

**Commission on Review of Overseas Military Facility Structure
of the United States**

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Commissioners:
Hon. Al Cornella, Chairman
MG Lewis E. Curtis III, USAF (Ret)
VADM Anthony Less, USN (Ret)
BG Keith Martin, PAARNG (Ret)
LTG H.G. (Pete) Taylor, USA (Ret)
Dr. James A. Thomson

August 15, 2005

To the President of the United States:

The Commission on Review of the Overseas Military Facility Structure of the United States, also known as, the Overseas Basing Commission, hereby transmits its Report to the President and the Congress as required by P.L. 108-132, Sec 128, and as amended by P.L. 108-324, Sec. 127.

The Commission derived its conclusions and recommendations from approximately a year of discussions, analyses, and reviews of various issues and consulted with numerous federal officials and foreign policy experts. As a result, this Report raises concerns and highlights the need for both the Legislative and Executive branches of government to proceed with caution in the implementation of the current overseas basing plan. Our concerns centered around two major areas -- the U.S. global presence and the impact on military members and their families returning to the United States. The United States must secure its presence in the world for years to come and give priority consideration, in funding and planning, to the needs of returning military forces. The Commission cites a growing importance of meaningful interagency participation in developing a national strategy that protects the United States both economically and militarily throughout the world.

It is our hope that this review, and the discussions it provokes will add to and strengthen a national awareness of the strategic importance that the United States' global presence has on our national security. The undersigned Commissioners are in full accord with the findings, conclusions, and recommendations herein.

We sincerely thank you for your continued support as well as that of your staff. The Commission is at your disposal should you desire further information and may be reached at the above address until September 30, 2005, after September, please contact Ms. Patricia J. Walker at (703) 695-1677.

Sincerely,

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The Honorable Al Cornella
Chairman

Handwritten signature of Anthony A. Less in black ink.

Anthony A. Less
Commissioner

Handwritten signature of H.G. (Pete) Taylor in black ink.

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Lewis E. Curtis, III
Vice Chairman

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Keith Martin
Commissioner

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Commissioner

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Introductory Note on Classification

The Department of Defense has reviewed and cleared this report for security classification purposes. The DOD review did not affect the outcome of the report and focused only on security matters—not content or determinations.

The Commission derived the information contained in this report entirely from public and open sources. However, to present a complete picture of the factors affecting the Commission's conclusions and recommendations, a Classified Report has been provided for information purposes.

It is important to note that none of the facts, figures, or information included in the Classified Appendices changes the conclusions and recommendations. The Commission offers this as additional information that supports and clarifies their final determinations for use by the Congress and the President.

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Message from the Commissioners

In early May of this year, the Overseas Basing Commission released its interim report on the overseas basing posture of the United States. As a starting point, the Commission considered the evolving DOD plan for overseas bases called the Integrated Global Presence and Basing Strategy (IGPBS). The interim report was presented to the President and Congress, was covered in the national and international media, and was discussed with officials of the Department of Defense, and other agencies of government. It was also the basis of Commission testimony before the Senate Appropriations Subcommittee on Military Construction and Veterans Affairs and the Base Closure and Realignment Commission (BRAC). The Commission has benefited from the feedback received from all of these opportunities and has continued to gather data, meet with relevant officials involved with overseas and domestic basing and their related elements, and continued with both its investigation and analyses in line with the missions laid out in statute creating and charging the Commission with its duties.

Herewith the Commission presents its final report. The Commission appreciates the insights provided by the many readers of the interim report. We continued to seek further information and clarification on issues that either were not fully covered by our interim effort or were modified by the Executive branch. In the end, our subsequent efforts have not led the Commission to alter or otherwise modify the findings laid out in the interim report. Indeed, events that have unfolded over the intervening months have underscored many of the concerns raised by the Commission and highlighted the need for all parties involved in both the legislative and executive branches of government to proceed with caution in the implementation of the overseas basing plan, ensuring that each step in the unfolding process leaves U.S. national security strengthened.

We are pleased that the Department of Defense has indicated its intent to integrate the IGPBS implementation across appropriate agencies, within the Department itself, and across the several combatant commands. Indeed, we have been reassured that detailed planning within DOD, the individual services and the combatant commands is proceeding well. We believe DOD's announcement of the June 2005 Strategy for Homeland Defense and Civil Support adds another element to the already complex job of balancing competing resources for military force structure at home and abroad. We continue to encourage involvement of all players at the highest level commensurate with the consequence of the decisions being made.

As the report makes clear, the overseas basing structure is an integral part of the security strategy of the United States with implications for the foreign and domestic policy of the United States for decades to come. After submission of the initial report, the Commission learned that we are the fifth commission in recent years to suggest that a stronger interagency review of strategic issues would be in order. The others were the Commission on Roles and Missions of the Armed Forces (May 1995), the National Defense Panel (December 1997), the Commission on National Security/21st Century (January 2000) and the 9-11 Commission (July 2004).

In the period since the Commission issued its interim report, we have been reminded of the importance of maintaining strong ties with traditional allies even as we reduce our presence among them. The rejection of the draft European Union Constitution by French and Dutch voters in June highlighted the continued political weakness of the Union and thus the importance of NATO to our relationships with Europe. European stability and the U.S.-Europe alliance have been an essential part of world order and our own security for more than sixty years following centuries of political turmoil and wars, the last two of which embroiled the United States. NATO's contribution to that stability and U.S. centrality to NATO's cohesion has been from the beginning directly related at least in part to our presence in Europe. NATO remains relevant for the foreseeable future, and our strong support of the alliance—to include our presence in Europe—remains important. While we agree with the Department of Defense's point that capability is what matters most, the Commission reiterates its view that presence itself is more reassuring to our allies than just the promise of presence and accordingly that U.S. military capability in Europe should include one heavy brigade with an organic, offensive tank killing capability.

At the other end of the spectrum, the Commission reiterates its caution about reliance on new allies and the imperative of having formal treaties in place before we begin to presume a lasting relationship such as the ones we have had with our traditional allies. For example, during the late spring and summer of 2005, civil unrest in Central Asia culminated in a slaughter of civilians purportedly at the hands of government forces. When the United States protested the event and called for an international investigation, access to bases and our ability to transit aircraft through the area came into question. Subsequently, a new interpretation of the justification for U.S. presence itself was offered by regional nations that suggested the terms of agreement pertained only to military actions in the immediate aftermath of 9-11 and not to an enduring presence. Adding yet further uncertainty to the situation was the Shanghai Cooperative Organization which urged a deadline for withdrawal of foreign forces from its member states (Kazakhstan, Kyrgyzstan, Uzbekistan, Tajikistan, Russia, and China). As we convert from one long-standing overseas basing posture and move into another we must do so in a way that ensures longevity, maintains a vision beyond marriages of convenience that may not stand the test of time, and that entwines itself in international law before we make substantial political and capital investments linked to enduring relationships.

We are encouraged by reported developments in the Quadrennial Defense Review (QDR) process, which have begun to consider to what degree the broad strategic parameters that guide planning for military capabilities need to change. The Commission's Report expresses a concern that requirements demanded by a 1-4-2-1 strategy (explained in the body of this report) may be difficult to meet in light of the current rebasing plan. Revamping of the overall strategy could ease some of the requirements. It is important, however, to remember that the overall strategic objectives must dictate the necessary operational requirements and not the other way around. While the report offers the view that the overseas basing structure is an integral part of our national security posture ("a driver in its own right"), we acknowledge that it is subordinate to and must serve to support the larger strategic objectives of the United States. It is for that reason that we stress the long term implications of the basing plan.

The Commission's report spells out concerns about both strategic and tactical lift capabilities, and underscores the need to replenish pre-positioned stocks worldwide (drawn down to a significant degree by ongoing operations in the Middle East and Southwest Asia). These are all critical elements for continued operational capability in the wake of any base realignment that would bring the bulk of our forces back to CONUS. To that end the Commission has been eager to learn of the DOD's efforts to resolve these questions in its current Mobility Capabilities Study. It is also pleased to see the Department's recent adjustments in budget requests that would provide additional C-130J intra-theater lift capability.

The Commission's report also expressed great concern on quality of life issues and their ultimate impact on our ability to maintain a volunteer force. Enlistment data released since the publication of the interim report have heightened that concern. There is some concern by defense analysts that junior officer and mid-career non-commissioned officer retentions – the vital building blocks of the professional military for the long term – are not as robust as they need to be. Further exacerbating the personnel picture is the rising rate of divorce among the married military. Both enlisted and officer divorce rates are abnormally high, with a much greater incidence rate among officers.

Most analyses attribute the personnel trends noted above to the impact of Operation Enduring Freedom and Operation Iraqi Freedom, involvements by the U.S. military that will continue for the foreseeable future. It is, therefore, necessary to consider the impact of quality of life on our armed forces for both the long and short runs. In regard to the former, the report expresses a concern that an overseas basing posture that relies to any significant degree on rotation of active and reserve forces from CONUS to overseas facilities abroad to train with and otherwise maintain a presence with allies will lead to an inordinate time away from home base over the duration of a career. It points out that even should peace prevail everywhere, active force units could find themselves away from home for an extended period (6-12 months) once in every three or four years; reserve forces once in every five or six years. When operational deployments in response to crises and combat operations are added to the rotational base, the number and duration of time away from home are likely to become even more severe.

In the short run, we stress the imperative that conditions for ensuring quality of life are addressed before relocating troops and families into designated bases. The Commission has spoken to involved commanders and their staffs, as well as with legislative principals, defense planners, and budgetary staffs in order to determine if adequate arrangements will be available at new posts for arriving forces and dependents. While there is detailed planning as well as great empathy and concern at all command levels regarding quality of life issues, as of this publication, the Commission remains uncertain as to whether the necessary budgetary programs are in place to accommodate many units that will shortly be returning to stateside posts from their locations abroad. We believe at this time it will be necessary for the U.S. Congress to “fast track” some of the necessary budget appropriations in order to synchronize preparation of facilities with the return of some of the earlier redeploying units.

As stated in its interim report, the Commission does not recommend the slowing down of the Base Realignment and Closure process (BRAC). It does stress, however, both the moral and practical needs to ensure that quality of life is kept to a standard that is equal to or better than that experienced in the overseas locations our service members and their families are leaving.

Finally, the Commission remains concerned about the costs associated with the IGPBS plan and whether budgetary forecasts have adequately addressed the investments that will be required to meet the implementation timetables set for fiscal years 2006 through 2011. While global restructuring promises to realize some cost savings in the long run and will redirect some monies that otherwise would have been invested abroad to domestic bases, in the near term we remained convinced that necessary budgetary outlays will be in excess of \$20 billion when we consider the entire life-cycle of IGPBS. This is a price tag that approximately doubles that forecasted by defense planners who considered only initial costs when arriving at their figure of \$9-\$12 billion. The Commission is concerned that any underestimates would have to be made up out of the operating and maintenance budgets of the involved military services with deleterious consequences on readiness and modernization. We are left with few options if costs are not adequately planned for—taking the money out of hide with commensurate readiness risks, requesting supplemental monies, or moving troops and families into unprepared and inadequate locations. These are tough tradeoffs but may be the only alternatives Congress faces with the continuing costs of war and rising deficits.

While the Commission believes the overall conclusions and recommendations found in our report are valid a number of issues remain unresolved. The Commission strongly suggests that the body that directed its formation, the U.S. Congress, address these questions of the Executive branch as they continue their work:

- What are the specific incremental and overall costs associated with IGPBS and how are they programmed?
- What savings can be expected from implementation of IGPBS, and when will those savings begin to be realized?
- To what degree will the individual services be expected to make up unfunded IGPBS costs in the short run and how will the Operations and Maintenance (O&M) funding needed to provide for sustaining the rotation of units to Europe and Korea (and elsewhere abroad) be programmed and identified so that it competes effectively in the budgetary process?
- Will host nation agreements be in place before military construction funds are requested?

- What are the specific numbers of returning servicemen, the estimated numbers of family members by major unit, and where will they be relocated?
- What facilities, by category (i.e., housing, barracks, training areas/ranges, maintenance facilities, Morale, Welfare and Recreation (MWR) outlets, etc.) will returning units occupy, and if temporary facilities are contemplated, when will they be replaced by permanent facilities?
- To what degree will increased CONUS basing of U.S. forces affect mobility requirements, especially in regard to strategic and tactical air, sea lift and prepositioned stocks, to meet new QDR-determined timelines?
- How is the DOD planning to project forces from receiving bases impacted by the IGPBS? What is the implementation cost of such a plan?
- What additional aerial and sea port infrastructure will be required at the point of embarkation to accommodate an expanded CONUS expeditionary force? What are the associated infrastructure costs?
- When and how can we expect to field an organic, offensive tank-killing weapons system with the Stryker brigades and their successor units?
- In the event of a flare up in the Balkans within the next few years, what is the plan to rapidly deploy a heavy brigade, if needed, in a timely manner?
- Over the course of a military career, what is the impact of frequent lengthy peacetime rotations abroad on a volunteer force?

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Executive Summary

INTRODUCTION

The United States enters the new millennium as the foremost political, economic, and military entity in the world. Seldom has history seen such a dominant, unilateral power astride the international scene. Nonetheless, after what has proved to be only a brief interlude of relatively unchallenged security in the wake of the collapse of the Soviet Union, we find ourselves in the midst of a global war on terror, armed conflict in Afghanistan and Iraq, and challenged by an international environment of potentially intense confrontation and hostility. Clearly we have rivals who resent our international preeminence. Just as clearly, others will emerge in the future.

SECURITY POSTURE

We have shifted our own security posture accordingly to counter the threat. We have undertaken a transformation of strategy that is far reaching in its implications on our ability to defend ourselves at home and to pursue our interests in the world. We have formulated new doctrines, organized new unit structures, developed new weapons, communications, intelligence, logistics, and command and control systems, and sought new allies and altered basing locations at home and abroad. We are adopting new techniques and procedures, shifting our forces around the globe, and otherwise launching a myriad of innovations.

Amidst this avalanche of change the Overseas Basing Commission was asked to assess the applicability and feasibility of the proposed global basing structure for U.S. forces. At the same time we were asked to look beyond just the single matter of overseas basing and to consider any other issues that impact on it and the overall security of the United States. We offer our findings on both matters.

The Commission was impressed by the many initiatives being taken by the Department of Defense (DOD), the Joint Chiefs of Staff, the individual services, and the Combatant Commanders to adapt to a changing world. We were also struck by the enormity of the entire effort. The overseas basing structure as envisioned by the Secretary of Defense holds great potential for protecting and securing the nation, its interests and its allies in the post 9-11 world.

The Commission fully understands the need for change and endorses much of what is planned and already in progress. The movement of a heavy brigade out of Korea and the shifting of forces remaining there south of the Han River, for example, make eminently good sense. The expansion of Cooperative Security Locations (CSL) and Forward

Operating Sites (FOS)¹ in key strategic locations around the globe adds to operational flexibility, preserves a presence abroad, and serves to strengthen alliance relationships. The transformation of military forces in the individual services into expeditionary capable units furthers our posture as a capabilities-based force. These and many of the other initiatives are positive developments which if done in full coordination with each other under a synchronized plan and within affordable costs hold great promise for the future.

On the other hand, the Commission expresses reservations on a number of rebasing initiatives. For example, while we can see the wisdom of returning to the United States the majority of Army heavy forces from Central Europe, we believe one heavy brigade should be kept in place for a variety of reasons that include demonstration of our commitment to the North Atlantic Treaty Organization (NATO), our resolve in Kosovo and elsewhere in the Balkans, and to hedge against future uncertainties regarding planned rotational units in Eastern Europe.

The Commission suggests that U.S. presence in Europe remains crucial to future global stability. Nor are we sure that current discussions on relocating U.S. forces on Okinawa adequately address strategic concerns for U.S. security interests in East Asia. The Commission offers its views on these and other specific issues in the body of the Report.

As the Commission did its work it found grounds for both praise and caution in regard to the Department of Defense (DOD) Integrated Global Presence and Basing Strategy (IGPBS). It notes that IGPBS itself was based largely on the Quadrennial Defense Review (QDR) of 2001.² That review was essentially completed prior to the attack on the U.S. on September 11, 2001. Much additional change has transpired since that event. The 2005 QDR is now underway. Most likely it will generate more change.

The Report that follows will detail in its several parts the geopolitical considerations, operational impacts, mobility concerns, quality of life implications, and cost burdens affected by the amount of change underway. It is the combination of the concerns raised in each of these areas, however, which leads the Commission to its major finding that the timing and synchronization of the global rebasing initiatives must be rethought.

1 According to DOD, Forward Operating Sites (FOS) will be expandable “warm facilities” maintained with a limited U.S. military support presence and possibly prepositioned equipment. FOSs will support rotational rather than permanently stationed forces and be a focus for bilateral and regional training. Examples include: the Sembawang port facility in Singapore and Soto Cano Air Base in Honduras. Cooperative Security Locations (CSL) will be facilities with little or no permanent U.S. presence. Instead, they will be maintained with periodic service, contractor, or host-nation support. CSLs will provide contingency access and be a focal point for security cooperation activities. A current example of a CSL is in Dakar, Senegal, where the U.S. Air Force has negotiated contingency landing, logistics, and fuel contracting arrangements, and which served as a staging area for the 2003 peace support operation in Liberia.

2 DOD Report to Congress, Strengthening U.S. Global Defense Posture, September 2004

GEOPOLITICAL POSTURE

The U.S. overseas basing structure must serve both in the near term and for decades to come. The global network of U.S. bases becomes the skeleton upon which the flesh and muscle of operational capability will be molded. The bases themselves and the agreements that govern them become both a reflection of and contributor to our alliance relationships around the world.

From a geopolitical perspective, implementation of each step of the process — the withdrawal of units to the Continental United States (CONUS), the signing of a Status of Forces Agreement (SOFA), access agreements and so on — creates a new global posture. It is critical that the steps be taken in such a way that at any point in the process U.S. security is stronger, not weaker. Yet the withdrawals are front-loaded and compensatory additions sometimes come only later.

Moreover, the bases we select now cannot be oriented to dealing only with current threats. They must have the capacity to deal with threats that will emerge in decades to come, and that consideration necessitates a more finite discussion of what the long-term threats might be. Even in a capabilities-based posture, we must have some recognition of the range of threats we are likely to face, both near and long term. At the same time, we must consider the values of those with whom we are prepared to ally.

We diminish our presence in long-standing relationships with some concern that once departed our ability to maintain influence is correspondingly reduced. We join into new bilateral and multilateral relationships with some trepidation that if both our national values and mutual interests do not converge a happy marriage will not result. The Commission notes that our base structure is not merely a derivative of strategy; it is a driver in its own right. It must, therefore, be fully integrated with every other facet of strategy before it can be properly affixed. It is the opinion of the Commission that a full dialogue by all necessary parties on the impact on U.S. security of the Integrated Global Presence and Basing Strategy has not taken place.

OPERATIONAL REQUIREMENTS

Our military forces must be able to meet the force projection demands placed on them under existing strategies and plans. Their training and equipment must be adequate to the task, access to key locations assured, and units and bases protected to the degree commensurate with the risks we ask our service men and women to undertake. It is not clear that all of these concerns have been addressed.

Moreover, to launch major realignments of bases and unit configurations at a time when we are in the midst of two major conflicts (Operation Enduring Freedom and Operation Iraqi Freedom) takes us to the edge of our capabilities. Many of our active and reserve forces need to reset in light of the strain these operations have put on their equipment and support systems. The intercontinental (in some cases) and intra-theater movement of operational

units will impact force readiness for a period of time. Simultaneous transformation of unit types and subsequent demands incurred by rotational cycles will further stretch capabilities.

All of these impacts must be taken into account if we are to maintain both our capability and flexibility throughout. The Commission finds no imperative for doing all of this in the short span of time now planned (2006 - 2011), and believes that if we continue at the current pace we are liable to handicap operational capability and run the risk of creating new vulnerabilities.

MOBILITY

A central objective of a rebasing strategy is to ensure availability of requisite combat power at the point of need. As we return forces from overseas, shift them within and between combatant commands, and transform them into more readily deployable units we seek an outcome of enhanced mobility.

The Commission is concerned, however, that adequate strategic sealift, airlift, and prepositioned equipment and stocks do not exist and that current intra-theater airlift is overstressed. Aside from the lift capability, the Commission is also concerned that the air and seaports, inter-nodal connectivities and other mobility enabling systems are not adequate to meet potential contingencies. Moreover, the Commission notes that budgetary plans for mobility assets are inadequate to meet projected lift demand.

QUALITY OF LIFE

The nation relies on an armed force of committed volunteers. Throughout our history, they have served nobly in peace and war under sometimes rigorous conditions and with varying degrees of risk. They have never failed us. The Commission notes all that has been done to secure their well-being and to look after their needs under the current conditions of war and transformation. It is concerned, however, that unless some reordering of priorities takes place we are in danger of straining active and reserve forces and their families beyond the degree they should be asked to accept. As we reposition tens of thousands of family members to localities that may not have been given adequate time or budget to prepare for their proper reception, and as we subject service members to repeated rotations abroad for extended periods of time (even in eras of unbroken peace), we may find ourselves unable to acquire the requisite numbers of recruits and reenlistments to maintain a viable volunteer force.

The Commission believes that in the short run planners must take a “last day — first day”³ approach to the movement of units and families from one location to another. Furthermore, the Commission suggests close monitoring of attitudes toward military service in times of frequent and extended separations from home and family. Most importantly, the

³ “Last day” refers to maintaining the support infrastructure for personnel at locations until the last day they are in place. “First day” refers to having the support infrastructure in place on the first day troops arrive at their new location.

Commission recommends that quality of life considerations be a priority in the global realignment process.

COSTS

The Department of Defense estimates the implementation of IGPBS to be between \$9 billion and \$12 billion⁴ with only about \$4 billion currently budgeted from fiscal years 2006 through 2011.⁵ These costs may be understated. An independent analysis conducted for the Overseas Basing Commission put the tab at closer to \$20 billion.⁶

In some cases we will be moving into prime locations where available space and facilities are scarce and for which we will pay top dollar (Okinawa and Singapore are two; there are several others). In other instances, we will be moving into key strategic positions within or on the periphery of what is described in the Report (and elsewhere) as the “arc of instability” where accommodations are sparse and the surrounding region depressed, but where nonetheless we could be asked to spend considerable amounts in return for our access.

Additionally, the costs associated with rebasing forces within CONUS have not been fully analyzed. Over and above overseas relocation costs will be bills for service transformation, purchase of strategic and intra-theater lift, resetting of units and their equipment sets in the active and reserve forces, replacement and expansion of stocks, new weapons and systems purchases, and continued force modernization. The sum total is enormous.

Moreover, many of the costs are unprogrammed and will be drawn from individual service operating budgets planned for other uses. We are in danger of robbing from operations and maintenance accounts to meet even minimal levels of construction and quality of life concerns. The Commission gives a strong caution that global restructuring and transformation ambitions may be bigger than our wallet.

TIMING AND SYNCHRONIZATION

The Commission fully understands the need for transformation and lauds the insight and vision behind the many different initiatives going forward. At the same time it expresses a concern that the timing of several of the actions may be misguided and that the overall

4 The \$9 billion to \$12 billion estimate includes base closure costs, the transportation costs to move people and equipment, any new facility costs at receiving locations, and the costs to establish FOSs and CSLs.

5 Of the \$4 billion, about \$3 billion has been allocated to a Base Realignment and Closure account that has been established to pay for IGPBS actions related to BRAC, such as the cost connected with the movement of troops from overseas to U.S. installations. It does not include the Korean Land Partnership Plan or Efficient Basing Grafenwoehr, as these projects were already funded. In addition, the projected funding estimate does not include host nation support dollars. Host nation support funding would defray some of the projected costs.

6 The \$20 billion estimate includes recurring life cycle costs, non-recurring overseas and domestic (for returning forces) estimated new facility costs. It also includes costs related to U.S. funding to implement the Land Partnership Plan for Korea rebasing.

synchronization of the many separate undertakings is lacking. It is difficult to understand, for example, why we would withdraw all of our heavy forces from Europe to replace them with a Stryker brigade before we have successfully developed an organic tank killing weapon system able to compete on the move with enemy armor.

Further, the Commission questions why we would move tens of thousands of service members and their families to locations in the United States before we have programmed the budgetary outlays to accommodate their arrival and before local communities are able to prepare services for population expansion. Nor can we understand why we must shift so rapidly to an expeditionary posture when we have neither achieved the technological breakthroughs nor put budgetary programs in place to produce the necessary fast sealift to get displaced forces into action in accordance with existing strategies and plans.

These and other examples gave repeated indication that in far too many instances we are putting the cart before the horse. It is our observation that the detailed synchronization required of so massive a realignment is lacking. The Commission strongly recommends that the pace of events be slowed and reordered.

A BROADER PERSPECTIVE

The Commission began its work focused on the details of rebasing abroad. It soon became clear, however, that the overseas basing structure could not be viewed in isolation from all the other transformation activities and their cumulative effect on the security of the United States. The information we gathered, visits we made, and hearings we held impressed upon us a number of things, among which were the commitment of our service members and their military and civilian leaders, the need for change, and the dedication of the Combatant Commanders, individual services, and the Department of Defense to a more secure America. The Commission's investigation and analysis, however, brought it to a number of other conclusions as well.

We found that the quest for greater security would benefit from the addition of the following three critical elements:

First, the nation would prosper from a more inclusive national discussion on how best to arrange for the greater security of the United States. The Commission notes that the last great transformation of America's security posture in the world — the post-World War II era that led up to and followed the 1947 National Security Act — was driven by a process that brought together the best minds the country had to offer, the energies of a collection of federal agencies and organizations, and the deliberations of a focused and bipartisan legislature.

The current transformation which has been ongoing since the end of the Cold War — massive in scope and in expected outcomes — has not had the benefit of such a wide spectrum of views. It has been too much the purview of a single agency — the Department

of Defense. The Commission recommends a larger involvement by all of the relevant organs of government informed by wide reflection from the best minds in public and private life.

Second, the many events already undertaken and further changes that most likely will be generated by the 2005 QDR require an overall architectural design. The Commission repeatedly discovered disconnects between one event and another. While individual efforts and separate commands were impressive in the scope and thoroughness, they often appeared to be inadequately linked to one another. No single entity revealed itself as master of the entire plan. The Commission strongly suggests that the entire effort of transformation be tied together in one overarching design, and that a specific body be assigned responsibilities to both guide and monitor its implementation.

Third, the Congress of the United States must provide active oversight to the process. Cost and budgetary inconsistencies alone indicate that the Congress needs to exercise its full authority in ensuring that plans and programs are adequate to the task. This view is reinforced by the disconnection between the overseas basing plan and the base realignment and closure process.

The two are inherently related, yet Congress is divorced from direct oversight from either, the latter by design and the former by a lack of information available to the Legislature on the effects of the entire process. The Commission recommends that the Congress exercise its oversight responsibilities fully and vigorously. It is time to adapt our security systems to meet emerging threats, and to do so by continuing a shift to a capabilities-based posture that will allow us to answer the range of challenges we face. But we cannot do so without an overarching plan.

The Commission believes that change is necessary, but guided change that considers the entirety of the security components of the United States, not just those related to the Department of Defense. The Commission found that the overseas basing structure cannot be viewed in isolation from a myriad of other security-related considerations. Its feasibility and effectiveness can only be evaluated in context with all other aspects of national security mentioned elsewhere in this Report. We believe that at some time too much activity in too short a time threatens to change transformation into turbulence. We have concluded that we are doing too much too fast and a reordering of the steps is necessary. We call, therefore, for a process of deliberation and review to accompany the zeal and aggressiveness to act.

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Main Discussion

INTRODUCTION

The Commission on the Review of Overseas Military Facility Structure of the United States—more commonly known as The Overseas Basing Commission—was established in 2003 by Public Law 108-132, as amended by 108-324.¹ The Commission was created to evaluate the current and proposed overseas basing structure of U.S. military forces; to assess the number (and, by implication, type) of forces to be based outside the United States, the current state (and availability to our forces) of military facilities and training areas and ranges abroad; the amounts received in direct and indirect payments from allies in support of those facilities; whether the existing and planned structures were adequate to future needs, the feasibility and advisability of proposed changes; and to assess any other issue related to the planned basing structure. The Commission, active since May 2004, was tasked to provide a report of its findings and conclusions not later than August 2005.

The foundation document for global reposturing is the 2004 Department of Defense Integrated Global Presence and Basing Strategy (IGPBS).² The Commission, therefore, began its investigation with a review and analysis of the underlying assumptions and resulting conclusions of that document. The IGPBS calls for a significant realignment of the U.S. global posture—withdrawals to the United States of some forces that until now were stationed overseas, closure of some overseas facilities, enhanced access to yet others we already occupy, and the creation of new facilities where in some cases we will maintain a permanent or semi-permanent presence.

A shift of this magnitude affects significantly the overall strategic posture of the United States—political relations with allies and friends, deterrence of aggression against U.S. interests, conduct of military operations, shaping of the international environment in ways favorable to the United States, and so on. Thus, any assessment of basing cannot be separated from its related parts (e.g., domestic as well as overseas basing, alliance relationships, mobility lift capabilities, access to energy sources, etc.) nor from broader considerations of security strategy (e.g., the likely nature of current and emerging threats, economic impacts, political and policy implications, and so on).

Accordingly, we determined that fulfillment of our duties demanded more than a mere critique of the proposed overseas basing posture. Mindful of the emphasis in the directive of PL 108-132 to consider “...any other issue related to military facilities overseas...” the Commission elected to cast its review in the context of overseas basing as it relates to the totality of U.S. security strategy.

¹ See Appendix A.

² The unclassified version of the strategy can be found in the DOD Report to Congress, *Strengthening U.S. Global Posture*, September 2004.

Throughout the course of our investigations we were continually impressed by the professionalism, dedication, and thoughtfulness of all those at every level who are forging the elements of U.S. security. We compliment the patriotism and commitment of those who work these issues every day and who are willing to sacrifice their own well-being to that end.

We are struck most of all by the unstinting commitment of our young soldiers, sailors, airmen and Marines who perform their duties so selflessly in the midst of war and conflict. The Departments of Defense and State, as well as other federal, state, and local agencies, have much to be proud of in the way that their people and their organizations have worked to improve the overall safety and security of our citizens. We are well served by all their endeavors to provide a better and safer future for all of us.

In the course of our work, we reviewed many facts and listened to many views. It was always our objective to find within the imperatives for change an appreciation of the lines between inherent (for either traditional or parochial reasons) resistance and justifiable reservation for moving forward at the pace and to the extent contemplated.

Simultaneously, we sought to understand how change in one area impacted change in others, and how the transformation of the many parts of our security apparatus impacted on the whole. At no point in our investigation did we conclude that the overall intention to move toward a higher level of security in an altered global environment was unwise or unsound. As will become obvious in the report that follows, the concerns expressed by the Commission are related to specific aspects of the conversion, and how they add to or detract from the overall outcome.

