the concept of separate funding for the CINCs, and as previously indicated, have received positive reports from the CINCs.

PROS AND CONS OF CINC O&M BUDGETS

The primary reason for establishing a separate small budget

for each CINC is to provide the combatant commanders more flexibility and to decrease their dependence on the Services. It appears that objective could be accomplished either by having the individual CINCS control the account, or by having it centrally managed through the Joint Staff for use by the CINCs.

One reason for implementing such an account is to assure the availability of operations and maintenance funds for required joint exercises. Historically, the CINCs and the Services have disagreed about the availability of operations and maintenance funding to conduct joint exercises, fund various quality of life improvements, and handle special contingency needs which may have been programmed but which the Services were not able to fund. Officials in several commands pointed out the potential benefits of the CINC small budget when they noted that the CINCs are frequently forced to reduce planned joint exercises because the services use programmed funds to cover unexpected service exercise costs, such as cost growth at the Army's National Training Center. (4-9)

A second benefit is that in implementing this provision, the CINCs would have to build additional technical, analytical, and costing capabilities. This added capability should also enhance their ability to participate in other aspects of the PPBS process, such as reviewing and commenting on Service POM's, and reviewing other Service prepared programming and budgeting documents.

One potential problem with separate CINC budgets is that the

services may reduce the funding levels provided the CINCs through their individual service budgets. This situation occurred in recent years when congress appropriated separate funding earmarked for the National Guard and Reserve. The funds provided the reserve components in the separate appropriations were partially offset by reductions to the amounts the services budgeted for the reserve components. Thus, anticipated benefits from this Congressionally-mandated program never reached their full potential.

The most troublesome problem with separate CINC budgets is that, although each of the CINCs has instituted small program and budget shops, they are not now adequately staffed with qualified programmers and budgeters to undertake the mammoth tasks which would be required of them. CINC staffs would either have to be increased or personnel shifted from areas generally considered to be essential in managing the commands primary mission--warfighting. Data bases would have to be developed and lengthy negotiations held with the services to determine what individual budget elements should be transferred.

While the process of enhancing CINC oversight of various elements of the DOD operation and maintenance program may be somewhat painful, I believe the benefits would far exceed the disadvantages, particularly if the decision were made to have the account centrally managed by OJCS as with the C2 Initiatives Fund.

ENDNOTES

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4-3 U.S. Congress, Report of the Committee on Armed Services, U.S. House of Representatives on H.R. 4370, July 21, 1986, p 59.

4-4 U.S. General Accounting Office, Defense Reorganization: Progress and Concerns at JCS and Combatant Commands, GAO/NSIAD-89-83, March 1989, p 34-35.

4-5 U.S. Congress, National Defense Authorization Act, Fiscal Year 1989, Conference Report to Accompany H.R. 4264, July 7, 1988, p 417.

4-6 Chairman, Joint Chiefs of Staff, "Implementation of Resource Allocation Provisions of the DOD Reorganization Act of 1986", A Report to the United States Congress, April 1989.

4-7 Institute for Defense Analyses, The CINCs and the Acquisition Process, IDA Paper P-2113, September 1988, p III-7.

4-8 ibid

4-9 Interviews with CENTCOM AND SOCOM officials, McDill AFB, Florida, March 5-8, 1989.

CHAPTER V

CONCLUSIONS AND RECOMMENDATIONS

Many changes have and continue to be implemented to enhance CINC participation in defense resource allocation. It may be too early, however, to assess whether or not these changes have accomplished the intended objectives. Certainly opinions are mixed regarding what has actually been accomplished. In February 1988, a DOD Study team reported:

Some limited progress has been made in attempts to pull the unified commanders and the Chairman, Joint Chiefs of Staff, into the resources allocation process, but at the moment the influence exerted could best be characterized as too little and too late.
(5-1)

In September 1988, the Institute for Defense Analyses made a similar assessment of recent defense resource allocation changes.

The Goldwater-Nichols Act, although it modified the law to support additional participation of the CINCs in the allocation of resources, has not changed the essential nature of the system. The Service priorities are generally represented in the Service proposed POMs and budgets. Although they can be modified by the Secretary of Defense, based on the recommendations of the CJCS and CINCs, as well as his own staff, it is the Services that preserve the central resource allocation role of the Services....To achieve a proper balance between Service and CINC priorities, however, further strengthening of the CINCs' role is mandatory.(5-2)

The DOD Study Team and IDA positions were supported by the

House Armed Services Committee in a recent press release commenting on DOD's progress in implementing the 1986 Defense Reorganization Act.