The underpinning of the proposed global basing posture is the transformation from a threats-based force to a capabilities-based force. Our Cold War basing structure, designed to deal with the preeminent threat of an expansionist communist ideology, has been overtaken by events. The effort to expand U.S. global access therefore, is strategically sound. For that reason, with a few important exceptions, the Commission applauds the Administration's efforts to secure new bases and access in its global repositioning plan.

The threats we face have changed and broadened along several dimensions. They have shifted geographically, so that threats that are emanating from the "arc of instability"—an arc stretching from West Africa, across Southwest, South, and Southeast Asia and across the Pacific into the Andes—have become paramount. Yet, our traditional national security interests in Europe and East Asia remain key, as do our allies there. The threats to our interests have shifted from conventional to asymmetric ones, especially terrorism and weapons of mass destruction (WMD). We no longer have the convenience of focusing on one dominant threat and assuming that if we are postured to meet that threat, we can handle any lesser threats that might simultaneously emerge. A capabilities-based

focus, therefore, seems appropriate, although (as we shall discuss later in the report) we must still consider the range and likelihood of various threats that might present themselves.

To that end, the Commission focused on the process of change to determine the level of input from Combatant Commanders and the degree to which that input was entered into the overall plan. We had assumed at the outset that there was an overriding architecture for global restructuring, and our early concern was that individual needs would not be adequately represented in the final outcome.

The Commission concluded that the Combatant Commanders had every opportunity to provide their insights and state their needs, and did so quite clearly and thoroughly. In fact, the Commission perceived that the vast majority of the detailed planning for IGPBS was being done by the Combatant Commanders and by the individual services.

At the same time, however, we became increasingly concerned that the sum total of transformation initiatives was not coordinated within an overarching plan, that many adaptations were being undertaken “in-stride” as opposed to being in concert with phased, deliberate timing. The many independent yet related activities were disconnected from each other to the degree that the central objective of an enhanced security posture for the United States was at risk.

We have heard argued, and can agree in part, that synergies are created by undertaking multiple tasks at one time. Operation Enduring Freedom, Operation Iraqi Freedom, Army modularization, joint force transformation, the Mobility Capabilities Study, domestic base realignment and closure (referred to by the acronym BRAC), and many other initiatives are laudable in and of themselves, and put together properly can result in major improvements in strategic security. But their depth and breadth are so vast when taken together that there is a danger—voiced in the words of one senior military leader—of too many balls in the air at once.

In considering IGPBS, the Commission tried to come to terms with a number of fundamental questions, included in which were the following:

- What are the geopolitical ramifications? How does the loss of sizeable forward presence impact deterrence, war fighting, security cooperation, humanitarian assistance, and peace operations?
- Can we address traditional and emerging threats?
- Will we be able to successfully negotiate Status of Forces Agreements, access rights, and other key agreements with our allies?

- Do we possess the strategic and intra-theater lift necessary to make such a posture work?
- What are the implementation costs of IGPBS? Will we be able to afford these changes in the time required under current budget constraints?
- What is the impact on personnel and families, and what is the corresponding impact on maintaining and retaining the total force?
- Is there adequate synchronization with other events currently taking place, events that include the war on terror, operations in Iraq and Afghanistan and elsewhere, the Mobility Capability Study, the Quadrennial Defense Review, and Department of Defense base closure and realignment?

Our exploration of each of these questions led to the findings and recommendations that follow. As the answers developed (and in turn led to yet other questions) a pattern of six major areas of concern developed: geopolitical considerations, operational requirements, mobility, quality of life, costs, and timing and synchronization. Each is discussed in turn below.

I. GEOPOLITICAL CONSIDERATIONS

The military basing structure of the United States is part and parcel of its national security strategy. Where we place our forces, how we stage them for commitment in the pursuit of national interests, where we position sets of equipment and supplies to sustain them and how and with whom we ally and train are more than a reflection of current policy options. It is strategy itself, not the totality of it, but a significant part. The basing posture of the United States, particularly its overseas basing, is the skeleton of national security upon which flesh and muscle will be molded to enable us to protect our national interests and the interests of our allies, not just today, but for decades to come.

America's current basing system is an outgrowth of its emergence as a global power in the first half of the 20th century. Its rudimentary overseas basing structure at that time originated with America's entry into world affairs commensurate with the Spanish-American War and expanded dramatically in the 1940s with the watershed strategic decision to ally with the free nations of the world to resist the global expansion of fascism.

By the end of World War II, America's domestic and international base structure eclipsed anything the world had ever seen, far surpassing in scale and scope the impressive historical antecedents of the Roman, Mongol, Ottoman, and British empires. More striking, all of the latter had been built over decades and centuries. The U.S. basing structure had been built in five years.

By 1947, it was clear that this very same basing system would be called upon to implement a decades-long policy of containment. Through the many permutations of the Cold War, our basing posture—with appropriate adaptations to meet the particular threats that emerged—more than sufficed to match our strategic resolve. In the end, the threat of communist expansion was defeated, only to be replaced yet again by a variety of threats to our national interests. Beginning in the late 1970s our basing structure was augmented by increasing our access to facilities in Southwest Asia, the Persian Gulf, Africa, and the Indian Ocean. This overlay on the post-World War II basing structure served us well in the first Gulf War.

With the end of the Cold War and throughout the 1990s we began to adjust accordingly. Our overseas basing structure and especially our military presence was cut back substantially. The U.S. Army removed a corps headquarters, two divisions, two armored cavalry regiments, and their assigned supporting units from Europe. In the end over 270,000 personnel were cut from the Army structure worldwide. The Air Force removed more than six wings and closed seven air bases in Europe with an overall service reduction of over 160,000 personnel. Only a small fraction of the numbers we once permanently located in Europe remains today. Our armed forces are similarly reduced. We have already substantially modified our Cold War posture.

Now, some fourteen years after the successful liberation of Kuwait and sixteen years after the tearing down of the Berlin wall and the breakup of the Warsaw Pact, the United States faces a variety of strategic challenges that necessitate a further revamping of our basing posture. Simultaneously, we find ourselves embarked on a number of strategic initiatives that run the gamut from a global war on terror, a counter-insurgency and nation building campaign in Iraq, containment of the proliferation of weapons of mass destruction — nuclear and otherwise — into the hands of irresponsible nations and non-state actors, a transformation of the means and conduct of warfare, a realignment of traditional alliance and diplomatic relationships, a restructuring of our major combat units, and considerations of emerging challenges to our primacy in the world.

The Commission acknowledges the complexity of taking on the breadth of these strategic issues, and it offers both its admiration and congratulations for the energy, foresight, and commitment with which all of this has been done. As a nation, we have not ducked the hard issues nor failed to recognize the need for transformation and reorientation. Already we have undertaken enormous change in the movement of forces around the globe, the transformation of our armed forces and their supporting structures, our technological developments in air, sea, land, and space capabilities, and in the employment of forces across the entire spectrum of our active and reserve components. All in all, the totality of effort has been commendable.

At the same time, however, the Commission must emphasize that considerations of rebasing cannot be seen as an aside from these major strategic deliberations. It cannot be

merely a consequence of domestic political tradeoffs. Nor can it be the fallout of diplomatic compromise, the appeasement of an ally here, a quid pro quo for a bilateral arrangement there. The entire basing structure of the United States, both domestic and international, must be an integrated whole and must relate directly to the national security strategy of the United States.

Admittedly, real world tradeoffs must come into play. It is the nature of both our own political system and the international order that they do. But they must not be seen as an aside of strategy, pawns to be used to serve some other purpose. Our base structure is not merely a derivative of strategy; it is a driver in its own right. It must, therefore, be fully integrated with every other facet of strategy before it can be properly affixed. It is our opinion that the enormity of this point, and the discussion that it demands, has not been taken into account to the degree that it merits. Let us elaborate.

THE THREAT

None of us can predict the future. That, however, is enough to remind us that any base structuring cannot be designed to deal only with the threats of today. The base structure developed in the short span of World War II survived over fifty years with some adaptation over time to the Cold War, Korean War, Vietnam War, repeated challenges in the Middle East and from revolution and the illegal drug trade in our own hemisphere. The base structure we develop in the near future must enable us to meet the threats that will emerge over the next quarter century and beyond.

Since we cannot know the precise threats that will pertain, our strategy—to include our basing strategy—must allow for a degree of uncertainty and hedge against that uncertainty. We can define (and have done so) with some degree of specificity our national interests. We have established long term relationships with other nations and regional and international bodies with whom we have committed ourselves to certain principles, mutual interests, and obligations. We can devise a force structure and basing posture to meet those commitments only in so much as we allow for enough flexibility to meet changing conditions.

But we must consider more than changing conditions. We must also take into account emerging threats. In ten years, the face of terror may take on a whole new look of menace, or may have receded to the sort of danger many Americans perceived before September 11, 2001. In the same amount of time, or perhaps less, major objectives may have been met in Iraq, only to see them challenged in neighboring countries or in contiguous regions.

Much of today's focus is on threats that could emerge from an arc that stretches from West Africa across Southwest, South, and Southeast Asia, the Pacific and into the Andes. Within this broad arc lie the poorest countries of the world, left behind by globalization and bereft of its economic benefits. It is an area that contains more than its fair share of

ethnic strife, religious and ideological fanaticism, failed government and—above all—antipathy and hatred toward the West in general and the United States in particular. Its very poverty and instability drive some of its denizens toward the selection of asymmetric ways to threaten the West, not in the manner posed by the Cold War or even of the first Gulf War, but more in the form of terror, insurgency, or access to weapons of mass destruction.

But looking beyond today, we cannot rule out sometime in the next quarter of a century the emergence of a more traditional great power competitor, possibly in our zones of interest in Europe and East Asia. If that occurs a force posture and base structure optimized for predominantly asymmetric threats emanating from the arc of instability may not be able to stay ahead of and ultimately contend with a global rival bent on direct confrontation with the United States.

The threat may take many postures, not just military. Our access to energy sources remains an imperative, as does open trade, access to the routes of commerce, and unfettered international exchange. Economic and cyber warfare is a distinct possibility. Human rights violations, natural disaster, epidemics, and the breakdown of national and international order are all plausible contingencies that may require the United States to act across the range of its capabilities. In virtually every case, our base structure will be an essential part of those capabilities.

It is not enough to contend that a capabilities-based posture can meet all challenges. Some degree of consensus on what the threats will be and which ones we prepare to counter must exist. Just as a defense that tries to be strong everywhere runs the risk of being strong nowhere, a one-size-meets-every-threat mentality risks complacency and increases the likelihood that we will be inadequately prepared for the threats of greatest concern that eventually emerge.

The consideration of threats is not a matter for the Department of Defense to consider alone. It is a matter for the interagency process to take up collectively. In some cases, it is a matter for our alliance partners (more on that below) to consider in dialogue with us. In every case, it is a matter for the oversight of the bill payer, the U.S. Congress. The Commission is concerned that the dialogue on what the range of future threats over the mid and long term might be, and how to best prepare to meet them, has not occurred.

We note, for example, that beyond early inroads to establishing a network of CSLs in Africa, we have done little to counter the expansion of potentially hostile competitors there, or considered to what degree we might wish to do so. Accordingly, without such considerations, it is imprudent to conclude that without a larger discussion the base structure currently being considered hedges against the threats that could emerge in the mid and long term.

ALLIES, PARTNERS AND FRIENDS

Our global basing posture presupposes and determines at one and the same time a network of political relationships between the United States and its allies, partners, and friends. Where we put our forces, our unit sets, our supplies, our fueling points and our training facilities implies a bilateral relationship that is mutually supportive and focused on common interests.

Strong political relations between the United States and respective host countries accepting our bases, presence, and staging operations hinge on shared, if not identical, national interests. They make possible and are buttressed by military-to-military contacts and legal arrangements regarding stationed forces and access to facilities. If our political ties are strong, our ability to use facilities when we need them will be better assured and if our military-to-military relations are healthy and our operating arrangements robust, the efficacy of the bases for our mutual purposes are enhanced.

For example, our relationship with the United Kingdom for almost one hundred years has been predicated on a closeness of political traditions, shared interests, and long standing mutual respect. Its proximity yet separateness from the European mainland have been of major strategic significance through two world wars and a long running Cold War. But more significant than geographic convenience has been the political partnership of democracy, freedom, and other shared values. Our history since the wars in the late 18th and early 19th centuries has been one of friendship and mutual support.

For more than fifty years, the North Atlantic Treaty Organization (NATO) has been a steadfast bastion against overt aggression that would threaten its member states, buffering both Europe and North America from what was a serious threat of war and subjugation. NATO stood firm in the face of what was often dire threat—from the Berlin blockade through intermittent brinkmanship in the ‘50s, ‘60s, ‘70s, and ‘80s to the Balkan Wars of the ‘90s. Now expanded, NATO remains as important as ever to our international alliance posture.

U.S. presence in Europe remains crucial to future global stability. The legitimacy of that presence lies directly with our ties to NATO. Full participation in NATO allows us to maintain a leadership position in European affairs, as well as in contiguous regions. We cannot hope for much influence without presence—the degree of influence often correlates to the level of permanent presence that we maintain forward. The argument that rotational units will suffice for such influence may have merit, but it runs against the perception our allies will hold that the presence is not permanent and that it may not be continued over time if political will is lost, budgets become overstretched, or rotational units are diverted elsewhere.

Moreover, the ability to influence international events from our base in NATO expands well beyond Europe proper. Africa, for example, has become of increasing strategic

importance to the United States. Other nations have begun major initiatives to expand their influence in key locations on the Continent. The United States must be a central player in Africa, for reasons of both stability and security. We are already present at a few strategic locations (e.g., Djibouti), but for years to come our ability to project power (and, therefore, influence) is dependent on our presence in Europe. The same realities exist for Eastern Europe, the Black Sea, the Mediterranean, and other regions east and south of Central Europe.

The same conditions apply in Asia. We stood with our allies in Korea during the hard years of 1950 to 1953. We have stayed the course ever since. Japan, once our foe, has extended the hand of friendship in helping to keep the peace in northeast Asia. Our allies in the Pacific basin have contributed and shared in political and military risks. They have made economic contributions as well. The same observations apply in the Middle East, North Africa, and Latin America. Our traditional allies have been a mainstay in the largely stable world that has prevailed since the end of World War II. Our alliances have been of mutual benefit.

A major advantage of continued reliance on traditional allies is predictability. We have worked with them for many years and both they and we have come to understand where our interests come together and where they diverge. Together we have established a track record that increases our assurance we will be able to make use of our facilities when the need arises.

To address the threats and contingencies we could face in the future, we should join with new friends and allies to both enhance our presence overseas and our political relationships. We need to be mindful at the same time that any resulting bilateral arrangements will lack the long history of mutual support we have already established with others. We are forging relationships now with new democracies in which long-term regime stability is not assured. Still others remain in the grip of autocratic regimes which could be (and in some cases have been) toppled overnight.

We would do well to consider their motives for some of the emerging arrangements (e.g., narrow financial opportunity versus long term national interests) and to keep in mind that U.S. popularity abroad has waned and will fluctuate further in the years ahead. All of these considerations should be taken into account as we evaluate our confidence to access new bases in the years ahead and to weigh that against what we surrender when we pull out of long-standing, more traditional, locations.

None of these considerations argues against change. Indeed, the Commission is convinced that an altered base structure is imperative in an altered world and a new strategic environment. What the Commission does voice a concern about, however, is the seemingly one-dimensional decision being reached as to what bases should be abandoned and what bases established.

A base structure is more than a military consideration. It is a political arrangement of the first order that has bilateral, international, cultural, and economic consequences. In that regard, the Commission has found no evidence of a wide scale discussion among all affected entities (e.g., Departments of State, Energy, Justice, etc.) as to the wisdom of specific overseas basing choices, or of the network of choices in its totality. Status of Forces Agreement issues, access rights, Article 98³ considerations, acquisition and cross-servicing agreements, terms of lease, levels of bilateral political and economic support, training and exercise arrangements, and other major concerns appear incomplete even as we are proceeding with basing plans. Even if considered in their individual parts, there seems to be no integration of analysis. This is a cause of major concern.

INTEGRATION AND TIMING OF STRATEGIC CONSTRUCTS

The Commission acknowledges and respects the extent of recent innovations in national security affairs. It is uncertain, however, whether the myriad of strategic developments has been adequately integrated. We believe various strategic initiatives can either be reinforcing of one another, or—if we are not careful—at cross-purposes.

Transformation efforts must be related to net assessments of intelligence. Massive up front costs must be related to budgetary cycles. Force projection requirements must be correlated with mobility factors, which are in turn related to developments in energy sources, strategic lift platforms, and technological breakthroughs. Base locations will be impacted by all of these, and in some cases will themselves serve as catalysts for change in the others.

It is not clear whether there exists an ordered logic to the unfolding of all of the strategic level matters currently being decided, and how they relate to base structures. Take only one area — intelligence. Base structures have a relationship to the development of intelligence capability. Some are expressly for that purpose, providing access points into critical areas. Yet others are being situated with an eye to the use of special operating forces, themselves an integral part of the intelligence capabilities of the nation. Still others allow for the development of bilateral and multilateral intelligence sharing, and the joint and combined training and operations that will stem from that.

Simultaneously, our nation is undergoing a massive intelligence restructuring, beginning at the top and reverberating through every level and every sector of intelligence collection, analysis, dissemination, and operations. The interrelationships of how intelligence capacity is to be enhanced, who is to do what part of it, and how all of that can be reinforced by base locations would be a worthy up front discussion. If that has occurred in any meaningful sense, it is not apparent to the Commission.

³ Article 98 of the International Criminal Court Rome Statute, “Cooperation with respect to waiver of immunity and consent to surrender” protects U.S. citizens from the ICC. This is also codified in U.S. law under the American Service Members Protection Act.

Writ large, this leaves us with a concern about full appreciation of the cascading set of priorities that fall out of so many strategic initiatives. There must be some order of importance delineated between the various levels of decision-making, be they grand strategic, strategic, operational, organizational, or tactical. If there is not, we cannot be reassured that the right goals and objectives will be set with appropriate degrees of importance and with the right set of metrics to gauge progress toward their accomplishments.

With each step of the process—the withdrawal of a unit to CONUS, the opening of a new facility, the signing of a SOFA agreement, and so on—we create a global structuring posture incrementally different from that which had existed prior. At no point in the process can we afford to leave ourselves vulnerable and at the end of the day it is critically important that the aggregation of all of those steps result in a global posture stronger than what we have today.

The Commission is not convinced that the current IGPBS plan provided to Congress will accomplish this. The timing of the decreases in our overseas basing capabilities is front-loaded. The enhancements are planned for later implementation and—in many cases—are contingent on uncertain developments. For example, they depend on future political relations, satisfactorily negotiated agreements, future force modernizations (and modularizations), technological developments, and so on.

The Commission believes strongly that the sequencing of the implementation of IGPBS should be reordered so that (at a minimum) our earliest steps do not detract from but augment our capabilities. One clear example of this is the necessity to not reduce our ground presence in Europe until we have negotiated appropriate arrangements with Eastern European nations and are assured that we will be able to deploy the right mix of forces there.

II. OPERATIONAL REQUIREMENTS

While we stressed in the preceding discussion the strategic centrality of our global base structure, we recognize fully that the ultimate measure of the utility of overseas basing lies in its ability to allow our forces to operate in a manner commensurate with national command decisions to protect the security interests of the United States.

Power projection, force protection, alliance obligations, deterrence, access and anti-access considerations, sustainability, timeliness of response, agility to shift from one phase of operations to another and to do so both intra-theater and inter-theater in sequential, simultaneous, and/or overlapping campaigns are all considerations that the Commission has reviewed. These are our observations.

POWER PROJECTION

The demands being placed on U.S. forces are many and varied, and promise to be even more so over the foreseeable future. A current military posture that allows for defense of the homeland, operations in four separate forward regions, the swift defeat of adversaries in two overlapping military campaigns, and the achievement of a decisive and enduring outcome in at least one of the latter (the so named “1-4-2-1 strategy”) places a high demand on force capabilities.⁴

Flexibility of options and response packages, reliability of allies, dependability on access to bases and their collocated resources, and speed of action are all critical parameters. The Commission has considered them in each of the four geographic regions (Europe, Northeast Asia, East Asian littoral, and Southwest Asia/Middle East) delineated by the current plans.

Our overarching view is that we are near the edge in terms of capabilities to meet stated requirements and timelines. The first concern is the number and type of forces to be left deployed overseas — they are thinly spread and do not leave much margin for error. Nor are they in their final configurations.

Stryker brigades, for example, are in an interim state, still evolving into some final, yet to be determined form. Most heavy ground forces are being removed from the mix. We may need one more carrier strike force based abroad. Passive and active defenses may be inadequate. If the Balkans blow up again, U.S. forces based in Europe may be stretched beyond their capacity to respond there while still maintaining their current rotation cycle into CENTCOM. In many parts of the world, fixed wing landing fields are sparse and our access to those that are available may be denied or otherwise contested.

Although much of our power projection capability lies in the mobilization base, we have in recent years put that under great strain. Its capacity to generate adequate forces in time to reinforce a thin slice of ready forces based abroad may become problematic should there be no relief on already existing demands. Training cycles, the recruitment base, retention considerations, and other key factors are integral to our ability to field appropriate sized forces capable of projecting the necessary power where needed on a continuous and widespread basis.

⁴ The “1-4-2-1 strategy,” as discussed in the March 2005 *National Defense Strategy of the United States*, is defined as: 1 - Defend the U.S. Homeland; 4 - Operate in and from four forward regions to assure allies and friends, dissuade competitors, and deter and counter aggression and coercion; 2 - Swiftly defeat adversaries in overlapping military campaigns while preserving for the President the option to call for a more decisive and enduring result in a single operation; and 1 - Conduct a limited number of lesser contingencies.

Placement must also be considered a component of power projection. Clearly there are linkages between areas of interest and proximity of U.S. forces. For example, what we put in place in Singapore has consequence for Diego Garcia, which in turn impacts on our capabilities in CENTCOM; our presence in Okinawa is related to our commitments to Japan, Korea, the Taiwan Straits, and other locations in East Asia. Indeed, our very presence abroad signals the commitment of national interest. But placement is more than a matter of geographic accessibility. As mentioned before in this report, it is an indicator of alliance relationships and to certain degrees the capacity for those relationships to be mutually supportive.

Some matters that would benefit from further discussion are the ability of various national and international agencies to reinforce or otherwise assist intelligence gathering operations, the establishment of traditional patterns of combined operations over time (e.g., frequent and routine use of basing rights, the establishment of standard operating procedures, Status of Forces Agreements, and other bilateral and multilateral arrangements), and the development of initiatives in parts of the world that may be crucial to future contingencies (e.g., South Asia, Latin America, Africa south of the Sahel, and others). At the same time, we should reconsider existing treaties to determine if they still offer to all parties the advantages originally realized (e.g., Iceland).⁵

FORCE PROTECTION

The United States has always been prepared to place its forces where its national interests and the interest of its allies dictate. With the support of our allies, we held fast in West Europe for decades despite a massive build up of conventional (and nuclear) forces by the Soviet Union and the Warsaw Pact. We entered a war on the cusp of being defeated in Korea, and then stayed in place with a sizeable contingent of ground forces in the five decades that followed, notwithstanding an unending shrillness from a bellicose society directly across the demilitarized zone.

We fought our longest war in South Viet Nam, against what some historians describe as the most militarized society of modern times. On three occasions in the recent past we have entered into conflict in the Middle East, first to liberate Kuwait, second to remove an extremist terrorist regime in Afghanistan, then to topple a dictator in Iraq.

Each time we have done so fully cognizant of the risks involved for deployed troops, and with adequate considerations of force protection. Never have these forces (nor any others) been seen merely as a ‘trip-wire’ to ignite a larger strategic response. It is our nature to fight to protect our forces, and to send them into harm’s way only if we believe

⁵ The 1951 bilateral defense treaty between the United States and Iceland allowed for U.S. basing in exchange for the United States providing for the defense of Iceland. Iceland has historically not had armed forces and the advent of the Cold War coupled with the strategic location of the island increased her vulnerability at that time. As a result of changes to the post Cold-War security environment, the U.S. should review with Iceland the continuing need for and amount of U.S. Navy and Air Force presence.

we have given them every opportunity not only for their survival but for their success as well.

The Commission found that this tradition continues under the overseas basing structure being planned. In the main, fewer troops (and fewer families that accompany those troops) mean less of a force protection requirement overall. At the same time, it means less of a mutually reinforcing capability from U.S. forces stationed abroad. Rotational units from the United States fill some of that capacity, as do contingency packages that can reinforce quickly from the CONUS base.

Many of the requirements for protection of U.S. forces, their bases, preposition unit sets, supply and fuel stocks, and training areas will have to be met from local arrangements. Again, it is clear that we must look for reliability and dependability in the places where we have decided to position ourselves. This will call for continual evaluation over time. Our nation has no intention of leaving any of our forces or their support bases at risk.

The Commission notes that some of our locations may lack adequate hardening (specifically in regard to protection of air assets, both fixed and rotary wing) and that theater missile defense coverage of some critical installations may be thin, particularly in the Pacific region. In some locales, our facilities are in immediate proximity to civilian infrastructure. Urban expansion threatens to encroach even further. We must remain mindful of an unceasing need for force protection at each state of the overseas basing restructuring.

TRAINING AND EXERCISES, AND FACILITIES

Training and exercises are an imperative of operational capability. The United States does not commit untrained forces to action. Indeed, having learned the lessons of past wars, the American military holds high the importance of winning the first battle.

While our training areas at home are well developed, our training areas abroad are in various stages of development. Some, such as the training complexes located in and around Grafenwoehr, Germany, are excellent. Others, such as the proposed extended training concept focused in and around Australia and adjacent waters, show promise.

Some of the ranges within the Udairi Range Complex in Kuwait provide a superb training venue for deployed units sent to the region. The entire Rodriguez training area and ranges located near the Demilitarized Zone in Korea are being upgraded, expanded, and protected from future encroachment. Eastern Europe offers opportunities, although some bilateral arrangements are yet to be completed. Yet others, such as the current sites being discussed in Africa, may be less than adequate even for present needs.

Our military doctrine emphasizes joint and combined operations. We believe the optimization of specific service (and ally) capabilities, when brought together in a smoothly integrated campaign, offers a whole greater than the sum of its parts. We also believe that we must train as we will fight. That means the entire joint force, reserves as well as active, both U.S. and allies, must train realistically and as an integrated whole.

The Commission is concerned that not enough attention has been given to training in the development of the overseas basing plan. Not only is infrastructure sparse in some regions, capabilities for integrated training across services and with allies are sketchy. As we have pointed out elsewhere in this report, our global basing plan is more than a contemporary adjustment to meet the challenges and threats of today.

More than that, we are establishing operational conditions for decades to come. In that regard, we believe that there is room for further innovation in deciding with whom we train, how we train with them, and where we train. While we have pointed out we should not move away from collocation with traditional allies without careful considerations of benefit and gain, so too, do we recommend that we consider the establishment of some combined training possibilities with potential future allies who may prove critical in helping us to meet emerging threats. Until all such considerations in regard to training and exercises are joined, the Commission is reluctant to endorse the entire proposed overseas basing structure as being conducive to improved operational capabilities.

Facilities must also be adequate to mission requirements placed on them. We are returning approximately 30% of our entire overseas site inventory (by number of sites) to host nations, most of this in Germany and Korea. This will leave 23 sites in Korea, with further consolidation to 10, and a total of 88 in Europe. The Commission finds that the condition of the facilities in the overseas basing posture is less than adequate.

ROTATIONAL BASE

Force projection over time is a product of the sustainability of the rotation base. It is one thing to surge for a single campaign, another to keep expeditionary forces at the ready along with their supporting elements year in and year out, with a high probability of frequent deployments for decades on end.

This challenge is compounded when we are structured with a heavily stretched force that even in times of sustained peace will spend frequent tours of duty abroad away from their home base. Elsewhere in this report (see Appendix N, Quality of Life), we comment on the overseas basing structure's impact on the propensity to sustain a volunteer force in the active and reserve components. We are left with the question of whether rotational demands over time will leave us with a ready force for all contingencies in a 1-4-2-1 posture, or any other posture that is likely to succeed it.

We have already mentioned the need for joint and combined training. That remains an imperative. But we must also consider the effects of the entire cycle of preparedness necessary for units as they protect and sustain the base structure, train up for and execute extended deployments abroad, return to home base and fall back on equipment (and mission requirements there), and, in the meantime, get committed frequently (as we can presume) to real world missions. Not only do such commitments tend to be exhausting to the active force, they run the risk of collapsing the National Guard and Reserves or at the very least of straining them to the point of undercutting capabilities.

Consider recent operational requirements and their impact on force projection relative to the rotation base. While adequate combat power was generated for the initial phases of combat operations in Afghanistan and Iraq (and in the global war on terror in general), additional forces were eventually required to meet the needs of local law and order requirements, emergency response, border security, training of host country military and police forces, protecting lines of communications, and so on.

Future planning must take account of all of these considerations germane to the successive phases of any single campaign, as well as consider the likelihood of more than one simultaneous campaign. In light of these demands, the Commission recommends a full review of the impact the planned base structure will have on the rotational base and its concomitant ability to project the requisite forces.

III. MOBILITY

The Commission has given special consideration to our ability to move requisite forces to the point of need. Mobility is the key to meeting our worldwide mission contingencies as defined in current strategies. Without it, we lack the credibility on which deterrence and dissuasion is based. Without it, our operational capabilities are undermined. Without it, the very underpinnings of our strategic posture become unbalanced. If we are not able to get to the region (or regions) of interest in time, and with the requisite combat power to prevail, we are rendered inconsequential to our stated objectives.

The essential question before us is whether we can meet the requirements we have set for ourselves. Put another way, can the global basing structure (both foreign and domestic), when considered in line with prepositioned stocks and available lift, fulfill the demands of a 1-4-2-1 military strategy? And, can we move in line with a timetable that suggests we be able to defeat the efforts of any potential enemy within 10 days after the beginning of a conflict, defeat that enemy fully within the next 30 days, and be prepared to engage a

second potential enemy 30 days after that?⁶ For the following reasons, the Commission is doubtful we have the ability to meet these mobility demands as stated.

STRATEGIC LIFT

While our operational forces will increase their combat capabilities as they continue to restructure into an expeditionary posture, attendant enhancements of air transport, sea lift, rail capacities, and port infrastructure to rapidly move them have not kept apace. Although the Defense Department has undertaken a mobility capabilities study to assess the requirements to meet the demands of an expeditionary force based largely in CONUS (that assessment is to be completed by the summer of this year) it is our observation that elements of our existing strategic lift are already stressed to capacity. The Commission cannot see how moving the majority of U.S. forces back to the United States will make the task of deploying them into contested regions any easier.

While some of the burden is expected to be offset by the ongoing organization and fielding of six (five active and one National Guard) Stryker Brigade Combat Teams, the Army will remain in the near- to mid-term a predominantly heavy force. The movement of any sizeable Army force into the fight, therefore, will necessitate a combination of sea and air lift of mammoth proportions. Marine and air expeditionary forces are likewise dependent upon air and sea lift. Current sea lift assets are capable of providing the lift, but outside the timelines required.

The number of fast sea ships is limited and other vessels (large, medium speed roll-on/roll-off, break bulk bottoms) require significantly longer transit times. Purchase of additional C-17s (beyond a total of 180) and tankers would help, but we would still be hard pressed, given sorties required and turn-around times, to meet force projection demands in contested areas.

The argument can be (and has been) made that greater mobility accrues to a domestically based force. This is true, however, only in part. The facility of movement (such as decision timelines, political ease of decision, rail and road surge reprioritization, and proximity of supplemental resources) may be enhanced by being in the United States, but time-distance factors may be exacerbated. Both weight and volume demands on existing strategic air capacity will be taxing.

Sea lift can be surged, but movement times across large expanses of ocean, and subsequently ground and/or air transportation over land, will be relatively slow. Loading and unloading of equipment, troop movements, relocation of ammunition and fuel, and

⁶ The 2004 *Army Transformation Roadmap* defines 10-30-30 as a swiftness goal for strategic responsiveness of the Joint Force as a whole within the 1-4-2-1 framework. A Congressional Budget Office Study, *Options for Restructuring the Army*, May 2005, describes the swiftness goals.

sustaining flows of materiel and supplies will be difficult to accomplish within the timelines allowed under current strategic requirements. As discussed below in this report, prepositioned stocks offset some of these demands, but not sufficiently and not without constraints of their own.

A recent RAND study concluded that a Stryker configured force of a thousand vehicles or more would have difficulty in moving inter-theater in time frames as short as four days. Assuming mobility enhancements, best achievable times (depending on where they were to go and from where they originated) were determined to be nine to twenty-one days. In this particular study, the chief constraint was reception capability, not lift.

The significance of the shortfall is less with the timelines than it is in the quantities and composition of forces considered. We can have no guarantee our opponents will configure themselves in force packages that are convenient to only what we can muster in short order at the point of conflict. It is the movement of sufficient forces in the time allowed that is the true indicator of capability.

By every measure, the planned basing structure places a greater demand on strategic lift. Clearly, there are work-arounds: purchasing more air lift, technological advances providing for faster sea lift, duplicating unit sets and prepositioning them abroad. The Mobility Capabilities Study may determine there are others as well. But the Commission finds that under current demands of a 1-4-2-1 strategy and the commensurate timelines to move from one contested area to another, strategic lift is not sufficient to the task.

INTRA-THEATER LIFT

While intra-theater mobility appears to be less of a concern than strategic lift, it remains problematic. Global repositioning decisions have been driven by shifting areas of concern. We have sought to place forces abroad (and at sea) where they are in closer proximity (even if in reduced numbers) and with sufficient combat power to influence developments in regions of interest. Concomitant with changes in domestic basing, our objective has been to create a more flexible force capable of meeting whatever contingencies arise.

But we cannot be certain where or when those contingencies will present themselves, or how they will unfold. In essence, we are hedging against those uncertainties by locating in relative proximity to where we can expect to be challenged. Nonetheless, we can expect that in most cases units in place abroad (and prepositioned sets of equipment and stocks as well) will have to move elsewhere in theater. How fast they can do that is the challenge.

Our C-130 fleet remains the workhorse of intra-theater air mobility. It is an aging fleet in need of extensive upgrade. Most of its airframes are located in the Air National Guard.

Some commanders have identified a need to procure more C-130Js, yet additional purchases have come into question.⁷

Moreover, we can assume that in some cases, intra-theater mobility will require sea lift as well. The good news is that we are developing high speed vessels for use in theaters where forces may have to move across water expanses (such as the Pacific or Indian Oceans, or the Mediterranean and the Black Seas). Unlike current sea lift, they have the potential to move heavy equipment and crews at very high speed in acceptable sea states to meet deployment timelines. However, the costs and schedule of these programs are unknown. Until we see intra-theater mobility platforms coming on line, our ability to move within regions is not without constraint.

Intra-theater mobility is more than a question of platforms. Our capability to shift forces is contingent on host nation allies allowing them to move from their sovereign territory to be committed elsewhere. This could prove highly problematic if by doing so their national interests were put at risk. Already we are hearing strong voices being raised in Korea and Japan that American forces shifted from bases there into action elsewhere in the region would be a violation of existing bilateral arrangements and destabilizing to regional politics, and might not be allowed. Echoes of those concerns are being heard elsewhere as well, and may well get louder as the years pass.

Eastern European nations dependent on imported oil, for example, may one day feel constrained from allowing American forces or equipment on their soil to move against the interests of their sources of supply. It would be a nightmare scenario to see overseas based forces frozen in place for political reasons, unable to redeploy to where they are needed at the critical moment. As pointed out earlier in this report, we need to ensure our rebasing strategy is closely coordinated with U.S. alliance strategies.

PREPOSITIONING

It is far easier to move people than it is to move equipment. Even when we are fully postured as an expeditionary force across all services, speed of entry, appropriate force packaging, flexibility, and sufficient levels of combat power are best assured by having in place the right mix of equipment and supplies our forces can fall in on quickly and reliably. Where we put prepositioned unit sets, ammunition stocks and other supporting items, what they are comprised of, and how they are defended, maintained, and continually updated are all central to our operational capability.

Such decisions cannot be taken in isolation. They must be fully integrated with considerations of threats, bilateral arrangements, and budgetary consequences. There are,

⁷ The 2006 President's Budget Request terminated the C-130J multi-year production contract. However, in May 2005, DOD reversed itself and requested continuation of the contract. The DOD Appropriations Act for FY2006 restored funding to the program.

for example, clear tradeoffs between prepositioned stocks and strategic lift. Either one is expensive, but investments in the former ensure capability in place within a single theater, while investments in the latter buy more flexibility between theaters. Selection of one over the other must be commensurate with the assessment of emerging threats. Clearly, the best approach is an inventory of prepositioned stocks and inter- and intra-theater lift capabilities that allow ready access to areas of instability.

The Commission is convinced that prepositioning is an imperative, with some unit sets and combat power capabilities to be placed on land and others at sea. While each component has a fundamental military objective in common—quick response by U.S. forces to areas of the world where access may be inherently difficult by virtue of geographic remoteness and lack of diplomatic accommodations, or otherwise contested by hostile forces, or a combination of all of the above—they complement each other in key ways. Therefore, tight integration of service concepts, doctrines, and plans is a first step in ensuring sea-based and land-based arrangements enhance rapidity of movement, generation of sufficient combat power, and its sustainability over time.

It is uncertain what the composition and amounts of that prepositioning must be. Understanding fully the investment costs entailed, the Commission recommends we hedge against uncertainty. We cannot rely on bare minimums. Nor can we tolerate uncertainties of access to the stocks that we put in place. Recent operations around the world have pointed out the fragility of the current base of stocks and supplies. Planners need to consider depth, flexibility, and alternatives against the constantly shifting geopolitical landscape.

Ammunition stocks, for example, have been drawn down in recent months. We may have taken these too close to the edge given our 1-4-2-1 military strategy. Fuel stocks are, at the moment, less of a concern, but in an evolving world where oil is in increasing demand we need to carefully consider future requirements. Unit sets themselves are expensive, particularly considering the evolving nature of the Army's Stryker brigades. Reserve forces are reporting excessive wear on unit equipment, particularly wheeled and tracked vehicles.

Given the centrality of prepositioned stocks to the operational capability of U.S. forces, their high costs, and their anticipated heavy use over time, the Commission recommends periodic review by the U.S. Congress. Furthermore, it recommends that such decisions cannot be made apart from assessments of likely threats, trade-offs on budgetary investment priorities, and prognosis of future alliance partnerships.

IV. QUALITY OF LIFE

The Commission elevates quality of life issues as a key concern of the global positioning strategy. We do so because the more we visited the combatant commands, the more

expert testimony and reports we heard and reviewed, and the more we considered the issues, the clearer it became that this becomes an area of central importance.

We cannot overstate our findings that for both structural reasons (i.e., the feasibility of transitioning to an expeditionary force while maintaining central policies and values our nation has adopted in relation to military service) and moral reasons (our obligation to care for the service men and women we are likely to put in harm's way and the families they leave behind) quality of life is a central consideration not only for the Department of Defense, but for the Congress of the United States as well.

The United States, after decades of relying on a conscripted force beginning in 1940, moved to an all volunteer service in 1973. In the years that followed, we structured the active and reserve forces of the nation into an integrated whole so that any commitment to conflict abroad would be a total commitment of the nation.

We have held high these principles of volunteer service and a mutually reinforcing force of active and reserve components. These principles have in turn at first altered and then made permanent expectations among those who serve, and the families that serve alongside of them. The results have been a more mature and a more professional force. It has also led to a more married force and one more integrated into American society as a whole. Expectations are high among those presently serving and those considering enlisting that these conditions will not change.

Yet, unless we consider with care all of the ramifications of a transformation, and the pace at which we do it, we run the risk of violating these expectations. The large scale return of forces from overseas has already had major impact on family support structures. Current conditions of service for the National Guard and Reserves have exceeded expectations held only a few years ago of only an occasional activation away from home for any length of time.

Base closings at home along with the return of yet additional masses of service members and dependents from overseas will have major impact on local communities and the quality of life that can be expected. Movements abroad from established bases into new locations, or into locations already in use that will be put under pressure by increases in populations, will impact on living conditions. Expeditionary service with frequent deployments even in times of peace will have yet another set of impacts on family structures and the nature of the volunteer active and reserve force.

The Commission is struck by the duality of considerations that must take place at every level. These are matters not just for the federal government to consider, but local governments as well. They are matters that affect not just the active force, but also the reserves. It is not just an issue of relocation, but one of rotation of forces abroad in repeated cycles of deployment and training. It is overseas basing and domestic base

realignments and closures. With each of these there are sets of concerns that must be addressed, and addressed in time to meet budgetary cycles (see Costs, page 25).

The Commission has found scant evidence that adequate analyses has been done across the entire spectrum of quality of life issues and recommends that this issue be made a priority.

FAMILY CONSIDERATIONS

The Commission recommends that planners take a last day - first day approach to the movements of troops and families from one location to another. Quality of life should not deteriorate in existing locations as presence is stood down and departure is anticipated. Support systems, schools, medical facilities and other needs must be provided for until the last day. Simultaneously, receiving facilities must have in place equal quality of life arrangements as the first newcomers arrive. We see these as imperative whether the movement is abroad from one locale to another or from overseas to the United States or from one base in CONUS to yet another as a result of base realignment and closures.

In some cases, the conditions of support will change, but must be thought out and budgeted for, whether the budgeting is the obligation of the federal government or local communities. Take schools as an example. The Department of Defense Dependent School (DODDS) system that has served so well for more than five decades abroad is likely to undergo severe contraction. It will be important to hold local overseas school systems together even as presence is drawn down. Teachers who have served for some time in one community will have to make decisions as whether they wish to relocate elsewhere abroad, or return to the United States.

More of a concern, schools in the United States will need to gear up for the influx of large numbers of children returning from overseas and plans for the transitioning of students in both sending and receiving schools must be in place. That will entail local government decisions pertaining to bonding for construction of more classrooms, the hiring of more teachers, and contractual services for education related support. Such events require advance planning and will be the outcomes of public review and political decisions.

Medical facilities and systems will also need to be worked out. Historically, Army basing in the United States has been in economically depressed areas that are not prepared to deal with sudden surges in local population and their demands on medical facilities. Simultaneous with transition to a DOD medical system (as opposed to an individual service system), we will need to ensure that adequate medical support is in place prior to the displacement of large numbers of service people and their dependents.

Housing is also a major issue. Some of this will be on post, much of it off post. There is a danger that some of the intra-theater transfers contemplated abroad may over stress housing requirements. There is even a greater risk at home that overseas basing drawdowns, as well as domestic base closures and realignments, we will move large numbers of service people into locales lacking in adequate housing units, or at least housing of the proper quality and proximity to base. Here is yet another area where overseas basing considerations cannot be separated from domestic realignments.

FORCE ISSUES

The same need for a last day - first day approach applies to those serving in the ranks as well. While soldiers, sailors, airmen and Marines are used to the hardships that come with military life, we cannot expect them routinely to accept harsh conditions of service. If we move to new bases abroad, or fall in on already existing bases in greater numbers, and if we redeploy tens of thousands to bases back in the United States, we need to ensure that up to standard barracks, proper support facilities (i.e., fitness centers, dining facilities, motor pools, chapels, etc.) and other appropriate accommodations are in place.

It is the view of the Commission that within the CONUS temporary, relocatable barracks for example, are not acceptable. We demand much of our young service men and women. We owe it to them to provide a decent place to live and work when they are at home station and in extended rotations abroad.

Perhaps of greater concern than redeployments in the near term is the impact of an expeditionary force over the long term. Conditions of service and expectations are changing, especially for the Army (the last of the services to fully transition to an expeditionary force) and the reserve components as well. The conflicts of the war on terror, Afghanistan, and Iraq have already had an impact on force rotations.

Many of our forces are back in action or (about to be) after only a brief respite at home. Operating tempos are likely to remain unabated for some time to come. Expectations are changing, and with those changed expectations we are beginning to see their impact on force recruitment and retention.

RECRUITMENT AND RETENTION

Although the Department of Defense has developed over the past several decades robust and flexible (and expensive) recruiting and retention programs, we may be beginning to see strains on the system that could jeopardize sustaining the force. Both external parameters (such as the military/civilian pay gap, unemployment, and economic indicators) and internal incentives (enlistment and reenlistment bonuses, family separation allowances and/or imminent danger pay) influence recruitment and retention rates, as do end strength objectives. We are not without options for expanding or

contracting the force. Who we get and who we retain is determined by motives for service and expectations realized (or not) once on board.

In 2003 and 2004 the Army National Guard achieved 87% and 88% of their recruiting goal, respectively. They missed retention goals by only 1% in both those years (and by 2% in 2001 and 2002). However, the Department of Defense stop-loss policy is holding down departures. The fact is that no longer do Guardsmen and their families expect only an occasional activation and deployment.

Over the course of a twenty year career, expectations are that several deployments will occur, and that transition to an expeditionary force will bring yet more deployments for extended periods, even when not called upon to serve in times of conflict. The 2004 Reserve Forces Policy Board has commented on the impact of changing expectations for reserve forces.

We are seeing the same changes of expectation in the active force, and the accompanying effects on recruitment. This has impacted more on some sectors than others. Simultaneously, the Army is expanding its force structure by some 30,000 and we have yet to gauge the results of higher recruiting and reenlistment objectives begin set.

All of this is occurring before complete transition to an expeditionary force. Quality of Life support systems may go a long way to compensate for frequent and extended deployments away from home base. But in a married force, which is the predominant nature of our current structure, we would do well to remember that separation from family and loved ones itself is likely to extract a severe hardship on those involved.

This is not to argue against an expeditionary force but rather to highlight the importance of holding firm on providing the best quality of life we can to our serving forces and their dependent families. For each component of the services, active and reserve, the impacts will be different, for they are a result of prior expectations.

A Guardsman who joined up in 1990 expecting a once in a career extended deployment abroad may now be calculating that he or she can expect to be away every fourth or fifth year. Similarly, an active duty soldier who joined three years ago and since has been married and has children may be forecasting, in an expeditionary force, seven extended deployments over a twenty year career. These are changing expectations and they are likely to have impact over time.

The Commission places high value on a voluntary force and on the principle that when we commit the nation to combat or otherwise put our forces at risk, we do so in a way that our society is completely committed as one nation and one force. We are not sure the full extent of the overseas basing posture, the domestic base realignments and closure,

and the full transformation to an expeditionary force has been more widely reviewed and that the Congress has had sufficient occasion to consider all of their ramifications.

Quality of life is an important consideration in all of this, and we recommend the Congress increase its oversight of these matters as they relate to the global posture review, its timing, and the impact on service members and their families.

V. COSTS

The Commission recognizes that the costs associated with the new global posture are enormous, even if details are not yet clear. An overseas basing shift is itself a reflection of strategic transformation that entails a number of budgetary redirections that will begin to impact immediately and will continue to do so for the better part of the next decade, and perhaps beyond. Much more is involved than investments in new forward operating sites, cooperative security locations, and prepositioned combat, combat support, and combat service support sets of equipment and stocks.

Quality of life investments discussed in the preceding section of this report, the possible need for enhanced pay scales and recruitment and reenlistment incentives, operating tempo costs, training related expenses, and bilateral and international partnership compensations, and costs associated with overseas base closures and the concomitant infrastructure requirements on CONUS bases are also financial considerations that must be taken into account. So too are investments in new weapon systems, lift capabilities, doctrinal concepts, and integrated systems (e.g., intelligence, education, communications, space-based, etc.) made necessary by global realignment.

Not all of the considered shifts in strategic priority entail additional outlays. There very well may be savings accrued from residual values of returned property, lower transportation costs for the movement and displacement of families, cash off-sets and other burden-sharing compensations from host nations, and significant savings from changed priorities in weapons systems purchased to meet altered expectations of emerging threats. Domestic base closings may also add to savings.

Each of these decisions, however, is of major political and strategic consequence, and their precise outcomes are hard to predict. Certainly none of them should be taken in isolation from one another (a point we have stressed elsewhere in this report). We are left, therefore, with a wide range of uncertainty as to both the magnitude and timing of budgetary outlays as noted below.

OVERSEAS BASING

Improvements to main operating bases, forward operating sites (essentially expandable facilities maintained with a limited U.S. military presence) and cooperative security locations (facilities with little or no permanent U.S. military support presence) require

land and sea facility investments, operating budgets, and contractual services. Add to these the investments requirements for unit sets of equipment and supporting stocks, their protection (from environmental as well as security threats), maintenance, and upkeep. Add again similar expenditures for procuring, securing, maintaining, and exercising CSLs and other bases abroad (i.e., working with locals, entering into and using facilities, etc.) and using training areas. The sum promises to be appreciable.

Prepositioned unit sets are themselves expensive. But their composition will surely change over time, as we have not yet transformed into end state formations. Indeed, transformation itself is more a process than a fixed state. Purchases of equipment and unit sets are likely to reoccur on a cyclic basis, perhaps rapidly on occasion as new technologies and doctrines evolve. Changes in unit types, therefore, will bring with them associated changes in cost outlays as facilities and training areas are in turn modified to accommodate them. Conceivably, lift requirements (and associated expenses) will change as well.

We can expect in some of the areas we are looking to shift forces with little local financial assistance in site and facility preparation. Current negotiations with a number of countries are promising. But considering the depressed nature of some of their economies, we cannot expect much help in paying upfront costs.

In other locales where additional basing and access rights would be important for an expeditionary force posture conditions are crowded and available space for additional concrete sparse. As a result, costs could be steep. Many of the host nation costs that the United States will ultimately negotiate have to be incorporated in programmatic analyses.

These considerations lead us to observe the absolute necessity to consider both strategic and operational requirements in tandem with budgetary investments. Consider the need to shift an additional aircraft carrier and attendant forces to the Pacific, a move that the Commission recommends. A likely location for its basing would be Hawaii, where real estate, property values, and cost of living expenses are all high.

An expeditionary force hedging against the range of threats that could present itself to PACOM may demand the additional carrier strike group to deter such threats, or, should they emerge anyway, to provide the flexibility and speed of reaction. But the economic consequences for basing in Hawaii would be significant, even as it entails major political and economic impact in its wake back in CONUS. The calculations of such expenses—and the political will to bear them—can only come with strong Congressional oversight and the wider public discussion that follows.

BASE REALIGNMENT AND CLOSURE

Without question global rebasing costs must be considered in tandem with costs associated with the 2005 base realignment and closure process (BRAC). Both have significant costs associated with them, funds that are intrinsically in competition with one another.

Moreover, where we are based in the United States is related to how we are postured in the world, and that relationship itself could affect budgetary outlays. If, for example, we wish to place troop units, fleets, and air assets optimally poised for commitment to PACOM, we would do so in terms of time schedules for deployment, configuration of units, and distances to likely objective areas. Conceivably, bases in Alaska become relatively more attractive for ground based units that could take advantage of great circle routes.

Similarly, maritime forces stationed in Hawaii would offer strong strategic options and operational capabilities for the Pacific. But these locations incorporate sizeable investments if we expand our presence in them. What we might place in available Alaskan military bases, for example, would most likely be different in size and composition from what we had there for the duration of the Cold War.

The cost impacts on the federal budget and local economies could be significant. Many other parameters come into play of course, but we use these examples to illustrate the relationship between overseas basing and domestic base realignment decisions. The huge investments of budgetary outlays entailed by both sets of decisions (domestic and overseas) have not, as far as we can see, been fully connected and programmed. The Commission recommends that we do so.

RETURN OF FORCES FROM ABROAD

Related to the preceding is consideration of costs incurred and (potential) savings realized by any forces returning from overseas. Relocation to the CONUS base will require investments in family housing (either construction or leasing), additional barracks, fitness centers, child development centers, schools, chapels, medical facilities, motor pools, training facility upgrades, and many other infrastructure improvements. These will entail significant costs and depending upon when troops (and their dependents) redeploy will have major impact on current budget cycles. How money will be redirected within existing appropriations is unclear.

The Commission is concerned such redirections of money in the near term will have as yet unanticipated impacts on other military requirements. On the other hand, not to invest in the areas listed above would have severe impact on military readiness and quality of life considerations as well. Either way the outcomes, if not coordinated and planned, threaten to be chaotic.

Nor can we rest assured that cost savings will help defray near term expenses. While cost burden sharing and cash compensations have been suggested as one source of offsets to relocation costs (GAO Report on DOD Master Plan), it is unknown to what extent these savings will materialize. Residual values for returned property from host nations vary by Status of Forces agreements and other bilateral arrangements. Returns may be less than expected.

In EUCOM, for example, nine countries have contributed \$175 million for returned property. Economically depressed markets coupled with reduced defense spending by some of the host nations and closures of their own military bases have lowered the overall value pegged to returned property.

At the same time, the U.S has incurred costs for environmental remediation of some of the returned property and lands. EUCOM, for example, estimates \$90 million in remediation costs. The bottom line is the Commission foresees heavy expenses up front with little compensation as a result of returning forces from abroad. More importantly, the Commission expresses its concern that expenses have not been adequately planned for in the DOD budgetary cycle.

STRATEGIC LIFT

We have pointed out in the section of this report on mobility about the need for strategic lift. Suffice to say here that the Mobility Capabilities Study currently being done by DOD will identify additional costs to enter into the budgetary equation. Some of these will, no doubt, be earmarked for prepositioned unit sets and associated stocks. But some of these costs will most likely be related to strategic air and sea lift themselves.

Existing fleets need upgrades. New platforms may be required. Intra-theater transportation lift requirements will have to be part of the calculation, whether this is done by U.S. military carriers or contracted platforms. Again, the operational requirement will be to get the requisite forces to the point of need—to the strategic objective—in required timeframes. This, in the end, will surely entail significant investments in adequate lift capacity, another sizeable amount to be added to the total budgetary picture.

In sum, the Commission is struck by the enormity of the total costs being undertaken as we shift to an expeditionary force. While the overseas basing costs are but one part of the entire DOD transformation, they are indelibly intertwined with all other costs that will have to be taken into account. Despite our best efforts, the Commission has not been able to affix with any precision either the separate or totaled budgetary outlays that will be entailed.

We have observed, however, that the range of uncertainty remains great, the parts are in danger of being calculated irrespective of one another, and that the timing of budgetary planning cycles may not have been synchronized. All of these taken together point to the need for Congressional oversight of the integrated whole.

VI. TIMING AND SYNCHRONIZATION

The Commission is concerned that the totality of events regarding the security of the United States currently unfolding is more than we can financially and operational handle in a short span of years. Nor are we convinced that adequate strategic analysis has been given to their sequencing and synchronization. By itself, overseas basing relocations present an impressive challenge, all of which are planned within the budgetary cycle. (Program Objective Memorandum (POM)) years of 2006 to 2011.

Among the major relocations forecast are the consolidation of forces in Korea (the Land Partnership Plan), the potential shifting of forces from Okinawa, movement of NAVEUR headquarters (and supporting elements) from London to Naples, the relocation of two Army heavy divisions from Germany to CONUS, the graduated displacement of one brigade of the 2nd Infantry Division from Korea to Iraq to the United States, the stationing of an additional aircraft carrier in the Pacific, the consolidation of Special Operating Forces and the expansion of the 173rd Airborne Brigade at separate locations in Europe, and a myriad of other major and minor adjustments in U.S. forces around the world and at home.

Many of the steps in the global repositioning process are being taken without waiting for other developments. Yet others will be done in the near future. This is especially true for the relocation of forces to CONUS. The Commission believes that the chief obstacles to these moves are the preparation of bases to receive these forces. This depends on the BRAC process.

BRAC IMPLEMENTATION

The BRAC process began with the release of the Department of Defense's recommendations in the middle of May of 2005. By September of that year the BRAC Commission will present conclusions to the President (who must accept or reject them in their entirety) and, if accepted by the President he will forward them shortly thereafter to the Congress. Until then, forces returning from overseas cannot know where they will go.

Yet the divisions in Europe are to begin their movements in the third quarter of 2007; the brigade in Korea has already begun its move and will close on the United States in the fall of 2005. Since BRAC decisions will only be affirmed in the first quarter of fiscal year 2006 and budget actions will not be completed until later in that same fiscal year, there is little time for necessary funding to reach installations that will require new or

expanded facilities and training areas to accommodate either the new modularized brigades or the returning brigades (that will in turn begin their conversion to modularized design upon their arrival back in CONUS).

Many other steps in the repositioning process depend on more than BRAC alone. They depend on decisions and actions by other nations, and the transformation and modularization of the Army, to name a few. But it is not merely a question of relocating U.S. forces and bases. The entire process will be undertaken at a time during which we will continue to fight the global war on terror and consolidate and rebuild in Iraq and Afghanistan. As if that were not enough, we are proceeding simultaneously with the following major initiatives.

ACTIONS BY OTHER NATIONS

Most of the repositioning of forces abroad, as well as the increase in access rights and training capabilities, depend upon reaching agreements with other nations and implementing them. SOFA and access right agreements will need to be negotiated, signed, and—in some cases—approved by parliaments. Understandings will have to be reached regarding host nation support, U.S. reciprocal payments (as applicable) and schedules and operating procedures for regular use of new facilities.

Accomplishing all of this is contingent on the state of political relations between the United States and the intended host nation, as well as the international political environment. For the most part, the arrangements required are not yet in hand. It would indeed be a testimony to U.S. diplomatic abilities if we were able to achieve all that is envisioned by IGPBS.

ARMY TRANSFORMATION AND MODULARIZATION

The Army is in the process of restructuring all of its brigades into modular units of action. Each brigade will become more self sufficient, with organic (i.e., structurally part of the brigade) units that will enable independent operations separate from traditional command and control ties to division and corps structures. The latter, however, will retain units of their own which can be attached or otherwise placed in support of the modular brigades.

Simultaneously, the Army will expand from 33 to 48 brigades in the active force, and from 24 to 34 in the reserves. These changes will take place from 2005 to 2009, and according to current forecasts will cost the Army Total Obligation Authority (TOA) in excess of \$37 billion. The additional brigades being formed (as well as those returning from overseas) will compete for existing space, training facilities, barracks, housing and schooling (and so on) at the bases remaining after the BRAC process is completed.

RESETTING THE FORCE

The strain of operations in Iraq and Afghanistan has led to the need to replace and rebuild equipment belonging to both active and reserve forces. Moreover, in many instances stocks that were stored in Army preposition sites for contingency use have been drawn and consumed, necessitating their replacement. Costs for resetting just for the Army are estimated (conservatively) at \$13 billion.

The Marine Corps will have a proportional bill as it replenishes Maritime Prepositioning Ships (MPS) ships that have been drawn down to support ongoing operations. Global rebasing envisions additional prepositioned stocks with forward operating sites. The movement of heavy forces back to CONUS presupposes that Bradley fighting vehicles and Abrams tanks will be included in select overseas preposition sites, necessitating significant budgetary outlays.

CONTINUING OPERATIONS

Although we cannot predict with any degree of certainty how long operations in Iraq and Afghanistan will last, we can expect they will continue to put heavy demands on the force (albeit, hopefully, at a reduced scale) for several years. Already rotational plans for the various services envision some service members returning for a fourth (and in some cases a fifth) tour of duty.

Simultaneously, we expect to remain committed to NATO efforts in the Balkans. We can also expect to continue, in compliance with the Egyptian-Arab peace accords of 1978, rotating a battalion task force into the Sinai. To compensate for the withdrawal of an Army brigade from Korea, and in light of the tensions that remain in Northeast Asia, we can plan on high operational tempos that will include rotation of modularized units into the region.

In addition to unit presence and rotations mentioned above, we must include plans to expand joint and combined training opportunities. Already we are looking at developing opportunities in Eastern Europe, the Black Sea, North Africa, Central Asia and Southeast Asia. The necessary expansions in strategic and intra-theater lift have been discussed elsewhere in this report (see Mobility). Add to all of these needed adjustments in theater missile air defense, communications, intelligence, and unmanned strike and reconnaissance capabilities. Their sum totals comprise an impressive list of activities and associated costs.

In light of all of this, the Commission is skeptical about DOD's ability to justify, accomplish, or afford the planned timeframes. Budget demands alone appear to be excessive, particularly when juxtaposed to all other policy initiatives that will entail major budgetary impact (both within and separate from security concerns).

The investments in human capital, planning, programming and production of replacement equipment and buildup of training areas and facility capacities appear to be over-reaching. So too do timelines for the resolution of diplomatic negotiations seem overly ambitious.

Nor can we find the security imperatives for doing this in the short time allotted. For example, we are hard pressed to discern what is driving the near term return of two heavy divisions from overseas, to understand why we would even do that without expanded strategic lift capacities in place, and to understand the logic that would initiate movement directly behind BRAC decisions that could not possibly allow for budgetary planning to accommodate returning forces and their families. Indeed, the Commission cannot understand how any of these matters could be considered in isolation from one another — why for example we would begin executing an overseas basing plan before we know what the domestic basing plan is likely to be.

While commendable and critical work has been done by the Office of the Secretary of Defense, the Joint Chiefs, the Services, and the Combatant Commands, the timing and synchronization of the overseas basing plan needs further review. We foresee great disruption in the overall stability and capability of the force to meet even near term contingencies should we proceed as we currently plan.

If unforeseen threats arise in either the near term or the mid term, we could be caught in mid-stride unable to meet them. Failure to synchronize, coordinate, and properly pace could actually create new risks, vulnerabilities, and threats. Recent developments concerning Taiwan, North Korea, Kyrgyzstan, and Syria are reminders of the volatile times in which we live. And if we are fortunate enough to complete all of the planned events without seeing destabilizing threats arise, we are still vulnerable to whatever long-term threat may emerge that we have neither considered nor prepared ourselves for.

We strongly recommend, at the very least, full analysis with requisite Congressional oversight of the collateral effects — on operations, on budget, and on sustaining the force — if all of the realignments and transformations occur as now projected.