The Pentagon is "stiff-arming" major provisions of the law meant to shift power from the Services to the Joint arena. Congress is told to be patient, that reorganization takes a long time. It has been 2-1/2 years since passage of the Goldwater-Nichols Act. At some point, trying to implement the law becomes basic non-compliance with its provisions.(5-3)

On the other hand, in November 1988, the Project on Monitoring Defense Reorganization concluded that "The record to date is mixed but encouraging. Implementation of the organizational and procedural changes intended to give greater voice to joint military perspectives in force planning, programming and budgeting has made rapid progress."(5-4) This position was supported by the CJCS in his April 1989 report to Congress on the status of DOD's implementation of resource allocation provisions of the 1986 Defense Reorganization Act.

Since the passage of Goldwater-Nichols, the ability of the joint community to take the broad, global perspective and to align resources with theater missions and needs has been meaningfully increased. To the extent possible, within a strategy of worldwide scope, the warfighting needs of the individual combatant commanders are being met and certainly they are heard more systematically than ever before. The recent changes in the Department of Defense organizational structure have provided each combatant commander with multiple and broad methods for voicing concerns and priority requirements. Additionally, the Vice

Chairman, Joint Chiefs of Staff, as my representative, has been placed in a position of spokesman for combatant commanders' requirements in the various defense management fora.

Changing the course of the single largest management organization in the free world must be accomplished deliberately to avoid undue disruption. It is much like changing the course of a large ship moving at flank speed. The orders have been issued and the wheel has been turned; we now need to finish the turn and settle on a new heading before initiating further course adjustment.(5-5)

As illustrated by these examples, assessments of the impact of the changes made in defense resource allocation are varied. After analyzing the organizational and procedural changes undertaken, as well reviewing available independent analyses of these actions, I believe there is one key reason for differing opinions about the status of defense resource allocation initiatives. First, conclusions are at least partially shaped by what one perceives to have been the intent of the legislation and what one "expects" to see occurring as a result. Thus, it appears there may still be some uncertainty regarding what should be the proper balance between the role of the Services versus the combatant commanders in shaping defense resource allocation decisions. It is not likely that this uncertainty will be cleared up without additional legislation.

As previously discussed, before passage of the 1986 Defense Reorganization Act, various studies identified many problems relating to defense organization and processes. One key problem was that the combatant commanders lacked the necessary authority

and influence to ensure that they could effectively carry out their missions. Thus, the legislation attempted to better define the combatant commanders' operational responsibilities and provide them the authority to accomplish their missions.

The actions which have been undertaken to strengthen the combatant commanders have left very much intact the dominance of the Services in the resource allocation process. While the CINCs certainly have more opportunities to provide input to the process at various phases and comment on the impact of various resource allocation decisions, the basic process remains much the same as it was before. Many believe this is as it should be. The preface to the CJCS Report to Congress on the Implementation of Resource Allocation Provisions of the 1986 DOD Reorganization Act notes that the strengthening of the combatant commanders has been managed "to preserve all the advantages of our system wherein the Services organize, train, equip, and provide the forces which the combatant commanders employ." So long as the Services continue to dominate these processes and control defense resources, it appears that the CINCs will continue to remain somewhat on the periphery, making suggestions which may or may not be implemented.

Clearly what must be done is to clarify what is expected to be the desired balance between the CINCs, the Joint Staff, and the Services in the resource allocation process. If a continuation of the traditional Service dominated process is considered the desired balance, there may be no reason to

initiate additional changes. Those actions completed and ongoing may be sufficient to achieve the desired results. However, if the desired balance is for the combatant commanders to have more "front-end" influence on defense resource allocation decisions, additional changes are needed.

I believe there are opportunities for the CINCs to improve the value of their suggestions and more effectively influence the resource allocation process. Furthermore, adjustments could also be initiated to the current PPBS process and procedures to further enhance the role of the combatant commanders in this process, without significantly altering the process itself.

ENHANCING CINC STAFF AND ANALYTICAL CAPABILITY

To enhance the CINCs' ability to contribute more effectively to the defense resource allocation process, improved analytic, budgeting and technical resources must be developed. Increased access to Service force structure and costing data bases must also be attained. Additionally, CINC liaison offices in the Pentagon should be expanded to more appropriately reflect the increased role of the combatant commanders in the resource processes which by-in-large are conducted within the Pentagon.

It may also be useful to divide CINC staffs under two deputy CINCs, one who focuses on resource planning while the other concentrates on the more traditional role of developing operational plans, overseeing training exercises, and directing

other aspects of current operations. The Deputy CINC for Resource Planning could focus his attention and that of his staff on the identification and validation of requirements, participation in resource planning events in the Pentagon, monitoring current research, development and procurement initiatives within the Services, and building the capability within the CINCs' organizations to better articulate alternative resource allocation proposals.