Conclusions and Recommendations

OVERVIEW

The military basing posture of the United States is a significant reflection of U.S. national security interests throughout the world. It will serve as a central component of our strategy for decades to come. The Commission fully understands the need for change and endorses most of the initiatives undertaken in the Department of Defense's Integrated Global Posture and Basing Strategy (IGPBS). These changes will improve our overall military posture and flexibility.

However, they comprise a totality that is larger than just the Department of Defense and therefore require a wider review by all affected parties on the appropriate role of U.S. presence overseas. The sequencing and pace of the proposed realignments could harm our ability to meet broader national security imperatives and could significantly impact both the military's ability to protect national interests and the quality of life of the servicemen and women affected by the realignment.

Thus, an interagency process should examine the plan as a whole (to include sequencing and pace). Additionally, IGPBS does not institutionalize a process to periodically refine and evolve the overseas basing structure. The Commission finds, therefore, that IGPBS would benefit from more inclusive oversight and direction across the Executive and Legislative branches of government.

CONCLUSIONS

The Commission finds that the IGPBS was conceived without the full benefit of wide-scale, senior-level deliberations among all relevant U.S. agencies impacted by the rebasing initiative. Our overseas basing posture is instrumental to defense requirements, but also involves relationships to diplomacy, intelligence, homeland security, energy, trade and commerce, law enforcement and alliances—not just for today, but for decades to come.

The Commission, therefore, concludes that IGPBS is not fully synchronized across ongoing operations and analytical efforts, and that no interagency entity is integrating implementation of the related national security activities. Moreover, the Commission finds no evidence of an overwhelming strategic or operational imperative that would explain why the overseas basing realignment needs to be accomplished on its current schedule without ensuring that essential pieces are in place.

Additionally, there are a number of geopolitical considerations, operational concerns, mobility requirements, recruiting and retention, quality of life issues, and costs that need to be addressed prior to the return of forces to the United States and before a realignment of overseas basing takes place. The Commission notes:

- Decisions have been made with regard to locations and force levels before the 2005 Quadrennial Defense Review (QDR), and 2005 Mobility Capabilities Study (MCS) have been completed.
- Actions are proceeding to reduce overseas presence on the territories of some of our traditional allies. But our plans to compensate and enhance our overseas posture by establishing enduring base locations, prepositioned stocks, training sites, and forces abroad on the territories of other friends and allies are proceeding without the necessary underlying diplomatic and legal arrangements in place. Accordingly, we cannot know, at this stage, whether these new locations will afford the same degree of flexibility and reliability that we have come to expect from our traditional allies.
- U.S. involvement in Iraq and Afghanistan is likely to drive rotational base issues for the next several years. Breakout of hostilities in additional regions (for example, the Balkans) will further stress the force. Withdrawing of all heavy forces from Europe will not ease that stress and may exacerbate it.
- Okinawa is the strategic linchpin to operational capabilities in East Asia. Diminishing our combat capability on the island would pose great risk to our national interests in the region.
- The simultaneous activities of service transformation, resetting the forces, rebuilding of prepositioned equipment sets, Operation Enduring Freedom, Operation Iraqi Freedom, the Global War on Terrorism, IGPBS, and BRAC compete for funding within a limited budget. The current schedule of IGPBS moves will adversely impact the Services ability to adequately fund modernization and readiness.
- Strategic mobility is the key to our ability to respond to events worldwide. Plans for sea and air lift capabilities, as well as prepositioned equipment sets, must take into account the additional demands that IGPBS could place on an increasingly continental United States (CONUS)-based force. Surging forces from CONUS will be problematic if strategic and tactical lift capabilities and prepositioned stocks are not in place.
- Forces may be returned to CONUS without critical quality of life programs such as housing, healthcare, and schools in place. Quality of life programs are not the sole purview of the Department of Defense. Planning and funding by the receiving locality's school districts, medical facilities, and existing infrastructure appear not to be in line with anticipated arrival of significant numbers of service members and families from abroad.

- The impact on recruiting and retention by IGPBS rotational forces has not been adequately evaluated, nor have associated risks to sustaining the volunteer force been assessed.
- Not enough attention has been given to our ability to train and exercise the force in the formulation of the overseas basing plan. Infrastructure is sparse in some regions; capabilities for integrated training across services and with allies are sketchy.
- The U.S. Congress has yet to be fully informed on the complete extent and related impacts of the overseas base realignments. Further, Congress has not been adequately informed on the total costs of the plan.
- The overseas basing posture of the United States (IGPBS) and domestic base realignment and closure (BRAC) are inherently related. Although the Commission calls for an overarching review of the overseas basing posture, we believe that the BRAC process should move forward as scheduled.

RECOMMENDATIONS

The nation would benefit from a more inclusive discussion on how best to ensure the greater security of the United States. The fundamental political and policy dimensions of the plan must involve broader elements of national leadership.

The Commission, therefore, recommends the following:

- The detailed synchronization required by so massive a realignment of forces requires that the pace of events be slowed and reordered.
- The entire effort of overseas basing be integrated into one overarching design that is coordinated and synchronized with all ongoing initiatives. Furthermore, an interagency review process be put in place to periodically consider the impacts of the global force posture and to ensure that outcomes are consistent with overall national interests. The review process might include the Departments of Defense, State, Energy, Homeland Security (especially Immigration and Customs and Border Patrol), Justice (especially the Federal Bureau of Investigation), Commerce, and Treasury, the U.S Trade Representative, and the National Intelligence Director (along with other relevant intelligence agencies), the Office of Management and Budget, and others.

- The Congress, including the Defense and Foreign Relations Committees, provide more rigorous oversight (to include hearings) of the global basing process given the scope and cost of the DOD rebasing plans, their impacts on the individual services, the men and women of our armed services and their families, and to the political and trade alliances of the United States. Particular attention should also be paid to the timing and synchronization and cost of all the related efforts.

Additionally, the Commission recommends the following:

- Marine Corps air assets assigned to Futenma Marine Corps Air Station on Okinawa should relocate to Kadena Air Base and/or Iwakuni Marine Corps Air Station; all other Marine Corps assets should remain on Okinawa.
- In order to hedge against uncertainty in regard to near term threats, demonstrate a continued and enduring commitment to NATO, and allow for heavy force military to military contacts with our NATO allies, at least one of the heavy brigade combat teams scheduled for return to the United States should remain in Europe fully manned until: 1) the Balkans' support mission is lifted; 2) a ground-based offensive tank killing system is stationed in Europe; and 3) Operation Iraqi Freedom is mitigated. Additionally, a heavy brigade combat team equipment set should be prepositioned afloat within the region. These recommendations are in addition to the current DOD plan for a Stryker Brigade in Germany and the 173rd Airborne Brigade in Vicenza, Italy.
- Further, a brigade should be committed to support continuous rotational deployments to Eastern Europe and U.S. military-to-military presence in the new NATO countries.
- The U.S should review its treaty with Iceland, and update it to reflect the post-Cold War security environment.
- Greater depth is needed in Africa to secure long-term U.S. interests against potential competitors. The Horn of Africa initiative should be replicated in those locations elsewhere on the Continent, which may prove to be of increasing importance to future strategic concerns. To some extent, similar initiatives are needed in Latin America.

- DOD must ensure that all necessary infrastructure and quality of life programs (such as housing, medical, schools, etc.) be retained at overseas bases until the last day the service members and their families depart, and that the necessary infrastructure and quality of life programs be in place by the first day the first troops and families arrive from their overseas locations.

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Appendix A

Legislative Requirements

PUBLIC LAW 108–132

MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2004,
as amended by Public Law 108-324, Section 127

SECTION 128.¹

(a) COMMISSION ON REVIEW OF OVERSEAS MILITARY FACILITY STRUCTURE OF THE UNITED STATES.

- (1)** There is established the Commission on the Review of the Overseas Military Facility Structure of the United States (in this section referred to as the “Commission”).
- (2)**
 - (A)** The Commission shall be composed of eight members of whom
 - (i)** two shall be appointed by the Majority Leader of the Senate;
 - (ii)** two shall be appointed by the Minority Leader of the Senate;
 - (iii)** two shall be appointed by the Speaker of the House of Representatives; and
 - (iv)** two shall be appointed by the Minority Leader of the House of Representatives.
 - (B)** Individuals appointed to the Commission shall have significant experience in the national security or foreign policy of the United States.
 - (C)** Appointments of the members of the Commission shall be made not later than 45 days after the date of the enactment of this Act.
- (3)** Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

¹ Public Law 108-132, Section 128, was enacted on November 22, 2003.

- (4) Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.
- (5) The Commission shall meet at the call of the Chairman.
- (6) A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.
- (7) The Commission shall select a Chairman and Vice Chairman from among its members.

(b) DUTIES.

- (1) The Commission shall conduct a thorough study of matters relating to the military facility structure of the United States overseas.
- (2) In conducting the study, the Commission shall
 - (A) assess the number of forces required to be forward based outside the United States;
 - (B) examine the current state of the military facilities and training ranges of the United States overseas for all permanent stations and deployed locations, including the condition of land and improvements at such facilities and ranges and the availability of additional land, if required, for such facilities and ranges;
 - (C) identify the amounts received by the United States, whether in direct payments, in-kind contributions, or otherwise, from foreign countries by reason of military facilities of the United States overseas;
 - (D) assess whether or not the current military basing and training range structure of the United States overseas is adequate to meet the current and future mission of the Department of Defense, including contingency, mobilization, and future force requirements;
 - (E) assess the feasibility and advisability of the closure or realignment of military facilities of the United States overseas, or of the establishment of new military facilities of the United States overseas; and

- (F) consider or assess any other issue relating to military facilities of the United States overseas that the Commission considers appropriate.
- (3) (A) Not later than ~~December 31, 2004~~² August 15, 2005, the Commission shall submit to the President and Congress a report which shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation and administrative actions as it considers appropriate.
 - (B) In addition to the matters specified in subparagraph (A), the report shall also include a proposal by the Commission for an overseas basing strategy for the Department of Defense in order to meet the current and future mission of the Department.
- (C) POWERS.**
- (1) The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out this section.
 - (2) The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out this section. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.
 - (3) Upon request of the Commission, the Administrator of General Services shall provide to the Commission, on a reimbursable basis, the administrative support necessary for the Commission to carry out its duties under this section.
 - (4) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.
- (5) The Commission may accept, use, and dispose of gifts or donations of services or property.

² Public Law 108-324, Section 127, *Military Construction Appropriations and Emergency Hurricane Supplemental Appropriations Act, 2005*, amending Pub. L. 108-132, was enacted on October 13, 2004.

(d) PERSONNEL MATTERS.

- (1)** Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission under this section. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.
- (2)** **(A)** Members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission under this section.

(B) Members and staff of the Commission may receive transportation on military aircraft to and from the United States, and overseas, for purposes of the performance of the duties of the Commission to the extent that such transportation will not interfere with the requirements of military operations.
- (3)** **(A)** The Chairman of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties under this section. The employment of an executive director shall be subject to confirmation by the Commission.

(B) The Commission may employ a staff to assist the Commission in carrying out its duties. The total number of the staff of the Commission, including an executive director under subparagraph (A), may not exceed 12.

(C) The Chairman of the Commission may fix the compensation of the executive director and other personnel without regard to chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

- (4) Any employee of the Department of Defense, the Department of State, or the General Accounting Office may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.
- (5) The Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

(e) SECURITY.

- (1) Members and staff of the Commission, and any experts and consultants to the Commission, shall possess security clearances appropriate for their duties with the Commission under this section.
- (2) The Secretary of Defense shall assume responsibility for the handling and disposition of any information relating to the national security of the United States that is received, considered, or used by the Commission under this section.

(f) TERMINATION.

The Commission shall terminate 45 days after the date on which the Commission submits its report under subsection (b).

(g) FUNDING.

- (1) Of the amount appropriated by this Act, \$3,000,000 shall be available to the Commission to carry out this section.
- (2) The amount made available by paragraph (1) shall remain available, without fiscal year limitation, until September 2005. This Act may be cited as the “Military Construction Appropriations Act, 2004.”

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Appendix B

Commissioner Biographies

ALTON W. CORNELLA, CHAIRMAN

The Honorable Alton (Al) Cornella is a businessman from Rapid City, South Dakota, and was appointed to the Commission by former U.S. Senator Thomas Daschle (D-South Dakota).

Mr. Cornella served in the U.S. Navy, including service in Vietnam from 1966-67. He has also served on various local, state and federal boards and commissions dealing with military issues, environmental regulation and economic development. Mr. Cornella has been involved with the base closing process since 1991. In 1995, he served as a Commissioner on the United States Defense Base Closure and Realignment Commission (BRAC).

He presently serves on the Academic Advisory Board of the South Dakota School of Mines and Technology; the State of South Dakota Board of Military Affairs; the South Dakota State Chamber of Commerce Board of Directors, and is the development chairman of Crazy Horse Memorial Foundation. Since 2000, he has served as South Dakota State Chairman of Employer Support of the Guard and Reserve (ESGR), an agency of the Department of Defense.

LEWIS E. CURTIS III, VICE-CHAIRMAN

MAJOR GENERAL, USAF (RET.)

General Lew Curtis was appointed to the Commission by U.S. Senator Bill Frist (R-Tennessee). He retired from the Air Force after 35 years in staff and command positions in the areas of aircraft maintenance, logistics management and acquisition.

He is a consultant providing services in business development, competitive assessments and strategic planning. He served six years as a member of the Texas Military Planning Commission.

ANTHONY A. LESS, COMMISSIONER

VICE ADMIRAL, USN (RET.)

Vice Admiral Tony Less was appointed to the Commission by U.S. Senator Bill Frist (R-Tennessee). He retired from the U.S. Navy in 1994 after 35 years of service. Following his retirement, Admiral Less became the President of the Association of Naval Aviation, a non-profit organization and for seven years was the Vice-President for Government Programs with Kaman Aerospace for their Bloomfield, CT and Washington, DC offices. Vice Admiral Less is the Senior Vice President for Naval Sector Programs at Burdeshaw Associates, Ltd., a position he has held since 2003. Burdeshaw is an association of retired senior military officers, government civilians, and corporate executives whose experience assists clients in matching their technology and capabilities with U.S. and foreign military and other government requirements.

As a Naval officer, Vice Admiral Less was the Commander, Naval Air Force, U.S. Atlantic Fleet and held several leadership positions such as the Assistant Deputy Chief of Naval Operations (Plans, Policy, and Operations) as well as Commander, Joint Task Force Middle East/Commander, Middle East Forces and Commander, Carrier Group One.

KEITH MARTIN, COMMISSIONER

BRIGADIER GENERAL, (PA) ARNG (RET.)

General Keith Martin was appointed to the Commission by U.S. Representative Nancy Pelosi (D-California). He has enjoyed a 34-year career in military service as a commissioned officer in the Army, Army Reserve and National Guard. He saw combat duty in Southeast Asia with the 1st and 25th Infantry Divisions.

In February 2003, he was appointed Director of Homeland Security for the Commonwealth of Pennsylvania by Governor Edward Rendell. For 30 years prior to that, he was a television news reporter and anchor in Pennsylvania, Florida and New York.

H. G. (PETE) TAYLOR, COMMISSIONER

LIEUTENANT GENERAL, USA (RET.)

General Pete Taylor was appointed to the Commission by U.S. Representative Nancy Pelosi (D-California). He retired from the U.S. Army in 1993 as the Commanding General, III Corps and Ft. Hood after more than 33 years of active service which included staff and command positions at every level from platoon through corps.

Upon retirement from the Army, he became Vice-Chairman of the Board of the Heights State Bank, Harker Heights, Texas, where he served until 2002. He has also provided consulting services in leadership, training and management to defense-oriented corporations.

General Taylor has been active in community affairs, including scouting, Rotary, United Way and as a member of the Killeen Independent School Board of Trustees. He served four years as a member of the Texas Strategic Military Planning Commission and is chairman of the Heart of Texas Defense Alliance, a three-county central Texas defense advocacy group. Additionally, he was one of the founders, and is a current board member, of the Military Child Education Coalition, a national, non-profit organization that advocates for military children. He was born in Tennessee, and is a graduate of Middle Tennessee University. He also holds a Master's degree from Kansas State University.

JAMES A. THOMSON, PH.D., COMMISSIONER

Dr. James A. Thomson was appointed to the Commission by former U.S. Senator Thomas Daschle (D-South Dakota). Since August 1989, he has served as President and Chief Executive Officer of the RAND Corporation, a non-profit, non-partisan institution that seeks to improve public policy through research and analysis. He joined RAND in 1981, and has served there as director of the research program in national security, foreign policy, defense policy and arms control.

From 1977 to 1981, Dr. Thomson was a member of the National Security Council staff, where he was primarily responsible for defense and arms control matters related to Europe. From 1974 to 1977, he was an analyst in the office of the Secretary of Defense.

He holds degrees from the University of New Hampshire and Purdue University and has been awarded honorary doctorate degrees by Purdue and Pepperdine Universities.

PATRICIA J. WALKER, EXECUTIVE DIRECTOR

Ms. Patricia Walker is the Executive Director of the Overseas Basing Commission. She is responsible for the policy, guidance, and direction of the Commission staff and provides the Commissioners counsel on appropriate actions for their consideration and deliberation. She also concurrently holds the position of Deputy Assistant Secretary of Defense for Reserve Affairs (Materiel and Facilities).

She co-authored a report entitled, *Putting Quality at the Top of the Agenda*. She was a contract negotiator for all overseas military fuel requirements in the Defense Fuel Supply Center and established the first Foreign Military Sales program in Central America. An acquisition professional, she served on the Defense Acquisition Regulatory Council. She then transitioned to the military installations arena as the Deputy Director to the Deputy Undersecretary of Defense for Environmental Security.

She was also Assistant Director for Analysis and Investment for the Deputy Undersecretary of Defense for Industrial Affairs and Installations, Co-Chair of the Privatization and Outsourcing Integrated Policy Team, and participated on the DOD Quality of Life Task Force. In 1988 and 1991, Ms. Walker served on the Secretary of Defense senior staff responsible for Base Realignment and Closure (BRAC) analyses and recommendations.

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Appendix C

Acknowledgments

MEMBERS OF THE UNITED STATES CONGRESS

- The Honorable Neil Abercrombie, United States House of Representatives;
- The Honorable Madeleine Bordallo, United States House of Representatives;
- The Honorable Saxby Chambliss, United States Senate;
- The Honorable Chet Edwards, United States House of Representatives;
- The Honorable John Ensign, United States Senate;
- The Honorable Dianne Feinstein, United States Senate;
- The Honorable Bill Frist, United States Senate;
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- The Honorable John Spratt, United States House of Representatives;
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- The Honorable John Thune, United States Senate;
- The Honorable John Warner, United States Senate;
- The Honorable John T. Walsh, United States House of Representatives;
- The Honorable Curt Weldon, United States House of Representatives;
- Staff of the House and Senate Armed Services Committees;
- Staff of the House and Senate Appropriations Committees;
- Staff of the Honorable Joseph Lieberman, United States Senate.

FORMER MILITARY AND NATIONAL POLICY EXPERTS

- Mr. Atsushi Ando, First Secretary Political Section, Embassy Japan;
- Mr. Thomas Barnett, United States Naval War College;

- Mr. Michael Clark, Representative for the City of Kaiserslautern;
- Mr. Marcus Corbin, Center for Defense Information;
- Danut Culetu, Prefect, Prefectura Judetului Constanta, Romania;
- Colonel Greg Gardner, United States Army (Ret);
- General Ron Griffith, United States Army (Ret), Executive Vice President, MPRI;
- The Honorable John Hamre, Ph.D., President & CEO, Center for Strategic & International Studies;
- General George Harmeyer, United States Army (Ret);
- General Charles Horner, United States Air Force (Ret);
- Ambassador Robert Hunter, RAND Corporation;
- Governor Keiichi Inamine, Okinawa, Japan;
- Dr. Mary Keller, Military Child Education Coalition;
- General William F. Kernan, United States Army (Ret), Senior Vice President, MPRI;
- Honorable Lawrence Korb, Senior Fellow, Center for American Progress;
- Major General Sergiu Medar, Chief of Military Intelligence, Romanian Armed Forces;
- General Montgomery Meigs, United States Army (Ret);
- Mr. Michael Noonan, Deputy Director, Foreign Policy Research Institute;
- Mr. Michael O’Hanlon, Brookings Institute;
- Admiral Donald Pilling, United States Navy (Ret), President & CEO, Logistics Management Institute;
- Major General Florian Pinta, Romanian Armed Forces;

- Ms. Joyce Wessel-Raezer, Director of Government Relations, National Military Family Association;
- General Charles (Tony) Robertson, Jr., United States Air Force (Ret);
- Mr. Jack Spencer, Heritage Foundation;
- General Gordon Sullivan, United States Army (Ret), President & CEO, Association of the United States Army (AUSA);
- Shigeru Suzuki, Ph.D., First Secretary (Defense Technology Cooperation) Political Section, Japanese Embassy, Washington, D.C.;
- Dr. Loren Thomson, Chief Operating Officer, Lexington Institute;
- General John Tilleli, United States Army (Ret), President & COO, Cypress International;
- General Carl Vuono, United States Army (Ret), President, MPRI;
- General Michael Williams, United States Marine Corps (Ret);
- Dr. Dov Zakheim, Vice President, Booz-Allen-Hamilton.

FEDERAL ENTITIES

- Combatant Commanders and their staffs from:
 - Pacific Command, Admiral Thomas B. Fargo, United States Navy;
 - Vice Admiral Gary Roughhead, Deputy Commander, Pacific Command;
 - Colonel Steve McCain, Chief, Legislative Affairs, Pacific Command;
 - Lieutenant General John Brown, USARPAC;
 - Lieutenant General Waskow, USFJ;
 - Colonel John Kelly, USARPAC COS;
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- Major General Eikenberry, PACOM J-5;
- European Command, General James L. Jones, United States Marine Corps;
 - General Charles Wald, Deputy Commander EUCOM;
 - Major General Joseph Stein, ACOS J3 OPS, SACEUR;
 - Rear Admiral Bill Goodwin, ECJ5;
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 - Colonel Mike Gunn, Chief of Staff, 21st Theater Support Command;
 - Lieutenant Colonel Mitch Wilson, Commanding Officer, Field Support Battalion Livorno;

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- Mr. Douglas Feith, Under Secretary of Defense, (Policy);
- Mr. Daniel H. Else, Congressional Research Service;
- Mr. Phil Grone, Deputy Under Secretary of Defense (Installations & Environment);
- Mr. Carl Gettinger, Chief, Political-Military Unit, U.S. Embassy, Japan;
- Mr. Ryan Henry, Principal Deputy to the Undersecretary of Defense (Policy);
- Lieutenant General James R. Helmly, United States Army Reserve, Chief, United States Army Reserve;
- General Paul V. Hester, United States Air Force, Pacific Air Forces;
 - Lieutenant General Gene Renuart, Deputy Commander, Pacific Air Forces;
 - Major General Denny Larsen, 13th Air Force;
- Mr. Andy Hoehn, Deputy Undersecretary of Defense (Strategy);
- Dr. Douglas Holtz-Eakin, Director, Congressional Budget Office;
- Mr. J. Michael Gilmore, Assistant Director, Congressional Budget Office;
- Mr. Jay Janke, Office of the Deputy Undersecretary of Defense (Installations & Environment);
- Rear Admiral Artie Johnson, United States Navy, Commander, Naval Forces, Marianas;
- General Leon LaPorte, United States Army, Commander, United States Forces, Korea;

- Lieutenant General Campbell, 8th Army;
 - Lieutenant General Trexler, 7th Air Force;
 - Colonel Daniel Wilson, Assistant Chief of Staff, Engineer, USFK;
 - George Filbeck, Deputy G3 Training, 8th Army;
 - Woody Woodfill, Director, Training Support Activity, Korea;
 - Colonel Steven Eldridge, Deputy J2, USFK;
- Ambassador Frank Lavin, United States Ambassador to Singapore;
 - Mr. Richard Lawless, Deputy Undersecretary of Defense (Policy) for International Security Affairs- Asia Pacific, Department of Defense;
 - Lieutenant General Arthur Lichte, Vice Commander, USAFE;
 - Ambassador Rose Likins, Acting Assistant Secretary, Political-Military Affairs, Department of State;
 - Dr. Frances Lussier, Congressional Budget Office;
 - Dr. Markowitz, Office of the Deputy Undersecretary of Defense, Program Analysis and Evaluations;
 - Mr. Michael W. Michalak, Minister, American Embassy, Tokyo;
 - Mr. Mark Minton, DCM, American Embassy, Seoul;
 - Mr. Get Moy, Director of Installation Requirements and Management, Office of the Deputy Undersecretary of Defense (I&E);
 - Admiral Michael Mullen, United States Navy, Commander, United States Naval Forces Europe;
 - Rear Admiral Stan Bozin, Commander, Naval Region Europe;
 - Rear Admiral Noel Preston, Director, Navy Europe Programs, Resources, and Support;

- Rear Admiral Van Mauney, Director, Navy Europe Plans and Operations;
- Captain Ken Bitar, Executive Officer, NAS Sigonella;
- Captain Orem, Commanding Officer, NAS Rota;
- Mr. Barry Pavel, Principal Director for Strategy, Office of the Principal Deputy Undersecretary of Defense for Policy;
- Mr. Terry Pudas, Deputy Director, Force Transformation, Department of Defense;
- Rear Admiral Kevin Quinn, United States Navy, COMLOGRUWESTPAC;
- Mr. Tom Reich, American Consulate General, Naha, Okinawa, Department of State;
- Mr. Evans J. R. Revere, Principal Deputy Assistant Secretary of State, Bureau of East Asian and Pacific Affairs;
- Mr. Bill Roege, Office of the Secretary of Defense (Programs Analysis & Evaluation);
- Commander Ronald T. Schall, Naval Attaché, American Embassy Bucharest;
- Lieutenant General Roger C. Schultz, Director, United States Army National Guard;
- Mr. William Stanton, Deputy Chief of Mission Australia, Department of State;
- Ms. Patricia Stigliani, Deputy Principal Officer, American Consulate General Okinawa;
- Vice Admiral Robert F. Willard, United States Navy, Director for Force Structure, Resources and Assessment, Joint Chiefs of Staff (J-8);
- Randall Yim, Managing Director, Homeland Security and Justice, Government Accountability Office.

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 - Colonel Eunice, USAF, USCENTAF Construction Management Office, Al Udeid, Qatar;
 - Major General Helland, USMC, Commander JFT-Horn of Africa;
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 - Brigadier General James Hunt, Commander 455 AEW, Bagram AB, Afghanistan;
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 - Colonel Lowery, USAF, Commander, 416 AEG, Karshi-Khanabad, Uzbekistan;
 - Vice Admiral David Nichols, COMUSNAVCENT, Bahrain;

- Lieutenant Colonel Pencina, USA, Commander, 111 ASG, Karshi-Khanabad, Uzbekistan;
- Lieutenant Colonel Randy Powell, USA, CJ& Director, CJTF-76, Afghanistan;
- Major General Norman Seip, Dep Commander, Combined Forces Air Component Command, USCENTCOM, Al Udeid, Qatar;
- Captain Jay Smith, USN, Commanding Officer, Naval Support Activity, Bahrain;
- Major General Speer, Dep Commanding General, Coalition Forces Land Component Command (CFLCC), Arifjan, Kuwait;
- Colonel Mark Tillman, USA, Dep Plans Chief, USCENTCOM.

Appendix D

Study Methodology

INTRODUCTION

This appendix provides a detailed description of the methods, tools, and techniques used by the Commission to evaluate the overseas basing structure.

OVERVIEW

The Commission views overseas basing as a system within a larger network of interrelated systems designed to meet the capabilities required of the war fighter as well as the needs of the United States government. We investigated how the network of bases interacts and how the assigned personnel, materiel, and equipment support National Security goals in each region. We used this perspective to guide the analysis in assessing how well the overseas basing structure supports national security and the DOD mission.

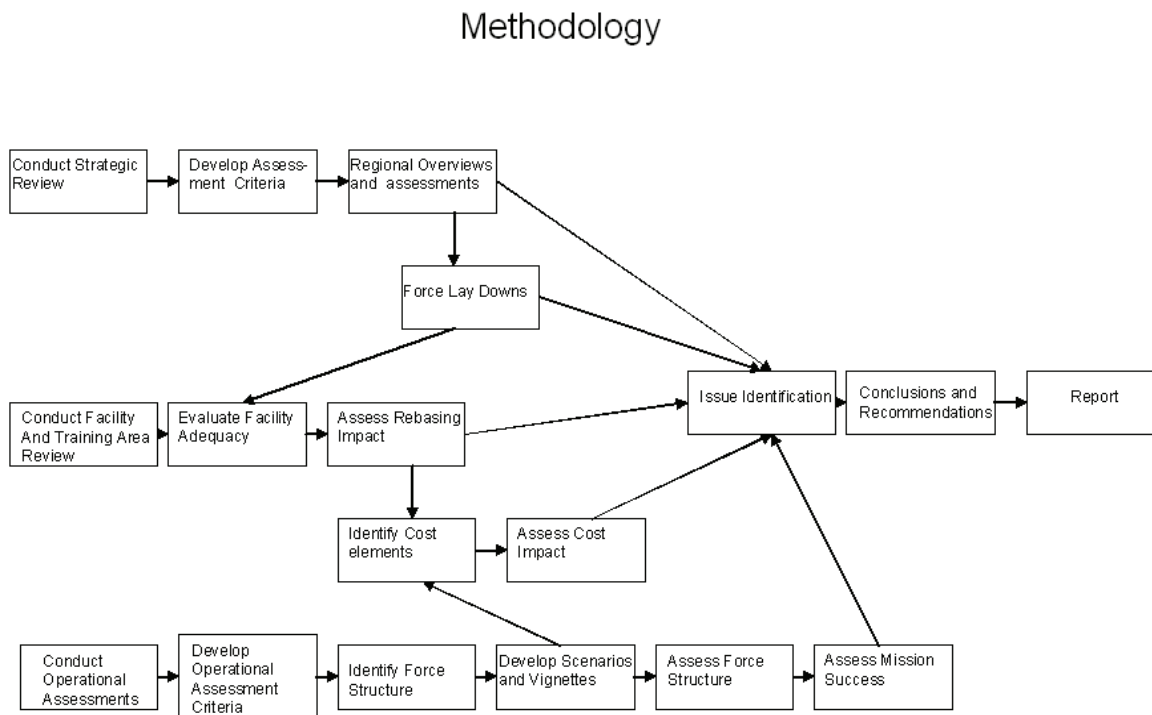
ANALYTICAL APPROACH

The Commission used existing data literature review, consultation with subject matter experts through hearings and interviews, field visits and direct data gathering with the Combatant Commanders (COCOMs) in their area of responsibility (AOR). The Commission conducted a comprehensive review of all applicable documents related to national, defense, and military strategies and policies. Critical to this review was the conduct of hearings with DOD and non-DOD experts in the field ranging from geopolitical and military affairs, to family and soldier advocacy groups. Visits to the COCOM AORs were essential to the gathering of first hand knowledge and rationale related to plans for facility closure, realignments, and upgrades and force structure adjustments.

The foundation for our analysis was a thorough investigation of the national security, defense, and military strategies and the DOD operational and war fighting capabilities needed to meet projected mission requirements. In conducting the analysis, we developed a baseline of both current and future overseas basing postures that we used to gauge changes in overseas-based capabilities. Based on this model, we then assessed the impact the proposed future overseas basing posture had on U.S. national security—as compared to the current posture—from the strategic/geopolitical and the operational/war fighting perspectives. We also conducted a facility and training area review to determine the adequacy of basing to support the future overseas posture, as well as the cost implications of implementing the new posture. These assessments resulted in a number of issues for the Commission to consider on the ability of the force to respond to national military security requirements and the impact on the forces executing the assigned mission. These issues drove Commissioner consultations and deliberations and resulted

in the Conclusions and Recommendations contained in the final report. Figure D-1 portrays our analytical approach to conduct these assessments.

Figure D-1



Strategic Review

The initial step in our analysis was to conduct a thorough review of U.S. national security strategy, national defense strategy, national military strategy, and challenges of the security environment to gain understanding of key drivers for the U.S. military overseas basing strategy and posture.

The Commission interviewed key officials in the Office of the Secretary of Defense, the Joint Staff, the COCOMs, U.S. Transportation Command, and the State Department to understand the current application and use of the U.S. defense strategy and guidance, as detailed in:

- U.S. National Military Strategy;
- Defense Planning and OSD Transformation Planning Guidance;

- Emerging Joint Operational Concepts;
- OSD Basing Policy; and,
- Strategies of the COCOMs.

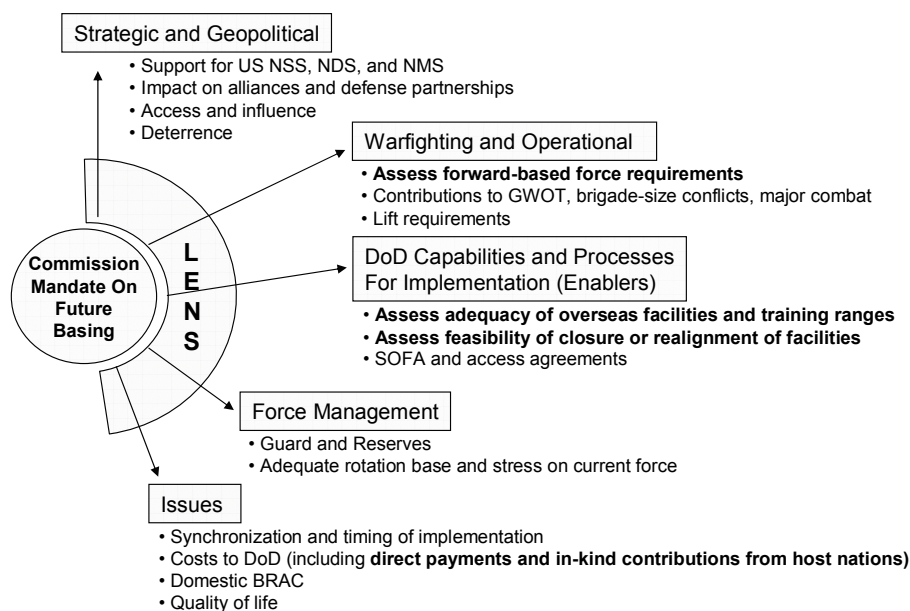
These interviews were designed to identify the current and future capabilities needed to operate in a security environment characterized by traditional, irregular, disruptive, or catastrophic challenges. These challenges range from the classical state actors, to terrorism and insurgency, to the employment of weapons of mass destruction.

Strategic Assessments

The Commission developed evaluation criteria to compare and measure how effectively the current and future overseas basing postures support current and future national security and military strategies and military operations. In developing the criteria for our assessments, we used a modified version of the Quadrennial Defense Review framework for assessing risks of various defense initiatives. Our framework, presented in Figure D-2, below, examines the global overseas basing posture from the risk areas of strategic-geopolitical, war fighting and operational, implementing enablers, force management, and institutional/resource demands. Also shown in Figure D-2 are the key issues and focus areas of the Commission in conducting the study.

Figure D-2

Commission Perspective (QDR Risk Areas)



Strategic-Geopolitical Assessment

In conducting the strategic-geopolitical assessments, we analyzed the impact of the basing postures using established theories of deterrence, international politics, alliance relations, and sources of conflict as well as analyses of current dynamics and future developments in the global security environment.

Strategic and Geopolitical Evaluation Criteria

The strategic and geopolitical criteria used in the analysis included the following. Each was selected based on the priority given the goal in U.S. national security strategy and its importance in light of current and emerging challenges in the global security environment.

- Defend homeland against terrorism;
- Prevent weapons of mass destruction use;
- Dissuade-deter adversaries;
- Assure allies;
- Expand coalitions and coalition capabilities;
- Maintain peace and security in critical regions;
- Defend “the commons”, i.e., access to markets/energy sources;
- Enhance U.S. leadership;
- Promote individual rights, and,
- Broaden/expand options and access.

Operational Assessment

In conducting assessments, we compared the future overseas posture with current overseas basing and continental U.S. basing of the same capabilities relative to strategic-geopolitical and war fighting-operational criteria or benchmarks. For various types of capabilities, we investigated whether or not the kinds of capabilities need to be forward based as part of the overall defense structure.

For specific capability changes of the future overseas basing posture, we investigated how the specific capability impacts the U.S. national security strategy and national

military strategy goals relative to: (1) current based capabilities, and (2) continental U.S. basing of the capabilities. For example, we assessed the impact of basing a Stryker battalion in the western Pacific region with the current posture (which currently does not have Strykers deployed forward) and to continental U.S. basing of the Stryker unit.

The Commission used adjectival ratings to identify the benefits and risks (positive and negatives impacts): “no change,” “marginal change,” “modest change,” and “significant change.” This kind of assessment is appropriate given the imprecise nature of many metrics and key data elements and the fact that DOD is still conducting detailed operational availability assessments of the future basing posture. From this analysis, the Commission drew conclusions as to how effectively the basing structure supports DOD’s requirements.

Operational and War Fighting Evaluation Criteria

The operational and war fighting criteria used in the analysis include the following. Each was selected based on the priority given the mission in U.S. defense and military strategy and a combination of the risk and likelihood of such operations.

- Find and kill/capture terrorists overseas in the Global War on Terror;
- Neutralize enemy WMD;
- Swiftly defeat enemy attacks against allies/other interests;
- Decisively defeat enemy centers of power;
- Defend interests in a strategic war with a near-peer competitor;
- Overcome anti-access efforts;
- Humanitarian interventions (peace enforcement, humanitarian assistance, disaster relief);
- Counter-proliferation; and,
- Non-combatant evacuation operations.

Force Structure

The next step involved identifying and defining the current and future military force structure planned to provide the capabilities identified in the strategic review discussed above. The Commission was not provided this force structure by DOD. Consequently, to conduct the analysis, the Commission defined current and future baseline models using the base structure report with specific combat elements of significant size (i.e., the primary combat capabilities stationed within each area of responsibility) ascribed to each site based primarily on the DOD Report to Congress, *Strengthening U.S. Global Defense Posture* (September 2004). Additional information was obtained from other sources, chiefly the Mobility Capabilities Study 2005 terms of reference, the 2004 DOD Report to Congress on Base Realignment and Closure, and briefings provided to the Commission during their visits to each COCOM.

Scenarios and Vignette Modeling

The Commission did not conduct a comprehensive operational assessment of the full range of DOD scenarios and capabilities.¹ Such a multi-year effort was not required to adequately assess the effectiveness and efficiency of the DOD future overseas basing posture.

Using the results of the DOD interviews and document review, the Commission designed a series of representative scenarios to test the current and future basing structures on how effectively they support the national security and military strategy and operational requirements. These “vignette” scenarios were designed to specifically address the legislative requirements and issues raised during Commission testimony. The issues included strategic and tactical lift, operational flexibility and reach, the timing and movement of forces, the positioning of sea lift and prepositioning assets, and the ability of the future posture to project power across multiple areas of responsibility.

The scenarios covered four basic areas: anti-terrorist operations, brigade rapid deployment, major combat, and peacetime operations.

For interested parties, the Commission used brigade-size forces as our unit of analysis.² The scenarios included:

- Deployments in support of a major theater of war in Central Asia — conducted to investigate South Asia responsiveness;

¹ DOD is currently conducting the Operational Assessment '05, which uses the new overseas basing concepts and new planning scenarios (used in previous Operational assessments). Their process involves a DOD-wide force capabilities assessment across the complete range of planning scenarios with multiple iterations conducted to optimize meeting mission objectives.

² Our units of analysis included: brigades, marine expeditionary units/brigades, air expeditionary wings, and carrier strike groups.

- Deployment of Forces to East Asian littorals — conducted to investigate East Asian Littorals responsiveness;
- Deployment of Stryker brigade combat team from Grafenwoehr, Germany to Nigeria, Africa — conducted to investigate West African responsiveness;
- Deployment of Stryker brigade combat teams within PACOM to South Korea — conducted to investigate Northeast Asia responsiveness;
- Deployment of Task Force from EUCOM to Sudan, Africa — conducted to investigate Sub-Saharan Africa responsiveness;
- Strike Capability within COCOMs — conducted to investigate overseas basing impacts on COCOM strike capabilities;
- Peacetime Rotational Training — conducted to investigate rotational training’s impact on presence;
- Strategic Mobility for Overseas Basing — conducted to investigate strategic mobility complementing overseas basing and,
- Increased forward Global War on Terror in COCOMs — conducted to investigate overseas basing posture supporting the global war on terror.

Facilities Review

We developed a baseline model for the current overseas base posture. We initially used the DOD FY 2004 Base Structure Report and the FY 2003 Installations’ Readiness Report to assess the current facilities and range basing structure. We identified capabilities, existing locations and conditions, and force structure capacities. We coded each installation or base as a main operating base, forward operating site, or cooperative security location.

We then developed the baseline for modeling the future overseas basing posture. To do this, we used DOD’s concept of future basing strategies as defined in DOD’s “Report to Congress: *Strengthening U.S. Global Defense Posture*,” various briefings and documents we received from DOD, and from discussions with OSD and the COCOMs. We identified base locations, combatant unit locations, rotational unit locations, and transportation and logistics hubs. Because of the ongoing changes in DOD assessment of overseas bases and the changing nature and uncertainty of the final facility lay down a modeling effort was not possible.

COST IMPACTS METHODOLOGY

To determine the cost of implementing the DOD Integrated Global Presence and Basing Strategy, we interviewed knowledgeable DOD and Army officials and reviewed pertinent documents from these officials. We interviewed and/or obtained documents from officials in the Office of the Secretary of Defense, Program Analysis and Evaluation, Office of the Under Secretary of Defense, Supply Chain Integration, U.S. Transportation Command, U.S. Army, War Plans Division, and U.S. Army, G3 Training. Specifically, we reviewed DOD's Overseas Master Plan Submission for 2006, a briefing on U.S. Forces in Korea provided to the Commission, Service's submission on prepositioned stocks, and a U.S. Government Accountability Report titled Defense Infrastructure: Factors Affecting U.S. Infrastructure Costs Overseas and the Development of Comprehensive Master Plans (GAO-04-609, Washington, D.C.: July 15, 2004).

In addition, we estimated the present value of the total incremental cost to implement the facilities and ranges portion of the strategy. To do this, we estimated the initial (construction, renovation, and alteration) and operating costs, at each overseas base, of achieving the realignment of the overseas basing structure. This allowed us to investigate impacts by the types of bases and by regional areas of responsibility. We used data collected from the Future Years Defense Plan, interviews, and other source documents.

Since DOD was not able to provide a laydown of a facility by facility renovation or new construction requirements there was significant uncertainty associated with estimating the costs of building new or renovating existing bases. Single numbers ("point estimates") for either individual base locations or regions mask this underlying variability inherent in estimates of this type. These individual-location and region-wide cost estimates are sensitive to factors such as the type of base, location, amount of existing infrastructure that can be effectively used for the future mission, host nation support to be received and others. In addition, actual costs at any given location have risks of being different from estimated costs for reasons such as wrong assumptions, cost changes in the region, and others.

Therefore, we employed a stochastic cost modeling approach to these cost estimates to properly account for the inherent risks and sensitivities that provided a range of cost estimates for each region, as well as an "expected" (most likely) cost.

The approach involved:

- Classifying each potential location by type of base;
- Developing cost estimates for the best case, most likely case, and worst case scenarios for each location;

- Performing a Monte Carlo (probability-based) simulation on the costs of locations in each region; and,
- Performing a sensitivity analysis of the results for significant cost drivers in each region.

The results provided a range of costs, as well as a “most likely” cost for each region, and statistical confidence intervals for the “most likely” costs. The results also provided the probabilities associated with achieving any given level of total cost for a region.

Issue Identification

Each of these reviews and assessments led to the identification of issues which were subsequently presented to the Commissioners for consideration for inclusion in the Commission’s Conclusions and Recommendations.

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Appendix E

Public Hearings and Visits

Listed below are the various public hearings, visits, interviews and meetings conducted during the course of the Commission's review.

PUBLIC HEARINGS

July 14, 2004:

- Frances Lussier, Ph.D., National Security Division, Congressional Budget Office;
- Douglas Holtz-Eakin, Director, Congressional Budget Office;
- J. Michael Gilmore, Assistant Director, Congressional Budget Office.

September 2, 2004:

- Major General George Harmeyer, USA, (Retired);
- Mary M. Keller, Military Child Education Coalition;
- Honorable Lawrence Korb, Center for American Progress;
- Michael E. O'Hanlon, Brookings Institution;
- Admiral Donald Pilling, USN, (Retired);
- Joyce Wessel-Raezer, The National Military Family Association;
- Jack Spencer, Heritage Foundation;
- General Mike Williams, USMC, (Retired).

November 9, 2004:

- Thomas P.M. Barnett, U.S. Naval War College;
- Marcus Corbin, Center for Defense Information;
- Honorable John J. Hamre, President, Center for Strategic and International Studies;

- Honorable Robert E. Hunter, RAND Corporation;
- General Charles A. Horner, USAF, (Retired);
- General Montgomery S. Meigs, USA, U.S. Army (Retired);
- Michael P. Noonan, Foreign Policy Research Institute;
- General Charles “Tony” Robertson, Jr., USAF, (Retired).

March 1, 2005:

- Douglas J. Feith, Under Secretary of Defense for Policy;
- Ambassador Rose M. Likins, Acting Assistant Secretary of State, Bureau of Political-Military Affairs;
- Vice Admiral Robert F. Willard, U.S. Navy, Director of Force Structure, Resources and Assessment (J8), Joint Chiefs of Staff.

June 28, 2005

- Commission appears before the Senate Appropriations Committee, Subcommittee on Military Construction and Veterans Affairs.

July 18, 2005

- Commission appears before 2005 Base Closure and Realignment Commission.

VISITS

- U.S. Central Command: September 28, 2004 (HQ, MacDill AFB); 13-21 April, 2005 (to facilities in AOR);
 - Afghanistan
 - Bahrain
 - Djibouti
 - Kuwait
 - Uzbekistan

- Qatar
- United Arab Emirates
- U.S. European Command: August 15-20, 2004 (to facilities in AOR and HQ, Vahingen, Germany); January 8-13, 2005; April 6-13, 2005 (to facilities in AOR and HQ, Vahingen, Germany);
 - Bulgaria
 - Germany
 - Italy
 - Romania
 - Spain
 - Turkey
- U.S. Pacific Command: November 10-22, 2004; February 12-21, 2005 (to facilities in AOR and HQ, Pearl Harbor, HI):
 - Australia
 - Guam
 - Hawaii
 - Japan (including Okinawa)
 - Korea
 - Singapore
- U.S. Southern Command: September 28, 2004 (At SOCOM HQ, MacDill AFB);
- U.S. Special Operations Command: September 28, 2004 (HQ, MacDill AFB);

- U.S. Transportation Command: October 27, 2004, and January 4, 2005 (HQ, Scott AFB).

INTERVIEWS & MEETINGS OF THE COMMISSION STAFF:

- Meeting with Mr. Jay Janke and COL Bradshaw, ODUSD (I&E) concerning IRR on October 27, 2004.
- Meeting with Captain Sweetzer, USN, Joint Staff, J8, plus several informal follow-up meetings on Operational Availability Studies and Defense Planning Scenarios on October 28, 2004.
- Meeting with the Service's range/training area personnel on November 4, 2004.
- State Department regional briefing by Mr. Revere on November 10, 2004.
- Meeting with OSD Office of Force Transformation on IGPBS and its relationship to DOD Transformation on November 15, 2004.
- Meeting with Service facility representatives on November 17, 2004. Meeting with Army Office of the Assistant Chief of Staff for Installation Management (OACSIM) regarding Real Property Planning and Analysis System (RPLANS) on November 22, 2004.
- Meeting with GAO concerning overseas basing on November 23, 2004.
- Meeting with Mr. James Townsend, OSD ISP regarding IGPBS implementation on November 23, 2004.
- Meeting with ODUSD (I&E) regarding repositioning on December 7, 2004.
- Meeting with Army Staff representatives (G3, G4, G8) regarding IGPBS implementation on December 8, 2004.
- Meeting with Mr. Don Stevens, RAND, regarding Air Force Basing Study on December 8, 2005.
- Meeting with Army G3/5/7 (Pol/Mil Europe) regarding future basing in Europe on December 10, 2004.
- Meeting OSD PAE regarding IGPBS costs on December 14, 2004.

- Meeting with Army PAE regarding IGPBS costs on December 15, 2004.
- Meeting with Army G4 & G1 Plans personnel concerning IGPBS on December 16, 2004.
- Meeting with COL John Brown Army G4 Staff, Chief of Force Projection Planning, on Army prepositioning and force projection capabilities on December 16, 2004.
- Meeting with Eric Coulter and David Markowitz of OSD PA&E concerning Operational Risk Assessments and Operational Availability Studies on December 20, 2004.
- Meeting with Col Patrick Kelly, OSD Policy, Resources and Plans on DOD Planning Scenarios on December 20, 2004.
- Meeting with OSD on overseas base closures on January 11, 2005.
- Meeting with Air Force Staff regarding Planning and Programming for IGPBS on January 12, 2005.
- Meeting with Air Force personnel on IGPBS on January 16, 2005.
- In addition meetings were held with knowledgeable officials to obtain information on quality of life, recruiting and retention, facilities and ranges as well as regional issues.

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Appendix I

Current Basing Posture: Southern Command

INTRODUCTION

The Latin American region, neighbors of the United States will continue to be indispensable partners, and poses opportunities for establishing and maintaining regional stability. The next several decades will see the growth of the regionalization of trade along with greater military cooperation.

With the exception of Cuba, Latin America has transformed itself from a region of military dictatorships to a community of largely fragile democracies. U.S. involvement in this region has shifted from interventionist activities to a shaping function. Current U.S. policy toward the region is reflected in four strategic pillars of strengthening democratic institutions, promoting a prosperous hemisphere, investing in people, and bolstering security.

The Latin American region is characterized by too many political crises resulting from weak institutions that require greater civic participation, better access to the political process, and by improving transparency and accountability in the governments. To reduce the debilitating effects of poverty in the region, the U.S. has entered into a series of trade agreements to encourage sustained economic growth.

The U.S. has also established the Millennium Challenge Account (MCA) that provides greater contributions to developing nations for improving their economies and standards of living. Eligible nations must demonstrate a commitment to good governance, health and education of their people, and sound economic policies. Bolivia, Honduras, and Nicaragua were among the first 16 countries worldwide to be declared eligible for MCA assistance. Guyana and Paraguay will receive assistance aimed at helping them achieve full eligibility for the MCA program. Bolstering security in the region is aimed at thwarting organized crime, and trafficking of persons, arms and illegal drugs through the use of bilateral and multilateral arrangements.

REGIONAL THREATS

The following summation from the April 2004 Report on Patterns of Global Terrorism and the testimony of General James Hill, former Commander, United States Southern Command, to the House Armed Services Committee in March 2004, highlights the region's continued threats from narco-terrorism, a growing threat to law and order from transnational criminal organizations, urban gangs, and other illegal armed groups, and from Islamic radical groups in the regions. In South America, General Hill identifies narco-terrorists in Columbia as the largest threat in the region, with the Revolutionary

Armed Forces of Columbia (FARC), the National Liberation Army (ELN) and the United Self-Defense Forces (AUC) all heavily involved in illicit narcotics activities. Venezuela, an oil rich nation that provides approximately 13% of oil imported to the U.S. is on a glide path toward an authoritarian government. Venezuela's President is increasingly opposed to U.S. policies and activities throughout the world and is encouraging neighboring activists in Bolivia and Ecuador to rise up against elected leaders.

Bolivia is faced with a cocalero movement that seeks to expand coca production with an eye toward illicit narcotics trade. The danger is that Bolivia could become a narco-state that supports uncontrolled cultivation of coca. Ecuador is aggressively fighting drug trafficking and is cooperating with Columbia to secure its borders.

In Peru, the government is challenged with the Sendero Luminoso (SL), a particularly vicious guerilla organization that seeks to destroy Peruvian institutions and replace them with a peasant regime. SL has involved itself in the cocaine trade by protecting drug traffickers in exchange for funding. In 2004, Peru signed a three-way agreement with Columbia and Brazil to combat drug trafficking in the region.

The tri-border area, where Paraguay, Argentina, and Brazil converge, is an unwilling host to Islamic radical terrorist groups and a concentration of arms and drug trafficking, contraband smuggling, document and current fraud, money laundering and the manufacturing and movement of pirated goods. All are cooperating on counterterrorism activities within the region and with the United States. Significant economic concerns affect Brazil, Argentina, Chile, Paraguay, and Uruguay.

Turning to Central America, failure of democratically elected governments to address socio-economic issues leaves the region vulnerable to internal conflicts. This region is noted as the primary avenue for illegal immigrants and drugs entering the United States. This region is also seeing a growth in gangs and related crimes especially in Honduras, El Salvador, and Guatemala.

U.S. PRESENCE IN THE REGION

In keeping with U.S. policy for the region to strengthen democratic institutions, promote a prosperous hemisphere, investing in people, and bolstering security, the U.S. Government has taken a multi-departmental approach to dealing with the region's security issues. The U.S. Coast Guard, Drug Enforcement Agency, Central Intelligence Agency, U.S. Customs Service, Federal Bureau of Investigation, the Department of Defense, and others are all deeply involved with strengthening the region's democratic institutions and bolstering security in the region.

U.S. military presence in the region emphasizes military-to-military contacts through training and joint military exercises, joint combined exchange training, peacekeeping,

humanitarian and civil assistance actions. The U.S. has two main operating bases, four cooperative security locations, and 17 radar sites located mainly in Columbia and Peru. U.S. Special Forces send small teams to work with or train foreign militaries within the region through the joint combined exchange training program.

In May 1999, the U.S. left its military installations in Panama in accordance with the Carter-Torrijos agreement that resulted in return of the Canal Zone to Panama. With the loss of Howard AFB in Panama for counter-narcotics operations, the U.S. established three forward operating locations, now called, Cooperative Security Locations, in which to conduct counter-narcotics monitoring and interdiction operations. Small numbers of military, Drug Enforcement Agency, Coast Guard and Customs personnel operate from these CLS to support the anti-drug detection and monitoring missions and to coordinate related intelligence and communications.

Enrique Soto Cano AB, Honduras is a Honduran base that is home to small numbers of rotational U.S. units and personnel that conduct exercises, humanitarian and civic assistance projects, disaster relief, and support for counter-drug operations.

Guantanamo Bay Naval Station, Cuba is a U.S. base that serves as the cornerstone of U.S. military operations in the Caribbean Theater, providing logistics support to U.S. Navy and Coast Guard vessels and aircraft. It is also home to Joint Task Force Guantanamo whose purpose is to conduct detention and interrogation operations to collect and exploit intelligence in support of the Global War on Terrorism, coordinate and implement Detainee screening operations, and support law enforcement and war crimes investigation.

The Andean Region CSL is operating at the Eloy Alfaro International Airport in Manta, Ecuador. On the northern coast of South America, the U.S. operates CSLs at the Reina Beatrix International Airport in Aruba and the Hato International Airport in Curaçao, Netherlands Antilles. A Central America CSL is located at the International Airport in Comalapa, El Salvador. Smaller numbers of U.S. personnel on anti-drug missions have access to several foreign air bases for refueling, repairs or shorter missions.

The United States maintains a number of radar sites in the region to detect possible drug smuggling flights. DEA, CIA, Customs, FBI and Coast Guard personnel participate at the CSLs and radar sites. Most radars are located on host country military bases. However, within the stations themselves, U.S. personnel are in charge of their own security. The radar sites are normally manned by small numbers of contractors or personnel from the U.S. military.

CONSIDERATIONS FOR THE FUTURE

The Commission does not see the need for additional U.S. military bases or locations within Latin America region at this time. Future considerations that would increase U.S. presence on a continual basis should be reviewed by an interagency process to account for the varying national security interests in the region. Since USSOUTHCOM has limited permanent presence in the region, its military-to-military and exercise programs should be encouraged to grow as this is an important aspect of assistance to the region's militaries.

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Appendix K

Timing and Synchronization

INTRODUCTION

The overseas basing actions consisting of the Land Partnership Plan in Korea, the Efficient Basing Grafenwoehr in Germany, the relocation of NAVEUR from London to Naples, the relocation of two heavy divisions from Germany to CONUS, one Brigade of the 2ID from Korea to CONUS via Iraq, stationing of an additional aircraft carrier in the Pacific and the other elements of the overarching Department of Defense (DOD) rebasing, are scheduled to be implemented over the POM years 2006-2011. Concurrent with the rebasing and reposturing of our forces overseas are other major actions impacting the individual services which are being pursued concurrently with this rebasing action.

TIMING AND SYNCHRONIZATION

Each of the actions described below is considered a major undertaking for each of the services. Each has a significant price tag that accrues to the Service Budgets. Each is anticipated to be required to be implemented within the POM years. Budget deficits and operational demands in Iraq and Afghanistan will place a significant demand of the Operating Tempo (OPTEMPO) of the services and will continue to drain available resources to accomplish the above.

- *Army Transformation and Modularization.* The Army is in the process of restructuring all of its Brigades into modular units of actions. Each Brigade will be more self sufficient with organic enablers to allow independent deployment and action without being tied to Divisional Command and Control and enablers provided on an as needed basis from Corps or Division. The Army will reorganize from 33 to 43-48 active Brigades and from 23 to 34 Reserve Component Brigades. The Transformation will take place from 2005 - 2009 at a cost to the Army Total Obligation Authority (TOA) in excess of \$37 billion. The additional Brigades will compete for space, training facilities, barracks, housing, schools with the soldiers returning from overseas bases at the very same installations.
- *BRAC Implementation.* The ongoing Base Realignment and Closure (BRAC) process began considering the DOD base closure and realignment list on May 13, 2005. On September 8, 2005, the BRAC Commission will make its closure and realignment recommendations to the President. Until that time, CONUS installations will not know to what locations the returning soldiers and their families will be returning.

- Additionally, temporary locations of those additional brigades being formed under the transformation and modularization program must be finalized based upon the BRAC Commission review. The forces returning to CONUS from overseas could begin, on their current time lines, their movement in 2007, completing their return in the last quarter 2008. With BRAC decisions affirmed in the first quarter 2006 with budget actions not being completed until later in the FY there is little time for the BRAC funding to impact installations that will require new or expanded facilities and training areas to accommodate either the Modularized Brigades or the returning Brigades that will begin conversion to the modularized design upon their arrival back to the CONUS.
- *Rebalancing the Force Active Component (AC)/Reserve Component (RC).* As a result of the lessons learned in the use of the Reserves and National Guard in Iraqi Freedom, Enduring Freedom, and Noble Eagle; the Army will undertake the rebalancing of the total force. That is, moving some of the vital services in the Reserve Components back into the Active Force and moving some of the Active Force into the reserves based upon the demand of OIF/OEF and in consideration of the force anticipated to be required to meet the new demands of the revised National Security Strategy (NSS), and the National Military Strategy (NMS) in pursuit of the Global War on Terror. This rebalancing will occur concurrently with the return of forces from overseas and BRAC implementation.
- *Resetting the Force.* As a result of OIF/OEF the equipment of the active and reserve force is in need of replacement and rebuild. Additionally the equipment that was stored in the Army Preposition Sites (APS) for use in contingencies has been consumed and will need to be replaced to bring the APSs back to required stockage levels and capabilities. The cost of the resetting is conservatively estimated at \$13 billion for the Army alone. The Marines will have a proportionate bill due to replenishment the Maritime Preposition Ships (MPS) ships that have been emptied to support ongoing operations.

The impact of the Integrated Global Posture and Basing Strategy (IGPBS) on the restructuring and relocation of APS is unknown but predecisional insights indicate that additional APS will be collocated with some Forward Operating Site (FOS) and will add to the procurement requirement for prepositioned supplies and equipment. The movement of all the heavy forces back to CONUS may also drive the resetting of the force to a significant increase in heavy equipment (Abrams and Bradleys) at APS overseas adding to the cost of the resetting of the force.

The resetting of the force will be implemented during the same budget years that the IGPBS moves are planned, the rebalancing of the force is undertaken, and the BRAC implementation will be ongoing. War reserve stocks (ammunition,

supplies etc.) drawn from overseas prepositioned stocks require replacement to maintain a capability of all of the services to effectively operate in their respective regions. Replenishment of Guard and Reserve Component equipment, already short before OIF and OEF, adds to the significant budget burden to be ready for the next conflict or deployment.

- *Continued Operations in Iraq and Afghanistan.* There is no timetable for the return of forces from Iraq. The Army and the Marines will continue to provide a significant rotational presence in Iraq for the foreseeable future. Troop rotation will bring soldiers and Marines back to Iraq for the fourth or even fifth time over the next two to three years.

Although the presumption is that the commitment of U.S. forces will decline as Iraqi forces mature and are capable of assuming more of the security functions, the continued presence of U.S. forces is presumed. This commitment of rotational forces from CONUS (upon the return of the forces from Germany and Korea) is executed concurrently with all of the other activities described above. Of particular concern will be the availability of forces during the modularization process and the level of training that would be required to be considered trained and ready to redeploy to Iraq in a new modularization organization.