To give the CINCs added clout within the resource allocation process, it may also be beneficial to give the CINCs or their designated representative full membership on the Defense Resources Board and to also include them on the Joint Requirements Oversight Council. Furthermore, CINC representatives at the appropriate levels should be invited to key panel and board meetings conducted by the Services to develop program recommendations and budget proposals.

DEVELOPMENT OF JCS ALTERNATIVE PROGRAMS

Although the CJCS was empowered by the 1986 Defense Reorganization Act to develop alternative program proposals to achieve a better match with the strategic plans and requirements of the CINCs, this recommendation has not been adopted. It may be possible that the ongoing and planned initiatives to increase OJCS and CINC involvement in the resource allocation process will in the long run accomplish the objective sought by the Congress

in suggesting this alternative. However, another possibility is that without the kind of detailed analysis and exploration of alternatives that would be required for the development of such resource constrained program options, the joint community may never have the required data bases, staff capability, and thought processes that will allow it to do other than accept the independent analysis of the services.

One option which should be considered is for the Joint Staff, with the participation of the CINCs, to undertake such an analysis as a trial effort for selected major items of interest to the CINCs. While it can be argued that such an effort is unnecessary and duplicative of service efforts, if for no other reason, the process itself would generate a capability enabling the OJCS and the CINCs to participate more effectively in future service program and budget development processes.

IMPLEMENTING PROCEDURAL CHANGES

I believe there are procedural and administrative changes which could be implemented to enhance the role of the CINCs in defense resource allocation.

In the programming phase, standardized procedures for the development and presentation of CINC IPLs, the identification of requirements for IPL items, as well as a better determination of service support for the items could significantly improve the IPL process. Additionally, the earlier submission of IPLs before the

initiation of the development of the service POMs should also improve their usefulness. The participation of CINC and Service component representatives in all POM building proceedings (e.g., service panels and boards) which involve CINC resourcing issues would also improve the ability of the CINCs to assure that the services are aware of CINC priorities.

There are also opportunities to increase the CINCs' involvement in the budget formulation and execution processes, including:

- CINC representation in all phases of Service Budget Estimate Submission (BES) preparation;
- Providing the service BES to CINCs for evaluation;
- Providing the CINCs all Program Budget Decisions (PBDs) at all stages of development (coordinating, advanced and final);
- Provision for CINC replamas to coordinating and advanced PBDs which affect CINC program resourcing;
- CINCs allowed session during Major Budget Issue deliberations to surface issues not satisfactorily resolved by the PBD process;
- Providing CINCs a resourcing document which displays execution year and out-year resourcing levels for all CINC programs;
- Updating CINC resourcing documents at major points in the PPBS cycle; and
- Consulting CINC's prior to reprogramming resources during program execution.

Implementing these and other procedural improvements could greatly enhance the CINCs' contributions to resource allocation decisionmaking without significantly altering the resource allocation process.

IMPLEMENTATION OF CINC O&M BUDGETS

Although the 1986 Defense Reorganization Act provided for the implementation of limited CINC operations and maintenance budgets, this recommendation has not been adopted. However, an increasing number of CINCs are supporting the implementation of a variation of this proposal which calls for creating a JCS controlled and administered appropriation for the same types of programs. I believe this option would provide the CINCs some additional independence and clout, and would facilitate the development of staff who are more knowledgeable about developing programs and budgets. In addition, having a centrally managed account would also provide the needed flexibility for shifting funds as execution year contingency requirements demand and would alleviate the potential inefficiency of building large duplicative administrative staffs in each combatant command.

NEED FOR FUTURE REASSESSMENT

If implemented, the alternatives discussed above should further enhance the contribution of the combatant commanders in the defense resource allocation process. However, it is not likely that many of these options will be implemented without increased external pressure. Many within the Defense Department believe that changes implemented have already shifted the balance sufficiently toward the joint arena, and that additional changes

are neither necessary nor desirable. I believe if there were sufficient justification for concluding that the process which existed prior to Goldwater-Nichols needed to be changed, there is likely sufficient justification today for concluding that the changes which have already been made did not go far enough to achieve the desired objectives. However, if, as suggested by the Chairman, "the wheel has been turned, and we now need to finish the turn," some additional time may be required before initiating major adjustments. Continued monitoring and reassessment will be necessary over the next few years to determine whether or not the changes implemented and ongoing will achieve the desired objectives. It is possible, however, that additional legislation may be required to provide clarification in those areas where Congressional intent appears not yet to have been adopted.

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5-3 House Armed Services Committee News Release, "Pentagon Stiff-Arms Goldwater-Nichols Reforms," April 3, 1989.

5-4 The Center for Strategic and International Studies, Making Defense Reform Work, A Report of the Joint Project on Monitoring Defense Reorganization, p 38.

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