- *Continued Operations in the Balkans.* The United States has been reducing its commitment to the NATO effort in the Balkans over the last two years. Continued efforts to reduce the force in the Balkans will continue; however, the situation in the Balkans is far from calm and secure. Many consider the Balkans a “tinder box” and a continuation of the stationing of a force there is anticipated. Some have opined (among them, General Jones, the EUCOM Commander) that Camp Bondsteel in Kosovo may logically become a EUCOM FOS in the future to capitalize on the investment made by the U.S. in developing that infrastructure. The continued presence of a rotational force in Kosovo will only exacerbate an already devastating OPTMEPO effecting the units, commander and soldiers at a time when the stress of other major efforts are on going.
- *Continued Operations in the Sinai.* Under the Egyptian-Israeli 1978 peace accords, the United States committed to the stationing of a Battalion Task Force along the Sinai border between Egypt and Israel. This rotational commitment continues today. Given the potential for a U.S. brokered and sponsored deal between the Israelis and the Palestinians a continued mission for this battalion is not out of the question and will add to the concurrent burden of U.S. forces in overseas rotations.
- *Maintenance of Credible Deterrence on the Korean Peninsula.* The increase in belligerence of the North Korean Government and their assertion that they have

nuclear weapons makes the standoff with North Korea a constant demand for active presence of U.S. Forces in South Korea. With the withdrawal of one of two brigades of the 2ID back to CONUS via Iraq the demand for rotational forces to maintain a presence in South Korea will continue to increase the OPTEMPO of rotating CONUS forces. The continued uncertainty of the type and frequency of force rotation in Korea in light of other commitments makes any potential of soldier stability suspect.

- *Establishment of Joint and Combined Training Opportunities.* With the withdrawal of forces and the concurrent establishment of a FOS in Eastern Europe, the expansion of International Joint Use Training Areas in Australia, Africa, and Central Asia will create a demand for rotational training units to visit, train and develop cooperative relations with host military as well as the dollars to develop the necessary infrastructure to conduct such joint and combined training.
- *Procurement of Transformational Enablers.* The remaining three major events or actions are all related to budget demands to enable the more deployable and expeditionary force being restationed as a result of IGPBS. The cost to fund the improvements in lift (although not confirmed by the Mobility Capabilities Study (MCS)) has been estimated at \$37 billion as a minimum to fund the increased procurement of C-17s, a new tanker fleet to replace the aging KC-135, C-130J tactical transporters, strategic and tactical sea lift (FSS and HSV) procurements, Air Defense (AD) and strike assets F-22 and F-35 Joint Strike Fighter (JSF), as well as major transformation communications, reconnaissance, unmanned strike (UCAV), missile defense procurement and stationing all will compete in the same POM cycle for dollars with the restationing efforts related to IGPBS and BRAC.
- *Costs.* Costs for the implementation of many of these activities are at this point in time estimates. By all accounts the estimates, if anywhere near accurate, will have a huge impact on the service's budgets. DOD does not intend to request specific funding to cover the costs of the repositioning of the force outside of the already anticipated budget wedge for BRAC 2005.

The Administration has determined that the Services must fund their repositioning programs with existing Operations and Maintenance and MILCON resources.

BUDGET, TIMING AND COORDINATION CONFLICTS

Given all of the actions being placed upon the force to execute and implement over the next five budget years there is neither the time, dollars, human capital, nor, reasonable assurance that such actions can be accomplished without the potential of catastrophic risk to the nation. The budget demand alone appears to be outside the range of the possible given the demands of non defense sector program funding in the areas of education, social security, medicare, and homeland defense. When the budget deficits and the

political demands for deficit reduction are taken into account, the ability to expand the defense budget remains slim.

Service Budgets are not robust enough to execute the repositioning of forces, build the facilities necessary to accommodate the forces, build the expanding facilities at new locations (FOS and CSL) overseas not even considering the budget demands for the other simultaneous actions being undertaken by the services. Although the estimates for rebasing are lacking in specificity, the Commission estimate of between \$9-20 billion, when all is said and done, may not be executable without an increase in the DOD top line well beyond what is currently anticipated in the out year budgets.

Everything will not be accomplished as planned. In some instances, as in the movement of the two heavy divisions from Europe to CONUS, there is no immediate imperative to move those divisions on their current schedule. The timing of their movement is not consistent with the timelines necessary for the results of the BRAC Commission to be implemented in the budget and appropriate MILCON to be planned, budgeted, designed, constructed and readied for the accommodation of the returning forces.

The return of forces before the necessary lift is in place to return those heavy forces in the time necessary to support the National Security Strategy and the construct of 10-30-30 timing removes the expeditionary capability that is the goal of the NSS, and may become counter productive from a risk standpoint. The divisions are relatively comfortably stationed in Germany. They are deployable from that location in roughly the same time lines from CONUS to appropriate operating locations in Eastern Europe, to locations in Africa, or to the CENTCOM AOR.

A proper mix and balance of capabilities, light, heavy and motorized improve the flexibility of force tailoring to the mission. The modularization of the force in place will further ensure that flexibility. When the conditions are set for the return, that is, a place ready to accept them with no degradation of quality of life for the soldiers and their families, when the improvements in the capability of TRANSCOM to move those forces to a region along the timeline goal of 10-30-30, when competing demands on the budgets are satisfied, then the forces should be moved.

A basic test should be applied to the movement of forces. The test should be that their movement is critical in terms of timing, cost, quality of life for soldiers and families and a strategic imperative for their movement at the moment in time that has been scheduled. To do otherwise will place much of the work half done.

The Army will only partially transform with the new modular structure. Soldiers and their families will go from an acceptable quality of life where they are to potentially intolerable circumstances where they may be going. The goals of family stability may be met but soldier stability could be non existent and the environment the families have been

stabilized in may be unacceptable to them, and could severely impact recruiting and retention.

SUMMARY

All of the forgoing activities are scheduled to be implemented while simultaneously prosecuting military operation in Iraq, Afghanistan and more generally, the Global War on Terrorism which will require resource priority.

DOD does not currently have an established process or central entity to manage the implementation of global rebasing and all of the other activities impacting on it or being impacted by it. The Services, Combatant Commands and other DOD components are beginning to implement various aspects of the plan with no overarching supervision or coordination. There is no centralized institution to coordinate activities, to promote operational efficiency, or to develop performance metrics to measure success, adjust schedules based upon ongoing evaluation of metrics or to identify cost efficiencies or alternatives.

The precipitous movement of two Divisions from Germany in the 2007-2008 time frame is without strategic imperative and is not necessary to be implemented on the planned scheduled timetable in order to implement the NSS and NMS and could be delayed to reduce the risk associated with the lack of ready facilities at the gaining installations.

There is no known rationale for some of the near term moves of forces back to the U.S. on the timetables proposed. The facilities they will go to are unprepared for their return and will not be even identified until last quarter 2005 with planning, programming, design and construction of the necessary facilities years beyond the arrival of the returning forces. Future budget cuts anticipated as a result of the deficit reduction politics will have the effect of squeezing the Service Budgets preventing the planned schedule of activities to be executed in an orderly manner. The plan will not be executed as currently devised or as anticipated. The result will have unknown but negative consequences. This and other actions are not as asserted by some “budget neutral.”

Appendix L

Deployment and Mobility Considerations

INTRODUCTION

The United States Military Strategy promotes an ability to globally and rapidly project a military force capable of conducting military operations across the spectrum of conflict to include the new focused mission of multiple GWOT operations. The capability to provide the insertion of joint combat forces provides justification for the redeployment of forces from Germany and Korea to the United States. The return of forces to the United States places a greater burden upon the nation's strategic air and sea lift assets. Some of the burden is expected to be offset by the ongoing organization and fielding of 6 (5 active and 1 ARNG) Stryker Brigade Combat Teams. The Stryker Brigade is equipped with C-130 deployable wheeled combat vehicles. Despite the introduction of Stryker, the Army will remain a predominately heavy force although transformed into unit deployable Modularized Brigade Combat Teams. Marine and Expeditionary Air Forces are also dependent upon air and sea lift to get to the fight.

DEPLOYMENT AND MOBILITY CONSIDERATIONS

The greatest constraint in getting forces to the fight is their deployment time and the available means for their movement. For the purposes of this discussion deployment time is a combination of a number of factors that include: (1) alert and notification; (2) pack up and movement to initial deployment marshalling area; (3) movement of transportation platforms to the Aerial Port of Embarkation (APOE), Sea Port of Embarkation (SPOE); movement by transmodal transportation means (rail, road, air) to APOE, SPOE; (4) load personnel and equipment at APOE, SPOE (which may be different locations depending on means of travel); (5) travel time to the Aerial Port of Debarcation (APOD), Sea Port Of Debarcation (SPOD); (6) offload and processing time, (7) transmodal travel to marshalling or assembly areas, or movement directly to the fight. Some of the times for the preceding movement are in parallel; therefore they are not always an aggregate of time.

Forces are moved to an objective area under multiple deployment concepts. Historically, the movement of heavy military forces has depended on sea lift to get those forces to where they have to be. The sealift requirement is driven by the size and weight of the equipment, M1 tanks and Bradley Fighting Vehicles, as well as their support equipment, tankers, retrievers etc., that are associated with the heavy force. The time required to get them to their objective has been dependent upon the operational plan and urgency of their arrival. Sea transport times are measured in days and weeks from either CONUS or overseas locations depending on the aforementioned movement times to the APOD and SPOD and steaming time. Personnel and lightly equipped forces have been moved quite

rapidly by transport aircraft and deployment time lines are normally measured in hours and days. Deployment of heavy equipment is possible by air; such a movement by air requires significantly large numbers of sorties to get a credible force on the ground. Where time lines for the movement of heavy forces do not meet availability requirements, prepositioned equipment storage sites have been established to allow the rapid movement of personnel to an area, enabling them to fall in on their equipment and deploy to appropriate assembly areas ready to fight. These three means of moving forces from where they are to where they need to be have been demonstrated to be effective in force deployments. However there are limitations and costs associated with each.

IGPBS IMPACT ON MOBILITY

With the shift of the stationing rationale from forward deployed in the vicinity of their anticipated employment to the stationing of forces in CONUS or in limited numbers in regions that allow deployment to a potential conflict area outside the immediate area or country in which stationed, the issue of deployment times from where they are to the area of deployment becomes a critical issue in the determination of where forces should be best stationed to get to the potential trouble spots.

The critical question that must be answered is when the required forces have to arrive. Strategic goals of 10-30-30 would appear to put an absolute premium on time, speed and flexibility. More and faster would appear to be the prime requirement for the movement of forces. The Commission finds that placing all but one brigade in Korea and two brigades in Europe (Stryker BCT and an ABN BCT) places a premium on the ability of TRANSCOM to deploy a joint force to any number of objective areas.

Although the force has increased fighting capabilities and is being restructured into a more expeditionary model, there does not appear to be an attendant increase in the capabilities of the air, sea lift, rail, and port infrastructure to rapidly move the force. In recognition of this, the Department of Defense (DOD) has undertaken a Mobility Capabilities Study (MCS) to assess the mobility requirements to meet the new requirements of a home based expeditionary force. The MCS is still in progress and it would appear that when the study reports its findings and recommendation in late summer 2005, it will identify increased requirements for all categories of mobility, to include inter- and intra-theater air and sea lift assets.

Mobility capabilities critical to support all of the military operations and employment options as described in the National Military Strategy include implementation of multiple GWOT engagement support, counter and deterring conventional peer or near threats, WMD counter proliferation, establishment of presence, and the pursuit of engagement and military to military coalition building operations. Impacting this study will be IGPBS, the replacement of tankers, and the requirement for both strategic and tactical air and sea lift. Prepositioning may not be fully considered in the study as many prepositioning decisions and plans have not been unveiled.

The redeployment of forces to CONUS from both Korea and Europe move those forces further from the regions they may be required to return to in time of crisis. The political reasons for their redeployment areas are many: elimination of the potential for foreign governments to prevent or object to U.S. military force's use in activities that may not be politically acceptable to the host nation, removing obstacles to getting the forces to where they may have to go (such as over flight or land passage from one country to another), or avoiding the difficulty in stationing forces in a host country for purposes other than mutual beneficial security interests.

SEALIFT

Current sea lift assets are capable of providing the required lift but not the timeliness required. The number of Fast Sealift Ships is limited and other vessels (LMSR, RO/RO, Break Bulk bottoms) require significantly longer transit times. Intra-theater sea lift is especially critical to the PACOM Commander, given the expanse of ocean in his AOR. Current intra-theater sealift (e.g., amphibious shipping and the new TSV/HSV) are speed limited in the case of the amphibious lift, or are experimental and very limited in number in the case of the TSV/HSV.

Where forces have to move across water expanses, like the Pacific, the Mediterranean, Indian Ocean or the Black Sea, an alternative to FSS and large RO/RO and containerships is being developed. The High Speed Vessel (HSV) has the potential to move heavy equipment and crews (although not nearly as many as conventional sea lift) at very high speed in acceptable sea states to meet deployment timelines supporting troop deployment from in region locations to support of OPLANS or other contingencies. The costs and timelines of this program are unknown but will require significant investments under a joint program leading to an improved deployment capability.

AIRLIFT

The stationing of forces within CONUS will create a greater demand for increased sealift, airlift and or prepositioned supplies and equipment. Military subject matter experts have indicated the current fleet of air transport, both strategic and tactical, are stressed to their capacity in the current deployment scheme. They expect that the redeployment to CONUS will further limit the ability of the current fleet to meet either the lift requirements or the time lines for deployment.

It is estimated that to buy additional C-17s to meet current requirements and to replace the aging tanker fleet would require in excess of \$37 billion. That does not include the additional dollars for HSV/TSV and C-130J programs. The current budget projection shows an additional buy currently programmed of 42 C-17s through 2006 at a cost of \$7.8 billion. Any additional aircraft required as a result of the analysis of the MCS would be in addition to that number. Intra-theater transport aircraft are also a critical mobility asset. The workhorse since the fifties has been the C-130. The aircraft is old and most of the airframes are in the Air National Guard. Both the Commanders of CENTCOM and

EUCOM have testified before Congress that they support additional procurement of the C-130J aircraft to replace their aging assets. The C-130 is the critical and only theater aircraft to move supplies, people and equipment from a transmodal shipping point to a theater of engagement area.

STRYKER LIMITATIONS

The deployability of a Stryker unit is overstated. Although individual Stryker units can be deployed by air, an entire BCT would require sea lift supplemented by air. The key findings of the RAND report “The Stryker Brigade Combat Team — Rethinking Strategic Responsiveness and Assessing Deployment Options,” the RAND Corporation, 2002 are:

“The main conclusion of this report is that a force with more than 1000 vehicles cannot be deployed by air from CONUS to the far reaches of the globe in four days. However, with some mobility enhancements, it is possible to achieve deployment timelines on the order of one to two weeks, which is quite rapid for a motorized force. Specifically, the combination of CONUS bases (particularly Fort Polk, Louisiana), and SBCT forward-based in Germany, and regional preposition in Guam and Diego Garcia offers the ability to deploy the SBCT by air or sea to key regions in 5-14 days.”

The study illustrates a 6-day movement to Korea from Guam, a 9-day movement to Columbia from Louisiana, a 9-day deployment to North Eastern Europe, a 9-day movement to Romania and Bulgaria from Germany, and a 9-day movement to Iran, and the Sudan from Diego Garcia. All movements are by a combination of sea and air.

PREPOSITIONING

Prepositioning costs of additional brigade sets of equipment required to reduce the timelines for the deployment of the heavy forces (expected to dominate the Army force structure for the foreseeable future) to support Regional Commander force requirements have also not been anticipated. However, a concept that increases the prepositioning of heavy force may not be executable given the current state of existing equipment and other demands for that equipment in the ongoing transformation process.

SUMMARY

The availability of lift assets to deploy the returned force in addition to the forces already stationed in CONUS to potential conflict areas will require a carefully and centrally managed requirements process to ensure that the rebasing strategy improves the availability of forces to the Regional Commanders. The MCS study is a mechanism to manage that requirements process. The results of this study have yet to impact budgets and or increase capability. Moreover, there will be an increased demand for air and sea

lift assets to meet current and future deployment requirements as a result of the return of forces to the CONUS.

Increase in lift capability will be costly. Prepositioning alternatives will also be costly and prepositioned sites may not be optimally located given the uncertainty of where forces may be needed.

Further, it is not clear that the movement of forces back to the CONUS will result in a more readily deployable force. Movement back to the United States should not occur if the already stressed ability to deploy back to potential conflict areas can not be improved to meet the deployment requirements.

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Appendix M

Total Costs

INTRODUCTION

This appendix will address the cost implications of implementing the Integrated Global Presence and Basing Strategy. The biggest concern with respect to the financial implications of restructuring United States defense installations abroad are the uncertainties affecting cost estimates. DOD has estimated the implementation of the Global Posture Strategy to be between \$9 billion and \$12 billion with only about \$4 billion currently budgeted from fiscal years 2006 through 2011.

However, many factors are unknown and major decisions have not yet been made. Final agreements for actions in Japan and host nation agreements for current bases and future Forward Operating Sites (FOS) and Cooperative Security Locations (CSL) have not yet been finalized. In addition, any additional lift costs needed to implement the strategy are still unknown. As a result of all of these and other factors, the Commission believes that significant funding, above currently programmed amounts, is required to implement the future basing posture. An analysis conducted by the Commission shows that for facilities and ranges cost alone the present value of lifecycle costs could be upwards of \$16 billion to \$20 billion.

Various costs affect the implementation of IGPBS. For some of the changes a good portion of the costs to implement these actions will be paid by host nations. Other changes such as the closing of bases in Germany, the movement of troops and family members back to U.S. installations, the additional infrastructure costs at receiving bases both in CONUS and OCONUS, the costs to establish and maintain FOSs and CSLs, any additional costs to preposition equipment at new locations, additional lift costs, and additional costs to rotate forces to and from FOSs for training operations will be costs to be borne by DOD. Some of these costs are captured in the 2005 Base Realignment and Closure (BRAC) process.

The costs to implement IGPBS are a major concern because in addition to this effort, the services are undertaking major simultaneous initiatives and thus competing demands upon their resources-transformation, the Global War on Terrorism, Operation Iraqi Freedom, Operation Enduring Freedom, Army modularity, Army increased end-strength, BRAC, and other steady-state operational requirements. All of these efforts add to the complexity of the overall planning progress as well as stretch already strained resources.

The total cost to implement IGPBS has not been fully funded and some major decisions affecting the strategy have not been finalized. As such, the services will continue to have to make difficult program trade-offs to pay to implement this strategy. This will be a

challenge and it will be extremely critical that top leadership provide full, continued, and vigorous support, so that the overall planning and implementation of this strategy is fully funded, coordinated and integrated successfully.

CURRENT FUNDING DOES NOT FULLY CAPTURE PROJECTED COSTS OF IMPLEMENTING IGPBS

The Secretary of Defense has stated that no extra funds will be asked for in the budget process to pay for the implementation of IGPBS. The services have and will continue to be required to pay for the implementation of the Global Posture strategy from their overall funding accounts. In order to do this, the services will have to make resource trade-offs from current and/or future programs.

DOD has estimated the implementation of the IGPBS to be between \$9 billion and \$12 billion with only about \$4 billion currently budgeted from fiscal years 2006 through 2011. Of this \$4 billion, about \$3 billion has been allocated to a Base Realignment and Closure account that has been established to pay for IGPBS actions related to BRAC, such as the cost connected with the movement of troops from overseas to U.S. installations.

The \$9 billion to \$12 billion estimate includes all base closure costs, the transportation costs to move people and equipment, any new facility costs at receiving locations, and the costs to establish FOSs and CSLs. It does not include the Korean Land Partnership Plan or Efficient Basing Grafenwoehr, as these projects were already funded. In addition, the projected funding estimate does not include host nation support dollars. Host nation support funding would defray some of the projected costs. However, few of the support agreements have been finalized at this time.

The Commission has also recognized that significant additional funding, above currently programmed amounts, is required to implement the future basing posture and believes it could be much greater than the up to \$12 billion projected by DOD. Given the lack of certainty and availability of total information, the Commission asked LMI Government Consulting to provide a gross estimate of implementing IGPBS, given certain assumptions which may or may not totally reflect current assumptions.

Based on these assumptions, (see Attachment 1), LMI estimated that the present value of the total incremental cost to implement the facilities and ranges part alone of the new strategy could range between \$16 and \$20 billion. (See Table M-1)

This cost represents a combination of one-time investments and recurring annual operation and maintenance. In addition, the costs to implement the decisions being funded under the BRAC authority also need to be added to this estimate—further escalating the costs.

Table M-1: Facility and Range Cost Estimates (\$ billion)

Area of responsibility	Investment cost	Capitalized annual cost ^a	Life-Cycle cost (present value)
PACOM	5.8-6.8 ^b	2.8-3.8	8.6-10.6
EUCOM	3.6-4.0	1.4-1.7	5.0-5.7
CENTCOM	2.1-2.6	0.5-0.6	2.6-3.2
SOUTHCOM	0.05-0.1	Minimal	0.05-0.1
All overseas areas	11.55-13.5	4.7-6.1	16.25-19.6

^a The economically-equivalent present value of the recurring annual costs for operating and maintaining the investments in facilities and ranges.

^b Does not include Korea's \$5.4 billion contribution earmarked for facilities investment as part of the 2002 Land Partnership Plan between the U.S. and the Republic of Korea.

COSTS TO IMPLEMENT LAND PARTNERSHIP PLAN WITH KOREA AND ACTIONS IN JAPAN

Korean Land Partnership Plan

The main focus of the actions in Korea is the realigning of U.S. presence on the Korean peninsula. Known as the Land Partnership Plan, U.S. facilities will consolidate from 41 to 10 and move south of the Han River. The cost to relocate and upgrade facilities under this plan is about \$8 billion. The government of South Korea has agreed to pay approximately \$5.4 billion of these costs with the remaining approximate \$2.6 billion to be paid by the United States.

Possible future basing changes in Japan are not yet finalized. In addition, some realignment of forces on Okinawa may occur. Cost information along with the details of the proposals remain pre-decisional and classified.

Costs Are Captured in the 2005 Base Realignment and Closure (BRAC) Process

Some aspects of the global rebasing strategy are dependent on the 2005 BRAC process. The 2005 BRAC process will help align the domestic infrastructure for forces that are returning to or departing from U.S. territory. These dependencies and their timing pose a planning challenge for the services. The detailed data on demographics, locations

affected, and timelines required for detailed planning will not be known until the BRAC 2005 recommendations are approved.

Approval of the 2005 BRAC list will not only provide the data required for detailed planning but will also identify the funding needed for implementation. The initial recommendations from the Secretary of Defense became available on May 16, 2005 while the BRAC Commission's recommendations to the President will not be ready until September 8, 2005. At this point in time, the President either accepts or rejects the list in its entirety. Depending on which option he chooses, the process can extend out until December 2005.

According to a cognizant DOD official the estimated costs for relocating units from overseas, family housing (either construction or leasing), additional barracks, fitness centers, child development centers, schools, chapels, medical facilities, and other base support needs such as motor pools, administrative buildings, roads, taxiways, runways, training ranges, etc. will be funded through the BRAC process. The funding estimates also include the difference in base operating costs between locations overseas and in the United States.

Costs for additional basic allowance for housing and basic allowance for subsistence have been included to account for the potential lag in moving units back to the U.S. and the construction of new facilities. Once the 2005 BRAC is approved, many of these costs will be restructured to reflect the actual affected locations and their demographics and funded under BRAC authority.

There is currently approximately \$10 billion to \$12 billion budgeted in an account to fund the implementation of the 2005 BRAC recommendations. The services have funded two parts of this account. One part is for the BRAC actions that are being affected by the Global Posture Review decisions; the other part is for the 2005 BRAC actions independent of IGPBS.

Approximately \$3 billion has been funded to implement the BRAC actions affected by the Global Posture Review. Once all BRAC recommendations are finalized, the overall BRAC account will be distributed to the services to execute their BRAC actions. The BRAC funds can be used for personnel, operation and maintenance, or military construction costs. Further, the money the Army, for example, has funded for the Global Posture Review BRAC actions will stay within the Army. Other services cannot ask for this money to fund their Global Posture Review BRAC actions.

Total Costs Unknown as New Forward Operating Sites and Cooperative Security Locations Have Not Yet Been Determined

Exact information regarding the make up of many of the new FOSs and CSLs was still unknown at the time this report was published. The U.S. is looking to develop training

areas in Eastern Europe, the Black Sea, North Africa, Central Asia and Southeast Asia. Poland has a large training area where large exercises can be held. The only comparable U.S. location is at the National Training Center.¹ What, if any, host nation support countries within these areas will provide is unknown at this time. DOD is currently developing a model that will give them the capability to provide a rough order of magnitude of installation cost estimates for building and sustaining FOSs and CSLs. The model will also provide an estimate of initial deployment costs to station forces at an FOS/CSL of interest, and an estimate of recurring individual and unit rotation costs.

While the Army has not made a definite decision on how training will be conducted at the newly established FOSs, the latest information available from the Army is that most of the training needs will be done at CONUS locations or at the training facilities in Germany. Continuous training rotations into the FOSs are not envisioned. When training is conducted at these locations, the Army is currently looking at having troops train there for a period of six months. However, this training time period is not definite at this point in time. While, moving troops to and from these locations will affect lift costs, it is unknown what these costs will be at this time.

Additional Lift Costs Unknown

DOD is currently conducting a study known as the Mobility Capabilities Study (MCS) that will identify strategic lift needs as well as alternatives that allow strategic plans to be more viable such as locations of prepositioned sites that will alleviate lift demand. This study, which was scheduled to be completed at the end of March, and subsequently postponed until August 2005, will provide insight to lift costs involved in implementing IGPBS.

Senior cognizant officials at TRANSCOM are concerned about the transition to a rotational effort without the support structure being in place first. They feel a robust over-the-sea capability needs to be maintained if heavy equipment is not prepositioned. They feel much of the lift problem can be alleviated with better planning as planes often bulk out before they've reached their maximum weight. Officials said that there has been an airlift capability shortfall since the 1960s and IGPBS will put more emphasis on this problem.

Costs to Preposition Stocks and Equipment

The services are still evaluating their current and future prepositioning needs to be more responsive in support of IGPBS.² While there are some changes being made to the services' prepositioning strategies due to IGPBS, most of the preposition costs involve reconstituting the equipment used during Operation Iraqi Freedom and Operation Enduring Freedom, and the additional costs the Army is incurring to support modularity.

¹ Army G-3, Strategy Plans and Policy (International Affairs), December 10, 2004.

² A prepositioned site is characterized as a secure site containing prepositioned war reserve material (for combat, combat support, and combat service support missions) tailored and strategically positioned to enable rotational and expeditionary forces.

The Army continues to enhance its prepositioned stocks strategy to further enhance its support to combatant commanders across the full spectrum of operations. While the Army has plans in place to make some changes to its prepositioning strategy, not all decisions have been finalized. A major challenge for the Army, as well as the other services, is the resources needed to reconstitute the equipment used during Operation Iraqi Freedom, Operation Enduring Freedom.

In addition, the Army is challenged by its needs to support modularity. The Air Force anticipates keeping its war reserve materiel prepositioned in the current theater of operations, but anticipates changing some of its storage locations within the theater of operations to be more responsive in support of IGPBS, particularly to support the CSLs. The Navy is planning on adding four additional portable base camps—one each in the PACOM and EUCOM AOR and two in the U.S. The Marine Corps is looking toward more sea basing of its logistical needs and change to its prepositioning program in Norway. The Defense Energy Support Center, which is responsible for the prepositioned bulk petroleum stocks does not foresee the total worldwide stockage level changing due to IGPBS, but can foresee possible changes in the levels at each AOR.

Prepositioned war reserve material at joint prepositioning sites will allow rotational and augmenting units to “fall in” on essential equipment. The joint prepositioning sites also present the added benefits of significantly reducing the requirements placed on the strategic transportation system.

Other Unknown Cost Factors

Various other factors can affect U.S. infrastructure costs overseas. According to a July 2004 GAO report on DOD Master Plans, these factors include cash and other cost-burden-sharing contributions from host nations, which can affect the amount of military construction requested by overseas commands; the receipt of residual value from host nations for returned property; and the environmental remediation of property returned to host nations. The extent to which these factors affect costs can vary by regional command and by international agreements reached with host nations.³

In regards to burden-sharing contributions from host nations, the GAO report states that the amount of host-nation funding has varied by agreement with individual host nations in the past and can be subject to changing economic conditions. Historically, little or no U.S. military construction funding was needed in Japan, although the government of Japan is expected to reduce its contribution level because of recent budgetary concerns. The report further states that the extent to which host-nation funding would be available to support new basing requirements in any countries not currently hosting U.S. forces remains to be seen. The latest figures available are set forth in Table M-2 below.

³ U.S. Government Accountability Office, *Defense Infrastructure: Factors Affecting U.S. Infrastructure Costs Overseas and the Development of Comprehensive Master Plans*, GAO-04-609, Washington, D.C., July 15, 2004.

Table M-2: Bilateral Cost Sharing

Bilateral Cost Sharing

2002 Dollars in Millions

NATO Allies	DIRECT SUPPORT	INDIRECT SUPPORT	IN-KIND SUPPORT	TOTAL
Belgium	2.21	15.56	N/A	17.77
Canada	0	0	N/A	0
Czech Republic	0	0	N/A	0
Denmark	0.03	0.08	N/A	0.11
France	0	0	N/A	0
Germany	28.7	1,535.23	N/A	1,563.93
Greece	2.03	15.66	N/A	17.69
Hungary	0	3.51	N/A	3.51
Italy	3.02	363.52	N/A	366.54
Luxemburg	0.96	18.29	N/A	19.25
Netherlands	0	0	N/A	0
Norway	10.32	0	N/A	10.32
Poland	0	0	N/A	0
Portugal	1.65	0.82	N/A	2.47
Spain	0	127.26	N/A	127.26
Turkey	0	116.85	N/A	116.85
United Kingdom	27.5	157.89	N/A	185.39
Total	76.42	2,354.67	N/A	2,431.09

Pacific Allies	DIRECT SUPPORT	INDIRECT SUPPORT	IN-KIND SUPPORT	TOTAL
Japan	3,228.43	1,182.91	N/A	4,411.34
Republic of Korea ¹	356.81	356.50	129.5	842.81
Total	3,585.24	1,539.41	129.5	5,254.15

Gulf Cooperation Council (GCC)	DIRECT SUPPORT	INDIRECT SUPPORT	IN-KIND SUPPORT	TOTAL
Bahrain	8.20	45.20	N/A	53.40
Kuwait ²	208.2	0	44.78	252.98
Qatar ³	0	79.56	1.70	81.26
Saudi Arabia	3.64	49.74	N/A	53.38
United Arab Emirates	86.95	130.42	N/A	217.37
Total	306.99	304.92	46.48	658.39
TOTAL COST SHARING				
	3,968.65	4,199.00	175.98	343.63

Table Notes: In-Kind Support

¹ROK contributions in-kind include Combined Defense Improvement Project, Logistics Cost Sharing, Vicinity Improvements, Force Protection, Relocation Construction and other misc.

²Kuwait contributions in-kind include Food Service, Utilities, Telecom, Laundry, Fuel, and Medical.

³Qatar contributions in-kind are for Military Exercises.

With regard to the receipt of residual value for returned property, the GAO report states that the extent to which overseas regional command and their component commands obtain residual value for properties returned to each host nation varies by status of forces agreements and other agreements between the U.S. and the host nation. For example, in EUCOM, international agreements have resulted in the receipt of approximately \$175 million for property returned to nine countries in the early 1990s.

However, the residual value the commands can expect to obtain in the future depends on how the host nation views the value of the returned property. Because of economically depressed markets such as countries within the EUCOM area of responsibility—coupled with reduced defense spending by some host nations and closures of their own military facilities, the market for property from closed U.S. military installations has dwindled, resulting in little, if any, residual value in returned properties.

With respect to environmental remediation, the GAO report states that the extent to which overseas regional commands and their component commands incur costs for environmental remediation as a result of property returns has varied by country, depending on agreements with individual host nations. Historically, overseas regional commands have incurred limited costs for environmental remediation. However, in the

future there is less certainty regarding potential costs for environmental remediation because these issues are becoming an increasing concern in South Korea and Japan. EUCOM currently estimates its potential cost for environmental remediation at about \$90 million, regardless of whether property is returned in the future.

Summary

The costs to implement IGPBS are a major concern because in addition to this effort, the services are undertaking major simultaneous initiatives and thus competing demands upon their resources—transformation, The Global War on Terrorism, Operation Iraqi Freedom, Operation Enduring Freedom, Army modularity, Army increased end-strength, BRAC, and other steady-state operational requirements.

All of these efforts add to the complexity of the overall planning progress as well as stretch already strained resources. The total cost to implement IGPBS has not been fully funded and some major decisions affecting the strategy have not been finalized. As such, the services will continue to have to make difficult program trade-offs to pay to implement this strategy. This will be a challenge and it will be extremely critical that top leadership provide full, continued, and vigorous support, so that the overall planning and implementation of this strategy is fully funded, coordinated and integrated successfully.

ATTACHMENT ONE

FACILITIES AND TRAINING RANGE COST ESTIMATE ASSUMPTIONS

On investment costs, additional, or incremental, costs and savings that occur relative to the existing base structure costs were examined. Where possible and appropriate, DOD programming and planning figures and known costs as the most likely costs to be encountered were used. Data was collected from a wide range of sources. Data on construction costs came from the DOD Base Structure Report.⁴ Cost estimates for the Efficient Basing Germany (EBG), the South Korea Land Partnership Plan, and Yongson Relocation Plan were based on briefings and data from the Army. Generally, programmed military construction was used to represent the most likely cost in the modeling of total regional costs.

Actual investment costs of the overseas basing decisions depend upon specifics regarding the size, type of units, and locations involved. Because many factors were unknown or unavailable at the time this report was published and major decisions within DOD still to be made there exists a wide degree of uncertainty in the cost estimates used in this report. To deal with this, expert judgment was applied to determine an appropriate high and low estimate of cost to bound these most likely estimates and applied probabilistic modeling to derive a range of potential costs.

Recurring annual costs for operating and maintaining facilities and ranges were not directly available from sources provided to the Commission.⁵ Consequently, the annual stream of operations and maintenance that the new overseas facilities would generate were incorporated into the facilities model. Then, through generally accepted economic analysis techniques, convert those annual costs to an economically-equivalent present value of costs. That allowed a meaningful consideration of those recurring annual costs with the one-time investment costs, and to develop life cycle cost estimates.

To estimate the annual recurring costs generated by the new facilities and structures investment costs the following general approach was used.

- The Commission assumed a breakout of investment costs between the training ranges and the facilities and structures. Since facilities have significantly greater annual costs than training ranges, we allocated 85 percent of the investment cost to facilities and 15 percent to ranges. Investment cost estimates for overseas bases rarely give a clear division between facilities and ranges.

⁴ Department of Defense, Office of the Deputy Under Secretary of Defense for Installations and Environment, *Department of Defense Base Structure Report; Fiscal Year 2004 Baseline*.

⁵ For this analysis, the Commission considered the recurring annual costs to be those facilities costs associated with sustaining the required inventory of facilities in good working order, improving or maintaining readiness by restoring or replacing aged and damaged facilities, and modernizing facilities and equipment for the future missions and technological improvements.

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- The Commission then took the range of estimated investment costs for a specific COCOM area of responsibility and applied the percentage to get a range of facility and structure costs.
 - The Commission assumed new construction at \$350 per square foot which includes site preparation, construction, furniture, fixtures, and equipment. This allowed us to calculate an estimated increase in facility area due to the new investment.
 - The Commission then assumed an annual range of costs for utilities, operations and maintenance, repair, etc., for the new facilities (\$2 to \$4 per square foot for the forward operating sites and cooperative security locations, and \$4 to \$8 per square foot for the main operating bases). By multiplying the area of new facilities by the estimated square footage, we derived an estimated total annual cost.
 - The Commission then derived a capitalized cost (i.e., the equivalent current, or present, value of the recurring annual costs) for the COCOM area of responsibility by dividing by an appropriate discount rate. We assumed a 2.7 percent net discount rate based on a 5.2 percent interest rate minus a 2.5 percent growth rate for inflation.

Estimates developed for the initial costs (construction, renovation, moving, etc.) of achieving the realignment of overseas bases contain many assumptions from a number of sources with varying degrees of reliability. Single numbers (“point estimates”) for either individual locations or regions mask this underlying variability inherent in estimates of this type.

These individual-location and region-wide cost estimates are sensitive to factors such as the type of base (Main Operating Base, Forward Operating Site, or Cooperative Security Location), location, amount of existing infrastructure that can be effectively used for the future mission, and other factors. Additionally, actual costs at any given location have a high likelihood of being different from estimated costs for many reasons, such as incomplete or changing mission requirements, missing data and information, inaccurate assumptions, scope changes, and cost changes in the region.

Therefore, a risk-based approach was taken to the cost estimates to properly account for the inherent risks and sensitivities that provide a range of cost estimates for each region, as well as an “expected” (most likely) cost. The approach involves:

- Classifying each potential location by type of base (Main Operating Base, Forward Operating Site, or Cooperative Security Location).

- Developing a best case, worst case, and most likely case for costs at each location.
- Performing a Monte Carlo (probability-based) simulation on the costs of locations in each region.
- Performing a sensitivity analysis of the results for significant cost drivers in each region.

The results provide a range of costs, as well as a most likely cost for each region, and statistical confidence intervals for the most likely costs. The results also provide the probabilities associated with achieving any given level of total cost for a region. These assumptions result in the estimate that the present value of the total facility and range costs for the U.S. to implement the new basing structure to be in the range of \$16 to \$20 billion.

Appendix N

Quality of Life

INTRODUCTION

The Department of Defense (DOD) has developed the Integrated Global Presence and Basing Strategy (IGPBS) that will result in the movement of a significant number of troops, civilian workers and their families from overseas locations throughout the globe to locations predominantly in the United States.¹ The DOD expects upwards of 70,000 military personnel and approximately 100,000 family members and civilian employees to return to the U.S.

This significant movement of service members and their families will have a major impact on the infrastructure of the receiving and losing bases, their communities and on the personnel and families involved. The 2005 Base Realignment and Closure (BRAC) process will help align the domestic infrastructure for forces that are returning to or departing from U.S. territory.² While the most significant movement will affect the facilities located within the Continental U.S. (CONUS), some of the movements will also affect facilities located at U.S. territories.

DOD understands that the Quality of Life (QOL) of its service members and their families is an integral part of force readiness. As such, in 2001 the President recognized the need to improve Quality of Life for the military. Shortly after taking office he issued a National Security Presidential Directive entitled “Improving Military Quality of Life.” It tasked the Secretary of Defense to review measures to improve Quality of Life and provide recommendations for implementation.

The Secretary of Defense stressed the need to address Quality of Life as part of the national defense strategy in the Quadrennial Defense Review of 2001 by stating, “The Department must forge a new compact with its war fighters and those who support them”.³ In July 2002, the Deputy Assistant Secretary of Defense (Military Community and Family Policy) published “A New Social Compact” outlining a long term Quality of Life strategy for the Department of Defense.

¹ While the new global defense posture will result in civilian workers and their families being relocated back to the United States, the main focus of the Commission was to review the effect on the military.

² The Defense Base Closure and Realignment Act of 1990 (P.L. 101-510), as amended, (10 U.S.C. §2687 note), established the authority by which the Secretary of Defense may close or realign military installations inside the U.S. The BRAC process, which has been previously used, allows DOD to reorganize its installation infrastructure to more efficiently and effectively support its forces, increase operational readiness and facilitate new ways of doing business.

Although progress has been made on strategies, goals and initiatives, many of the service delivery systems and solutions envisioned in this Social Compact have not been fully implemented. The large number of personnel affected by the results of IGPBS will place additional demands on Quality of Life programs that are in various stages of improvement.

The movement of large numbers of troops will have a fundamental impact on Quality of Life programs which are major contributors to the morale and welfare of members of the armed forces and their families. Quality of Life programs must be considered as an integral part of the posturing strategy and its corresponding planning.

The study of Quality of Life is an examination of factors that contribute to the meaning of life, including factors that contribute to people's happiness. It also explores the inter-relationships among these factors.⁴ Issues related to Quality of Life have changed and evolved over the years as the Services adapted to the demands of the volunteer soldier, his family, and the changes in the overall culture of the American society. According to its July 2002 New Social Compact report, DOD has increasingly expanded support to military families through Quality of Life programs since the early 1980's. The report also states that today, with an all-volunteer force, shrinking infrastructure of bases, increasing reliance on reserves, and perhaps more importantly, wartime mission demands, the assurance to military families that the Department is prepared to underwrite family support is of primary importance.

The OSD Office of Family Policy recognized from previous experience with relocation of military families from a base that is closing or drawing down to a different base that adequate communication was paramount. The need for up-front, early, and continuing communication with military families has been identified and stands as a goal for the Office of Family Policy.

While the large force movements back to the U.S. will stress all aspects of Quality of Life programs at the gaining installations, DOD will also have to maintain adequate Quality of Life programs for the service members and their families remaining at the closing locations overseas as long as necessary.

Quality of Life programs will also have to be addressed at newly established Forward Operating Sites that may require service members to be deployed for varying periods of time. These deployments will pose a significant departure from life at their home bases in terms of living conditions and separation from family and friends. Therefore, addressing the Quality of Life programs at these sites will also be an important part of DOD's new global defense posture. There are no foreseen Quality of Life issues

³ 2001 Quadrennial Defense Review Report, p. 50, Sept. 30, 2001.

⁴ Quality of Life Research Unit, University of Toronto at www.utoronto.ca/qol.

associated with the establishment and manning of Cooperative Security Locations that are part of the IGPBS strategy because little or no permanent U.S. presence is planned for these locations.

As the military transforms, DOD is committed to improving the Quality of Life for military personnel and their families. While there are many Quality of Life programs which DOD currently supports, the Commission believes that the most critical ones that will be impacted by IGPBS are: (1) housing, (2) military child education, (3) healthcare, and (4) service member/family services (particularly child development).

Primary Issues Related to Quality of Life Programs at Gaining Locations

Housing

The primary concern is that housing either for the single service member or for the service member and his family should be available without an inordinate waiting list for these service members and their families upon reassignment to the U.S. Where service members and their families will live will be a main concern for troops returning to the U.S. When service members and families move back to the U.S. from overseas they need to have available, affordable, and suitable housing within a reasonable commuting distance from their workplace.

As stated in the Defense Issues, RAND QDR Conference Proceedings (1997):

“Housing stands at the center of the Quality of Life discussion because it consumes significant resources and because it influences so many other things. Housing tends to drive the use of other programs. Most programs take place on installations, so those who live there are more likely to take advantage of them. Child development centers, family support centers, and chapels typically are located on DOD installations, and the programs associated with them (counseling, youth activities) also take place there. A service member, who lives off the installation, particularly if at a distance, is less likely to use these programs.”

The Commission has assessed that the difficulty lies in the simple fact that affordable and adequate housing may be at distances that are inconsistent with an acceptable Quality of Life for the single service member, or the service member and the family. These circumstances more severely impact the lower enlisted families where the need for social and community services is more vital to their Quality of Life.

DOD’s policy is increasingly more reliant on local community housing as a more cost-effective approach for the federal government. However, if the local housing market cannot meet the increased needs of the base in question, the lead time for on-base housing

construction can be as great as three to five years, if not longer, assuming there are no budget issues or funding shortfalls. DOD's privatization initiative also has significant lead times associated with it.⁵ According to an official from the Army's Residential Community Initiative Office, a development plan can take 5 to 10 years before it is fully implemented.

In addition to housing needs, one needs to consider if there is available land either on or off base to build houses, and whether the infrastructure (sewer and water systems, highway capacity) can support additional houses. All of these elements have to be properly planned for and resourced before bringing service members and families back to the states.

Military Child Education

Equally important and a major concern of service member families is the availability and quality of the schools their children attend.⁶ Those families who will leave the overseas schools and move to new installations in large numbers require and deserve the appropriate organizational preparedness at both the sending and receiving schools. Precise planning is an absolute requirement in order to ensure that military children will not be in classes with an unacceptable student teacher ratio, will have (as required by the No Child Left Behind Act) access to a quality teacher on board, both before they leave the overseas classroom and when they arrive at the new school in CONUS. They must also have an acceptable school facility in which to learn.

Without advanced planning, coordination, and systematic communication between gaining and losing administrations and with the parents, the daunting task of having both the schools and the students ready will not be achieved. Time lines for new schools to be built, new teachers hired, and other needs based upon newly projected increases in populations must be acknowledged prior to the movement of families to ensure the schools are ready to receive the students. This is true for schools maintained by the Department as well as schools within the local community.

There are also many other issues that DOD and the services need to address to ensure a smooth transition for these children. These issues, among others, include the need to adequately prepare students to exit the sending school and enter the receiving school.

This will help to prevent increased anxiety and increase the likelihood of academic and program continuity. Plans must also include the possibility that students may be

⁵ DOD's housing privatization initiative was authorized by legislation enacted in 1996, see National Defense Authorization Act for Fiscal Year 1996, Pub. L. No. 104-106, Section 2801, Feb. 10, 1996. Privatized housing is housing normally located on military installations and is owned, operated, and maintained by private developers.

⁶ Overseas Basing Commission Public Hearing, September 2, 2004. Testimony of Dr. Mary Keller, Executive Director, Military Child Education Coalition (MCEC).

transitioning while one or both parents are preparing to deploy or perhaps have already deployed.

The amplified challenges for the student who is completing their high school experience, those who learn differently and those with special needs will have to be addressed. Because there are no standardized school calendars, the timing of the moves could have unintended consequences of causing some students to move mid-year or to change schools multiple times even after arrival at an installation as a result of housing issues.

Finally, for those areas where the children will be attending local community schools the amount of Department of Education (DOE) federal impact aid needs to be considered. DOE federal impact aid is paid to local governments to help cover the cost of educating dependents of military service members and Native American students. The impact aid for each dependent is significantly higher for students who live with their families in military-owned or privatized housing located on military installations because such housing is not normally subject to local property taxes. When military families live in housing in the local communities, a much smaller amount is paid for each student because the housing is subject to local property taxes.

DOD schools should not be impacted by this funding need as BRAC money should be immediately available for their needs once base relocations are known.

Healthcare

The military medical system is already often stretched thin taking care of deployment-related needs including maintaining health readiness of the forces, as well as maintaining ready medical forces for deployment to meet the needs of soldiers in the field. The influx of a significant number of military members and families relocating from overseas could potentially stress the system beyond its current capabilities. In addition, because DOD's healthcare system today relies primarily on the local healthcare community, this could stress the resources of the local system.

DOD now has a two-source system that depends on both military hospitals for the first line of care, supplemented through TRICARE, with civilian providers out in the communities surrounding an installation. Military members, families, and retirees rely heavily on the local community to take care of their healthcare needs. As a result, DOD not only needs to consider increasing direct care to service members from military hospitals or medical centers, but also increasing the ability of community health care services to meet family, veteran and retiree needs.

Based on witness testimony during Commission hearings, the DOD standards for providing services under TRICARE cause many community providers to not participate in the system. In some cases, healthcare providers do not want to be under the restrictions of the

TRICARE system. In many cases, healthcare providers are not meeting standards because they already do not have the required capacity.

Therefore, the influx of additional families into certain locations may simply compound an existing problem. If DOD plans to bring a significant number of service members and their families into areas with this problem, the Commission recommends that DOD ensures that adequate numbers of civilian providers are brought into the TRICARE network, and that military patients are added to their healthcare systems.⁷

Further, due to the demographics of the military force, many installations and communities may not have the medical specialties needed to service military personnel and their families. On average, service members get married and start families at a younger age, compared with the civilian community. To meet the needs of the force, the healthcare community may need more OB/GYNs, pediatricians, and family practice physicians. It will take time to get these physicians employed either at the military hospitals or in the local community.

Member/Family Services

Service members and their families depend on member/family services such as child development centers, spouse employment opportunities, relocation assistance, fitness centers, casualty assistance, counseling, financial assistance, and other MWR programs to provide a normal community atmosphere on military installations, cope with the stress of family separations during deployments, and minimize the problems encountered during frequent moves from one installation to another. The need for all family services will increase with the arrival of forces relocating from overseas; however, the Commission has identified two key areas as being critical in this context-child development centers and spouse employment opportunities.

First, according to an official with OSD's Office of Military Community and Family Policy (P&R), there is currently a significant shortfall in the availability child development centers throughout U.S. military installations. The movement of soldiers and families to the U.S. will only exacerbate the shortage at U.S. installations. To make up for this shortage, military members will have to go to the local community to find childcare, which is typically at a much higher cost. Or, it may force a two-job family to forgo a spouse's job and cope with the reduced income.

The demographics of the military force make this an acute problem. Under the all-volunteer force DOD has seen the percentage of women in the military triple, so today's recruit is more likely to be female. This trend has important implications because women are far more likely to be single parents; therefore relying heavily on childcare to do their

⁷ Overseas Basing Commission Public Hearing, September 2, 2004. Testimony of Ms. Joyce Raezer, Director of Government Relations, National Military Family Association.

job and maintain a family. Again, more military spouses are working and the trend is going up.

In 1992, for example, almost half of the military spouses with children under 5 were working, and therefore, would need childcare. Finally, as said before, on average military members marry and start families at a younger age, so increasing the military population in a community will have a disproportionate increase in the need for childcare over the civilian community.⁸ Planning for the increase in military families will ensure families who use childcare facilities overseas, will continue to have access once they're relocated to the U.S.

Secondly, the trend toward working spouses and two-income families will drive a critical need for employment assistance. The large movement of families to new locations could saturate the local job market, deny employment opportunity, and result in a significant reduction in family income. Overseas, spouses provide a much needed work force for service activities, commissaries, and exchanges. As a result, many returning families will be used to, and may be dependent on, a second income. In many cases, contemporary life and culture has led to the dependence of families on two incomes to provide for their families.

Moreover, although the numbers are not quite as large as their civilian counterparts, more military spouses are working. In 1992, almost half of the military spouses with children under 5 were working, and for those with children between 6 and 17 the percentage climbs to 55.⁹ In addition, while a hard problem to address, the issue of spouse underemployment may become more apparent as families move from areas where wages are higher to areas that are more rural and wages may be lower. Military spouses will require access to both local as well as installation job opportunities through employment counseling and assistance.

Quality of Life Programs at Closing Locations Need to Be Supported until End-State is Achieved

In the Commission's view, it will be important to maintain the existing critical Quality of Life programs for the service members and families at the installations closing overseas. In past draw-down operations, the tendency has been to direct resources on the growing needs at the gaining installation at the expense of maintaining the needs at the closing installation. The Commission feels strongly that the preservation of Quality of Life programs, services, and facilities at closing installations, must be included in DOD's total planning effort.

Quality of Life Programs at Forward Operating Sites Need to be Considered

⁸ Defense Issues, RAND QDR Conference Proceedings, 1997.

⁹ Id.

Quality of Life programs will also have to be addressed at newly established Forward Operating Sites to which service members may be required to be deployed for varying periods of time. These deployments will pose a significant departure from life at their home bases in terms of living conditions and separation from family and friends. Therefore, addressing the Quality of Life elements at these sites will also be an important part of DOD's new global defense posture. Experience from past DOD operations at these types of sites has shown the need for adequate housing, foodservices, the ability to communicate with family and friends at home as well as recreational facilities, exchange facilities, medical, psychological, and dental services, educational opportunities and laundry, postal and related services.¹⁰

Quality of Life Programs will be Funded Through the BRAC 2005 Process

Some aspects of the global rebasing strategy are dependent on the 2005 BRAC process. The 2005 BRAC process will help align the domestic infrastructure for forces that are returning to or departing from U.S. territory. These dependencies and their timing pose a planning challenge for the services. The detailed data on demographics, locations affected, and timelines required for detailed planning will not be known until the BRAC 2005 recommendations are approved. Therefore, while preliminary planning can be done, detailed planning and implementation cannot commence until then.

Approval of the 2005 BRAC list will not only provide the data required for detailed planning but will also identify the funding needed for implementation. The initial recommendations from the Secretary of Defense became known on May 13, 2005, while the BRAC Commission's recommendations to the President will not be prepared until September 8, 2005. On September 23, 2005, the President has the option of either accepting or rejecting the BRAC list in total.

If approved, the BRAC list is sent to Congress for passage of a joint resolution of approval or disapproval (in whole, but not in part). If the President rejects the BRAC list, the BRAC Commission has until October 20, 2005 to submit a revised list to the President. The President has until November 7, 2005 to approve the list, thus triggering the 45-day period in which Congress may pass a joint resolution of approval. Therefore, depending on which option the President chooses, the BRAC list approval process can extend until December 2005.

Many of the Quality of Life programs discussed throughout this section will be funded through the 2005 BRAC process. According to a cognizant DOD official, in addition to the estimated costs for relocating units from overseas, the following Quality of Life programs will be funded through the BRAC process: (1) family housing (either construction or leasing), (2) additional barracks, (3) fitness centers, (4) child development centers, (5) schools, (6) chapels, and (7) medical facilities.

¹⁰ U.S. General Accounting Office, *Quality of Life for U.S. Soldiers Deployed in the Balkans*, GAO-01-201R, Washington, D.C., Dec. 14, 2000

The funding estimates also include the difference in base operating costs between locations overseas and in the United States. The cost for additional basic allowance for housing and basic allowance for subsistence have been included to account for the potential lag in moving units back to the U.S. and the construction of new facilities. Once 2005 BRAC is approved, many of these costs will be restructured to reflect the actual affected locations and their demographics and funded under BRAC authority.

DOD's Current Planning Efforts to Address Quality of Life Issues

The Department is concerned about the service members and their families' Quality of Life issues as it implements its global rebasing strategy. Recognizing the importance of planning for Quality of Life programs as an integral part of the Global rebasing strategy in the 2006-2011 Strategic Planning Guidance, DOD tasked all Services to "develop a Quality of Life rebasing strategy for each gaining and closing installation."¹¹

The Office of Family Policy is in the process of finalizing templates, or planning guidance documents, for installations that are losing large numbers of personnel to identify the transfer of quality of life funding from the losing facility to the gaining facility.

The Department is aware that the implementation of IGPBS may result in the need for additional housing, schools, healthcare, child development centers, and other quality of life programs at gaining installations. However, all officials with whom we spoke expressed their frustration with their inability to do any firm planning until final decisions are known about how many troops and family members are returning to which locations.

Preliminary recommendations were communicated when the BRAC list was issued on May 13, 2005. However, plans cannot be finalized until the final BRAC list is approved by the President and Congress. In addition, as stated above, the BRAC account will fund the cost of moving personnel from overseas locations to the U.S. or U.S. territory locations and other Quality of Life programs. Nevertheless, while the Commission has not seen a Department-wide integrated and coordinated planning effort, there does appear to be some thought and pre-planning occurring at various levels throughout DOD.

¹¹ The Service Secretaries must ensure Quality of Life support is realigned to coincide with the movement of troops and families, with special consideration of how to best maintain or improve working and living conditions during these stressful periods (e.g., schools, childcare, fitness, and housing). The Service Secretaries will develop a Quality of Life rebasing strategy for each gaining and closing installation. The strategy will include collaboration with the civilian community for housing and schools, and ensure adequate military welfare and recreation and family support funding is reprogrammed to that gaining installation. The strategy should consider also job transition assistance for civilian employees at each closing installation. The USD (P&R) will approve each gaining installation's strategy 90 days after notification of rebasing." 2006-2011 Strategic Planning Guidance.

Housing

DOD's policy will be to first rely primarily on the local housing market. If the local housing market cannot sustain the needs of the military, DOD will enhance its privatization initiative it may already have in place at that installation or put one in place. For example, at Fort Bliss, the local commander, in anticipation of troop movements due to Army modularization, has asked that the number and types of homes being built as a part of their privatization initiative be revisited.

Originally, only single family homes were going to be built at Fort Bliss. Now in addition to the single family homes, town homes are being considered in order to maximize the use of available land. Lastly, when local community housing is unavailable, unsuitable, too expensive or too distant, and a privatization initiative is not feasible, DOD will build the needed housing. A cognizant official from OSD's Office of Personnel and Readiness stated that as an initial solution temporary facilities will be built.

However, whether the homes are being built by a private developer or by the DOD through military construction funds, the build times for these homes are significant. Officials stated that it could take 3 to 5 years, or more, to properly plan for and build sufficient housing.

As part of preparatory planning to have plans in place once troop movement decisions are finalized, the Army's Residential Community Initiatives office has identified bases likely to be affected by IGPBS, BRAC, or Army modularization. Officials plan to conduct a "base-by-base" study varying the numbers of returning troops to determine the infrastructure capacity (e.g., land availability, sewer system, water, highways) necessary to support the influx of military personnel and their families. The study looked at the infrastructure capacity of both the local community and the installation.

Military Child Education

The Department of Defense Education Activity's (DODEA) primary responsibility is the DODD schools (DOD Dependent schools — overseas) and the DDESS schools (Domestic Dependent Elementary & Secondary Schools — stateside and U.S. territory). DODEA is only responsible for the students leaving and returning to DOD operated schools. In that regard, in terms of IGPBS, officials estimate that they will only need to accommodate about 10 percent of the students returning from overseas schools. While exact numbers are not yet known, it was estimated that this would be about 3,500 students. DODEA plans to have initial planning meetings with area directors, military representatives, and teacher union officials to begin to define transformation impacts and future necessary actions.

DODEA also collaborates with military command leadership, non-profits, and state/local education agencies to ensure a student's smooth transition. For example, DODEA school

counselors for middle and high school students prepare a 6-year graduation plan that is individualized for each student and is given to the receiving school. However, once at a new school, DODEA does not track what happens to that student in terms of his/her future educational needs and accomplishments.

DODEA also has in place many transitional tools and resources to help ease a student's transition to a new school. These include books and pamphlets for students post secondary education, transition counseling, and VTC graduation ceremonies.

Currently, DODEA is planning to build new schools at locations where the Army is building new homes through its privatization initiative. These locations are Fort Stewart, Fort Campbell, and Fort Bragg. If a new school is needed at a location where one is not currently scheduled to be built, officials stated that a minimum of 18 months would be needed to plan and build a new school if all planning efforts go well. The time needed is usually greater, however.

Normal military construction can take five years—two years for design/procurement and three years for construction. Sometimes this time can be condensed into three years; and temporary facilities (to be followed by permanent facilities) can be provided in two years (one year design/procurement and one year construction).

The Education Opportunity Directorate (EOD) — established in 2000 under OSD's office of Personnel and Readiness (P&R) — has the primary function of establishing programs, policies and procedures that address transition issues of children of military families not attending DOD schools. EOD acts as an information resource providing information to local commanders, local school officials, parents and students on topics ranging from on-line teacher courses to family support programs. However, they do liaise with local commanders and school officials when invited.

EOD officials stated that it is estimated that 29,000 students will be returning from DOD schools to non-DOD schools. As such, they feel many school districts may not have adequate time or the financial resources to prepare to receive students appropriately. In order for local school districts to prepare properly, EOD officials stated that receiving school districts should be notified more than one year in advance in order to purchase and outfit portable classrooms, make renovations, hire teachers, order furniture, textbooks, supplies, etc.

If it is necessary to build schools, school districts may not have the needed up front funds to do so until a bond referendum is approved by the local populace. Therefore, it may be necessary for the federal government to provide start up money to these school districts until local funding and federal impact aid is received as was recently experienced by a school district near Fort Campbell, Kentucky. Regardless of where the funding comes

from, at a minimum, school districts will need at least 18 months to construct additional school facilities.

Healthcare

A cognizant official with the Army's Office of the Surgeon General stated that the medical community will be able to handle the additional service members and their families in a given area as long as the necessary resources are provided to build either temporary or permanent medical facilities when the local medical community through TRICARE is unable to handle the increased capacity. The Army's Office of the Surgeon General used number of service members projected to be relocated to certain military installations.

This number was then run through a model that provided them with an estimation of the number of family members that would be accompanying these service members. Once these numbers were known, officials determined if the TRICARE network was adequate to handle the increased capacity. If not, they determined what medical facilities would need to be built at a given installation to support their needs.

In gathering information preparing for the 2005 BRAC, officials obtained information on the number of physicians and number of in-patient beds around a given installation. In order to determine if sufficient capacity exists, officials examined the ratio of existing providers to the number of troops and family members expected to require services in a given area.

Member/Family Services

As stated above, the Service Secretaries will be developing a Quality of Life rebasing strategy for each gaining and closing installation that will be looking at Quality of Life programs. The Under Secretary of Defense for Personnel and Readiness is responsible for reviewing and signing off on each of these plans. In order to support this effort, the Under Secretary's Military Community and Family Support Office has set up working groups to provide a framework for oversight of Quality of Life programs during planning, programming, budgeting, and execution of rebasing strategies. They are currently putting together Quality of Life program working groups. These working groups will develop models of the following Quality of Life programs that can be applied to any base.

The models included the following:

- On-base and off-base schools;
- Off base housing;

- Lodging (PCS/TDY);
- Exchanges;
- Financial planning;
- Relocation assistance;
- Spouse employment assistance;
- Parenting support;
- Transition assistance;
- Family assistance counseling;
- Education centers and voluntary education;
- Military OneSource;
- Military Morale, Welfare and Recreation (e.g. fitness and libraries);
- Commissaries; and
- Childcare and youth services.

An official with OSD's office of Military Community and Family Policy stated that DOD is also considering options for partnering with local childcare centers and fitness centers to support additional needs.

Quality of Life at Closing Locations

An official from OSD's Office of Personnel and Readiness stated that they will ensure that the Quality of Life programs at closing locations will be maintained until all personnel have left the location. With regard to the quality of the education for students remaining at DODD schools until an installation is closed overseas, DODEA officials stated that they are committed to ensuring a student continues to receive a quality education, and they do not make any staffing changes to a school during the school year. If student levels change, school needs will be evaluated at the beginning of a school year and, if needed, teachers will be brought in to ensure the continuity of education.

Quality of Life Programs at Forward Operating Sites

While the Services have not yet decided the exact makeup of a FOS, an official with OSD's Office of Personnel and Readiness said that Quality of Life programs at these sites would most likely be limited to temporary facilities for fitness centers, education and communication centers, and retail facilities.

Summary

- The large influx of military members, civilian workers and their families will significantly stress existing resources; therefore, adequate housing, schools, healthcare needs, and other service member/family services are of vital importance to a successful restructuring of our military forces.
- Integration of IGPBS implementation planning with Quality of Life programs constitute a complex set of challenges characterized by a large number of interdependencies that must be planned for in great detail and carefully monitored.
- Inadequate implementation of past re-alignment operations has resulted in negative impacts on the Quality of Life for service members and their families.
- Current IGPBS implementation timelines may not accommodate the significant lead times associated with providing for adequate housing, military child education, healthcare and military member/family services for needed Quality of Life programs at installations.
- While the Commission has not seen a Department-wide integrated and coordinated planning effort, there does appear to be some thought and pre-planning occurring at various levels throughout DOD. Without top leadership support monitoring and direction, the overall IGPBS implementation effort may not be fully successful. Quality of Life programs will be impacted both at the gaining and losing locations as well as newly created Forward Operating Sites. The Department will incur a significant risk that service member morale, and therefore volunteer force readiness, will be adversely impacted if relocation movements occur without regard to the main Quality of Life programs.
- While proper advance planning is needed to ensure a successful transition, the services currently lack the detailed information because of the interdependencies of the IGPBS with the ongoing 2005 BRAC process.

Appendix O

Facility and Training Range Assessment

INTRODUCTION

This appendix will assess whether or not the current military basing and training range structure of the U.S. overseas is adequate to meet the current and future mission of the Department of Defense (DOD). To do this, the structure must be considered in the context of DOD's Integrated Global Presence and Basing Strategy (IGPBS). IGPBS will be "the most profound re-ordering of U.S. military forces overseas since [the Department's] current posture was cemented at the end of World War II and the Korean War."¹

DOD's physical plant is large by any standard, consisting of more than 586,000 real property records (buildings, structures, and utilities) located at more than 5,000 locations, on more than 29 million acres. Sites range in size from small, unoccupied locations supporting a single navigational aid on less than one-half acre...to the Nellis Air Force Ranges in Nevada that include over 3.0 million acres. The Department of Defense owns or has use of large amounts of real property in the U.S. and throughout the world. Over 83% of the 5,543 DOD sites are located in the U.S. or U.S. Territories. The majority of the foreign sites are located in Germany (306) sites, Japan (158 sites), and South Korea (105 sites). The remaining sites are dispersed among 43 other foreign countries.

The reported plant replacement value (i.e., the cost to replace these facilities using today's construction costs and standards) of DOD's inventory is approximately \$646 billion — \$406 billion for buildings, \$159 billion for structures, and \$81 billion for utilities. Over 81% of the DOD portfolio plant replacement value is located in the U.S. or its territories. DOD manages a reported 29.2 million acres of land worldwide. More than 98% of that land is located in the U.S. or U.S. territories.²

The Department plans to return about 30% of its entire overseas site inventory to host nations as it implements IGPBS. In South Korea, U.S. military operations will be consolidated at 23 sites. In Germany, consolidation would keep 88 U.S. military sites in operation. The reductions in Germany and Korea account for the preponderance of the 60,000 to 70,000 military and 100,000 family members the Department plans to return to the U.S. and accommodate at stateside military installations.

¹ Department of Defense, Strengthening U.S. Global Defense Posture, DOD Report to Congress, Foreword, September 2004.

² Department of Defense, Office of the Deputy Undersecretary of Defense (Installations & Environment) Department of Defense: Base Structure Report, Fiscal Year 2004 Baseline, data as of 30 Sept 2003, pp. DOD-2 and DOD-5.

New Bases To Be Established

To implement IGPBS, a network of new sites, most of them smaller than the bases that will remain in Germany and South Korea, will be established in a variety of countries world-wide. The assessment provided in this appendix will focus on the feasibility of sustaining and recapitalizing the facilities at these new sites and attaining and sustaining access to training ranges.

This type of assessment requires a broad view of facilities and training ranges. For the purposes of the assessment, facilities and training ranges include, not only the facilities and training ranges themselves, but also the processes used to manage their sustainment and recapitalization.

The Commission had intended to include a review of the “current state” of facilities and training ranges to determine how well existing assets are performing. Due to difficulties with data in the Department’s 2003 Installation’s Readiness Report, this aspect of the assessment was not accomplished as originally anticipated. The data in the report was subjective and could not be audited; it was therefore not suitable for the Commission’s purposes.

Current Assessment

In the Installations’ Readiness Report, facilities were presented in groups according to predetermined “facility classes.” The report was divided by service, and then further by Major Command within each service. reporting was done in such a way that one inadequate facility could drive down the rating for an entire class throughout an entire Service Major Command. Data could not be decoupled and regrouped to provide a regional combatant command type of joint assessment.

Therefore, the Commission combined information gleaned from a variety of other sources — testimony, personal visits to and briefings from Combatant Commands, Government Accountability Office (GAO) reports, and interviews with service and Office of Secretary of Defense representatives — to complete a “current state” assessment.

Based on everything the Commission considered, it found the “current state” of facilities and training ranges of the U.S. overseas less than adequate. This assessment is in line with both Department and GAO findings. Having reached this conclusion, the Commission devoted the preponderance of their time assessing Department actions to address facility deficiencies and establish better reporting mechanisms. The Commission did this because adequate facility and range management processes must be in place to carry DOD through IGPBS implementation.

An Overview of Department of Defense Facilities and Ranges:

In the 2004 Defense Installations Strategic Plan, the Deputy Undersecretary of Defense for Installations and Environment discussed the need for “... a global framework of installations, facilities, ranges, and other critical assets which are properly distributed, efficient, and capable of ensuring that the Department of Defense and the U.S. armed services can successfully carry out the roles, missions, and tasks that safeguard our security at home and overseas.”³ This statement well describes how installations support strategy.

For the better part of the last fifty years, DOD maintained a global framework of bases to support the Cold War’s deterrence and containment strategy. Overseas installations were located predominantly in regions requiring large standing forces. These garrison style forces were meant to go to war, if not in place from their very own installation, then most certainly in the region in which they were stationed. Depending on the requirements of the force, some installations were larger than others, but in most respects one installation was quite comparable to another. Because service members were stationed overseas for years at a time, most installations were designed to house both military members and their families. Installations were outfitted with as many of the amenities of home that could be reasonably provided.

Although the installations were sustained and recapitalized by one of the service components, the forces on those installations were, with rare exception, considered war time assets for Regional Combatant Commanders. If an installation was in a particular Combatant Command region, then in time of war, those forces were dedicated to that Regional Combatant Commander. If required, in place forces would be augmented by U.S. based forces that would deploy forward in time of need. This situation remained remarkably unchanged for more than fifty years resulting in a well functioning yet static overseas basing structure.

In the early nineties, after the end of the Cold War, DOD began to close installations that were no longer needed. Overseas installations were among the first to close and forces were returned stateside. According to the Department’s 2004 Defense Installations Strategic Plan “since 1990, DOD has returned or reduced operations at about 1,000 overseas sites, resulting in a 60% reduction in our overseas infrastructure.”⁴ The Base Realignment and Closure (BRAC) process complemented the overseas effort by closing excess installations in the United States.

³ Office of the Deputy Undersecretary of Defense (Installations and Environment), 2004 Defense Installations Strategic Plan, Foreword, September 2004.

⁴ Office of the Deputy Undersecretary of Defense (Installations and Environment), 2004 Defense Installations Strategic Plan, page 4, September 2004.

The 1993 and 1995 BRAC process coincided with the onset of the Gulf War, also known as Operation Desert Storm. The Gulf region was in the Area of Responsibility (AOR) controlled by Central Command. Unlike European and Pacific Command, Central Command did not have forces permanently stationed in their AOR.

Without a large contingent of in-place forces to draw from, DO successfully prosecuted Operation Desert Storm with nearly 100% of the U.S. force being deployed to the region.

Successive operations requiring deployed forces occurred throughout the 90's, both in Central and other Combatant Command regions. Among the most persistent were Operations Southern and Northern Watch, both of which spanned a more than 10 year period from the end of the Gulf War to the beginning of Operation Iraqi Freedom (OIF). In order to more effectively respond to what essentially became a continuous series of deployment dependent missions the Services began transformation initiatives.

To become more expeditionary, the Air Force developed their Air and Space Expeditionary Force construct. The Air Force matured this construct over the years and it has served the service well in meeting their deployment requirements. The Navy and Marines had already been expeditionary so there was little need for either Service to undergo sweeping transformation as the Air Force had done. Recently, the Navy initiated their Fleet Response Plan to give themselves a better surge capability.

The Army was the last of the services to initiate a transformation program to become more expeditionary. That program is fully underway today. Army transformation is occurring in the midst of Operations Enduring Freedom (OEF) and Operation Iraqi Freedom (OIF). Because OEF and OIF are taking place in the Central Command AOR, these operations are nearly 100% deployment dependent.

With the majority of the force needed to prosecute these simultaneous operations coming from the Army, the Army is faced with the constant need to balance current and future force transformation requirements. They have a continuously evolving planning process known as the Army Transformation Roadmap (ATR) to keep their requirements balanced. The 2004 ATR is the Army's third version of their plan.⁵

⁵ Department of the Army, *Army Transformation Roadmap*, August 2004.

Table O-1. Installation Size by Locations – FY 2004 Baseline Data⁶

Location		Number of large installations	Number of medium installations	Number of small installations	Total Installations
United States	-	93	99	3,535	3,727
U.S. Territories	-	2	3	110	115
Foreign	-	15	18	826	860
Grand Total		110	121	4,471	4,702

United States	Army	41	31	1,226	1,298
	Navy	14	31	947	992
	Air Force	31	29	1,229	1,289
	USMC	6	8	133	147
	WHS	1	0	0	1
Total		93	99	3,535	3,727

U.S Territories	Army	0	0	20	20
	Navy	1	2	71	74
	Air Force	1	1	18	20
	USMC	0	0	1	1
Total		2	3	110	115

Foreign	Army	1	8	364	373
	Navy	5	2	188	195
	Air Force	7	7	255	269
	USMC	2	2	19	23
Total		15	19	826	860

Large Installation = Total plant replacement value \geq to \$1.553B.

Medium Installation = Total plant replacement value $<$ \$1.553B and \geq to \$828M.

Small Installation = Total plant replacement value $<$ \$828M and $>$ than 0.

Records with 0 or “null” plant replacement value are not counted-these are primarily land records.

⁶ Department of Defense Base Structure Report, Fiscal Year 2004 Baseline, Office of the Deputy Under Secretary of Defense (Installations & Environment).

Comparing Structure to Future Basing Posture

Because the structure must support the strategy, IGPBS must be considered throughout the assessment. The Department of Defense's September 2004 Report to Congress titled, *Strengthening U.S. Global Defense Posture*, provides a succinct IGPBS overview. In this report, DOD states that changes to U.S. Global Defense Posture are guided by the following six principal strategic considerations⁷:

- Expanding allied roles, building new partnerships, and encouraging transformation;
- Creating greater operational flexibility to contend with uncertainty;
- Focusing and acting both within and across various regions;
- Developing rapidly deployable capabilities;
- Measuring military capabilities, not numbers; and
- Having a positive effect on our military forces and families.

Strategic considerations of IGPBS will drive facility and range structure. This relationship is demonstrated by the fact that DOD introduces two new types of installations designed especially to support the strategy. These two new installation types are the Forward Operating Site (FOS) and the Cooperative Security Location (CSL). The Main Operating Base (MOB) will also support IGPBS, however MOB's are not new.

MOB's, FOS's and CSL's are described in DOD's September 2004 report to Congress. As a means of comparison, the classic overseas Cold War installation was the MOB. MOB's housed the in place garrison force and their families. These installations almost always had access to a training range within close proximity where garrison forces could train either alone or with coalition and in some cases joint forces. The MOB's themselves housed all the administrative, support, education, and housing functions required to maintain the safety, health, welfare, and readiness of the force and families at the installation.

An overseas MOB was for all practical purposes the same as a stateside MOB. The MOB envisioned to support IGPBS is the same type of MOB that exists today, so there is nothing new here required for IGPBS.

⁷ Department of Defense, *Strengthening U.S. Global Defense Posture* (DOD Report to Congress, pp.8-9, September 2004).

However, with one of the principal strategic considerations of IGPBS being a positive effect on military forces and families, MOBs must excel at giving forces and families a good quality of life. Many aspects of quality of life are tied to adequate facilities, including military family housing.

The two new categories of installations created to support IGPBS, the FOS and the CSL, do not have a direct tie to an existing type of installation. The FOS and the CSL are designed especially to meet the needs of expeditionary forces. In order to fully implement IGPBS, a mature global network consisting of MOBs, FOSs and CSLs will be needed.

FOSs and CSLs will be critical to DOD's desires to expand allied roles, build new partnerships, encourage transformation, create greater operational flexibility to contend with uncertainty, focus and act both within and across various regions, and develop rapidly deployable capabilities. Each of these strategic considerations requires flexible, interdependent relationships with host nations that can only be accomplished through consistent interaction between U.S. and respective host nation forces. FOSs and CSLs are envisioned to facilitate just that sort of relationship by being equally flexible themselves.

To meet varying strategic requirements throughout the world, DOD intentionally defines FOSs and CSLs across a spectrum of possible physical configurations. While the physical characteristics of any given FOS or CSL will vary, all FOSs and CSLs will be similar in that they will support rotational and surge, rather than permanently stationed forces. This means that some facilities at FOSs and CSLs will not be built using the same permanent construction standards found at MOBs. During surge operations, tents could be the most viable solution for some facilities at FOSs and CSLs.

FOSs and CSLs will have permanent construction standards for certain types of facilities. To be effective most FOSs and CSLs must maintain a constant state of readiness to implement surge operations by having what Central Command planners and engineers refer to as the "4 Rs."⁸ The "4 Rs" are a combination of one or all of the following depending on the location of the FOS or CSL. If the FOS or CSL is an airfield it will need adequate runway and ramp space, if it is a sea port facility it will need adequate roll on, roll off capacity.

Both airfield and sea port FOSs and CSLs will need infrastructure to support Reception, Staging, Onward Movement and Integration (RSOI). Runways, ramps, roll on/roll off, and RSOI make up the 4 Rs.

⁸ CENTCOM Master Plan Brief to the Overseas Basing Commission, March 22, 2005.

A global network of FOSs and CSLs with the 4 Rs already established will create the greater operational flexibility to contend with uncertainty that DOD desires.

Depending on requirements, the rotational presence at FOSs and CSLs could be heel to toe or sporadic. This lack of permanently assigned personnel means that FOSs and CSLs will not need the facilities and amenities required for family members. However, FOSs and CSLs will be similar to MOBs in an important procedural respect; a service component, not the Combatant Command, will provide the resources to sustain and recapitalize the facilities at FOSs and CSLs.

Another vital characteristic of many FOSs and CSLs would be training range access. Access to training ranges is essential for U.S. rotational forces needing to train with host nation forces. Frequent participation in joint and coalition exercises will be necessary for DOD to successfully expand allied roles, build new partnerships, and encourage host nation transformation initiatives.

Access to ranges should be based upon the requirements of the services and the Regional Combatant Commanders. Their strategy or vision for training must consider the proximity of the forces to be trained to the training areas; the size of air, land, sea, and undersea areas required to accomplish such training; when and how often the training areas are required; and the necessary characteristics or attributes of a given training area to accomplish the required training.

A way to differentiate between FOSs and CSLs, is by looking at the level of rotational forces assigned. U.S. presence at a given FOS may appear to be constant for extended periods, if not years at a time, because forces may be rotated into the FOS heel to toe. CSLs could go for years with little to no permanent presence and be maintained with periodic service, contractor, or host-nation support.

CSLs will predominantly be used for contingency access and as focal points for security cooperation activities. However, the lack of continuous activity at a given CSL, does not make that CSL any less important than a FOS or a MOB in the overall functioning of IGPBS, nor does it necessarily mean that a CSL will be less facility and range dependent.

DOD needs a global network of well positioned MOBs, FOSs and CSLs, to achieve IGPBS. Only a part of DOD's desired network exists today; remaining pieces must be developed. That development will require an adequate level of investment to acquire, sustain, and recapitalize the necessary facilities and ranges. The assessment that follows will consider if DOD has the processes in place to develop their desired network.

Facility and Training Range Assessment

DOD has made great strides in the last few years with respect to how they manage both their facility and training range programs. Appropriately, the processes used to manage facility programs are markedly different than those used to manage range programs.

Facility processes benefit from a consistent, standardized management approach and range processes benefit from just the opposite approach. In many respects, range management practices are very much in keeping with IGPBS's principal strategic considerations. Overall both processes should adequately support IGPBS, given both an appropriate level of investment and a consistent review of requirements at the joint, combatant command level. While processes are adequate to the task, the services may have to make difficult program trade-offs to pay for strategy implementation.

As overseas CSL and FOS decisions become finalized, requirement reprioritization will be a challenge. It will be extremely critical that top leadership provide full, continued, and vigorous support, so that the overall planning and implementation of large force relocations and worldwide facility and range investments are fully funded, coordinated, and integrated successfully.

The Current State of Military Facilities Overseas: Part I

The first area reviewed was DOD's process to report the "current state" or condition of facilities of the U.S. overseas. The review revealed that this process was effectively broken because it was subjective, did not capture ratings for individual facilities, and the data collected could not be audited. Therefore, the quantitative assessment of the current state of DOD facilities that had been planned for inclusion in the Overseas Basing Commission report was not accomplished because it could not be accomplished.

Discussions with representatives from the Deputy Undersecretary of Defense, (Installations and Environment) (ODUSD (I&E)), revealed that DOD had already identified their condition assessment process as being inadequate and that they had taken steps to correct it.⁹ The Department had even stopped production of the 2004 Installations Readiness Report (IRR)¹⁰ to apply resources to process transformation efforts.

The 2003 IRR was the last "traditional" IRR and the end of "C" ratings for facilities. By 2005 or more likely 2006, DOD will produce a new report with "Q" ratings and "M" ratings for each facility. M is the impact of that facility on the mission being performed

⁹ Meetings held with DUSD (I&E) and OSBC representatives on February 25 and March 8, 2005.

¹⁰ The Installation Readiness Report (IRR) is an annual DOD report of the capability of defense installations and facilities and other elements of DOD infrastructure, both in the U.S. and abroad, to provide appropriate support to forces in the conduct of their wartime missions. Reported each year since Fiscal Year 99, not reported for Fiscal Year 2004 due to data inaccuracies.

at the location where the facility exists. Q ratings will show the condition of individual assets (not collective assets like the IRR), so they can be added together to get a view of the entire portfolio. With the “M” rating, the problem can be subdivided or the “Q” problem could be weighted in terms of mission impact.

The “Q” and “M” ratings will standardize processes across the services. Today, there is little commonality among the service components in the collection methods, terminology, or the meaning of the recorded facility condition data. Condition data currently recorded in the inventories do not support the IRR, or the preparation of required financial statements under the Chief Financial Officers Act. To correct these many deficiencies, DUSD I&E created the quality or “Q-rating” system.¹¹ The first full Q-Rating report is due on October 1, 2005.

In addition to the “Q-rating,” DOD now uses two very important and quantifiable metrics (1) the rate of sustainment relative to maintenance benchmarks, and (2) the rate of recapitalization relative to expected service life. There is a direct correlation between inadequate sustainment and recapitalization rates resulting in a current state of deteriorated and obsolete facilities.

Sadly, inadequate resources have been more the rule than the exception for the better part of DOD’s facility program history and as a result by, “2001, DOD was replacing its buildings at a totally unacceptable average of once every 192 years. Today [2004]...the rate down for the third straight year, though it is still too high — to an average of 107 years.”¹² This 107 year rate contributed to the Commission rating the current state of Department facilities as less than adequate.

Under the Q-rating system, facility quality will be reported in four tiers system that had been the predominant feature of the IRR. The quality rating will depict the capability of an existing facility as measured by a condition index, a major quantifiable element of overall facilities readiness. To underscore the difference between condition-based quality ratings for existing assets and an overall readiness rating, the rating scheme will be Q-1 through Q-4 rather than C-1 through C-4.

Future Basing

In September 2004, DOD submitted its IGPBS to Congress. IGPBS capitalizes on individual service transformation initiatives and leverages qualities inherent in expeditionary forces. It calls for large numbers of forces to leave installations in the European and Pacific regions and be reassigned stateside. According to IGPBS, future

¹¹ Background paper on, Facility Condition Reporting Standards, ODUSD (I&E), May 7, 2004.

¹² Prepared testimony of Secretary of Defense Donald H. Rumsfeld, for the Senate and House Armed Services Committees, February 4, 2004.

U.S. forward presence will consist of a combination of smaller in-place forces and rotational forces deployed from the U.S.

As part of IGPBS, DOD plans to cultivate new relationships by deploying rotational forces to places where the U.S. may not have had much presence in the past. To maintain maximum flexibility, all forces, whether deployed or not, will be considered expeditionary and will ultimately be available to support any Regional Combatant Commander. IGPBS effectively ends the Cold War strategy of dedicating forces regionally. The strategy also levies a requirement for every service to be capable of surging its forces globally, from anywhere and to anywhere.

To promote standardization and objectivity, facility Q-ratings will be calculated in terms of the estimated cost to restore and modernize facilities to full-up Q-1 status, although subsequent analyses or reports could compute costs to lower standards.

The direct correlation between DOD's Q-rating system and recapitalization will help DOD measure its progress towards its goal of attaining an average service life of 67 years for its facilities by 2008.¹³ Adequate levels of both recapitalization and sustainment funding are absolutely essential if the Department is to support IGPBS facility requirements. The Department has successfully developed both a Facilities Sustainment Model (FSM) and a Facilities Recapitalization Metric (FRM). Each can be used today to determine investment levels necessary to attain the Department's desired sustainment rate of 100% and recapitalization rate of 67 years. Congress should closely monitor investment levels in these areas to ensure each is fully funded.

The Current State of Military Training Ranges Overseas: Part II

The second process reviewed was the Department's process to report the "current state" or condition of the training ranges of the U.S. overseas. The review revealed that at the OSD level, this data is not available and probably would never be available based on how ranges are managed. DOD's most authoritative statement on the current state of training ranges came from its February 2004 Report to Congress titled, *Implementation of the Department of Defense Training Range Comprehensive Plan*.

In this report, DOD states, "although the Department has many concerns about range adequacy, in general our range complexes in the U.S. allow military forces to accomplish most of their current training missions. In general, constraints at overseas range

¹³ Office of the Deputy Undersecretary of Defense (Installations and Environment) *2004 Defense Installations Strategic Plan*, September 2004, page 8.

complexes pose more difficult encroachment and training challenges, a finding consistent with a recent GAO audit.”¹⁴

DOD refers to an April 2002 GAO¹⁵ that remains the most authoritative assessment of the state of training ranges of the U.S. overseas according to representatives from the Undersecretary of Defense (Personnel and Readiness) (DUSD (P&R)) who met with Overseas Basing Commission representatives on March 14, 2005. At this meeting, DUSD (P&R) representatives said the most succinct and accurate way to describe overseas training was to identify all of it as being “non-standard.”

The GAO found that training constraints at overseas locations had three primary “adverse effects, including (1) requiring workarounds—or adjustments to the training event—that sometimes breed bad habits that could affect performance in combat; (2) requiring military personnel to be away from home more often; and (3) in some instances preventing training from being accomplished.”¹⁶ The GAO report included detailed breakdowns by Service which showed the types of training that either could or could not be accomplished in a given country. With the exception of Army training in Germany, no other Service could accomplish all their required training in their host country. With workarounds, namely deployments either to the U.S. or to other countries, required training could normally be accomplished.

One of the problem areas pointed out by GAO was that “with the exception of Korea, the regional commands do not have a coordinated strategy for pursuing actions to mitigate training limitations. The norm is for individual services to negotiate solutions for their individual training constraints...local service representatives were the most knowledgeable about their issues and should be the ones to resolve them. However, lack of coordination has at times been unintentionally detrimental to another service.” This situation can be attributed at least in part to the division of responsibilities to train forces as set forth in Title 10.

According to Title 10, it is the services that train forces. This makes it difficult for Combatant Commands to assert influence on how a range is operated or managed, which in turn exacerbates attempts to make training locations more “joint.” Congress should look at Title 10 to see if changes could be made to facilitate a more “joint” process.

14 Office of the Secretary of Defense, Undersecretary of Defense (Personnel and Readiness), *Report to Congress, Implementation of the Department of Defense Training Range Comprehensive Plan*, p. 5, February 2004.

15 United States General Accountability Office, GAO-02-525, *Military Training, Limitations Exist Overseas but Are Not Reflected in Readiness Reporting*, April 2002.

16 United States General Accountability Office, GAO-02-525, *Military Training, Limitations Exist Overseas but Are Not Reflected in Readiness Reporting*, p. 2, April 2002.

The GAO was impressed by the efforts of all the services involved with Korea's Land Partnership Plan since the plan "was designed to consider the needs of all the Services because arrangements made in the past by local commanders sometimes sacrificed broader, more long-term military interests."¹⁷

DUSD (P&R) representatives echoed GAO's sentiments by saying that the most important aspect of maintaining the current state and sustaining the future state of U.S. ranges overseas is by continually planning and studying local issues with all involved stakeholders. Stakeholders involve all of the military services, U.S. and host nation, government officials and federal agency representatives, local citizens, and any other interested group, such as those representing a particular environmental interest. This is exactly where range management practices begin to mirror the principal strategic considerations of IGPBS.

In its September 2004 Report to Congress, DOD states that one of IGPBS's goals "is to reduce friction with host nations, the kind that results from accidents and other problems related to local sensitivities."¹⁸ This is precisely what local range managers do day in and day out. The nature of their work is that their work is never done. It is a continuous, iterative process, where trades-offs and mitigations are a way of life. Add to this, the dynamic of transformed weapon systems and tactics evolving in each service and it becomes clear that range management is completely dependent on ongoing plans and studies. At ranges, the variables are too many and too dynamic; problems cannot be "fixed" by doing any one thing at any one time.

There are no quantifiable metrics such as the DUSD (I&E) Facilities Sustainment Model that can guarantee ranges will be adequately sustained. To address the sustainability of ranges, DOD implemented the Sustainable Ranges Initiative. This initiative includes:

"...policy, organization, leadership, programming, outreach, legislative clarification, and a suite of internal changes to foster range sustainment.... The sustainable ranges outreach effort provides stakeholders with an improved understanding of readiness needs, addresses concerns of state and local governments and surrounding communities, works with non-governmental organizations on areas of

17 United States General Accountability Office, GAO-02-525, *Military Training, Limitations Exist Overseas but Are Not Reflected in Readiness Reporting*, p. 34, April 2002.

18 Department of Defense, *Strengthening U.S. Global Defense Posture*, DOD Report to Congress, p. 9, September 2004.

common interest, and partners with groups outside the Department to reach common goals.”¹⁹

Compare this with an excerpt from the foreword to DOD’s September 2004 IGPBS Report to Congress which reads as follows:

“Changes to our global posture will improve our ability to meet our alliance commitments while making our alliances more affordable and sustainable. The Secretaries of State and Defense will continue to conduct diplomatic discussions with U.S. allies and security partners, and where appropriate will initiate negotiations designed to secure formal agreements with host nations. In all cases, we will seek flexible arrangements, both legal and logistical, to maximize the usability and effectiveness of our forces.”²⁰

The nature of the relationship used by the Department’s range managers today as they work to sustain ranges both in the U.S. and overseas is the same as the relationship the Department desires to cultivate as it implements IGPBS.

DOD recognizes, and the Commission agrees that IGPBS will require it to use host-nation ranges. DUSD (P&R) representatives have visited proposed range sites in Eastern Europe.²¹ They expressed concern with what appears to be a growing false perception, that foreign nations offer unimpeded access to training ranges because of less stringent laws and regulations pertaining to environment, safety and occupational health considerations. Propagation of such falsehoods could have “disastrous” results on U.S. abilities to negotiate required access. If anything, access to foreign ranges comes with additional sustainment challenges compared to access within our own nation.

The Commission urges the Department, and relevant policy-makers, to be mindful not only of environmental, safety, and occupational health considerations as guests in foreign lands, but also of quality of life and cultural considerations that come with operating in them. It is our duty as a good steward of the trust placed in us with such arrangements.

19 Office of the Secretary of Defense, Undersecretary of Defense (Personnel and Readiness), Report to Congress, Implementation of the Department of Defense Training Range Comprehensive Plan, p. 8, February 2004.

20 Department of Defense, *Strengthening U.S. Global Defense Posture*, DOD Report to Congress, Foreword, September 2004.

21 During their visit to Eastern Europe, DUSD (P&R) representatives witnessed first hand how sustainability has been successfully embedded at the lowest levels of range management in every service. They saw the work being done at the lowest levels to ensure all aspects of DOD range sustainment policies were being achieved.

The Adequacy of Current Military Basing and Training Range Structure to Support the Future Basing Posture

If the current military basing and training range structure of the U.S. overseas is viewed narrowly as the facilities and training ranges themselves as they exist today, then DOD cannot adequately support IGPBS. However, the Commission has concluded that this view is too narrow. The far more relevant question is do the resources and processes available to acquire, sustain, and recapitalize the facilities and ranges required to support IGPBS exist today? The processes do, however resource availability remains uncertain because all IGPBS requirements are not known. Another uncertainty is the consistency of joint Service and Combatant Command coordination and prioritization of IGPBS requirements.

IGPBS is an iterative strategy designed to confront unknown factors. If everything were known, then there would be little point in pursuing IGPBS; instead, basing decisions would be determined by known threats as they were during the Cold War. Waiting for all requirements and variables to be known would result in complete inaction, therefore where decisions have been made, plans can and should proceed. However, an adequate level of resources and capabilities to support each IGPBS basing decision should be available before definitive actions are taken. This is the only prudent way to proceed given that IGPBS is a joint global strategy.

Department facility and range processes are ready to accept the challenges of IGPBS; in fact each benefit should be realized by strategy implementation. DUSD (I&E) expects to improve their recapitalization metric rate due to the fact that installations will close as a result of the Future Basing Posture.

Based on past experience with earlier BRAC processes, DUSD (I&E) is confident that IGPBS, similar to BRAC, should, by closing installations and removing facilities from DOD's inventory, help lower the recapitalization rate. While facilities that might have been rated Q-1 will be closed alongside those that might have been rated Q-4, on aggregate, DOD expects both IGPBS and BRAC will boost their efforts to achieve their goal of a 67 year recapitalization rate.²²

DOD should reap many benefits from the planning and negotiating processes that will be the hallmark of IGPBS. IGPBS and the Sustainable Ranges Initiative planning requirements are virtually identical. The increased joint and coalition planning that must occur as IGPBS is implemented should yield more coordinated and better synchronized decisions on training requirements and range utilization.

To prepare for IGPBS, regional level plans are already being executed in both the Pacific and European AORs.

²² Meetings held with DUSD (I&E) and OSBC representatives on February 25, 2004.

A substantial amount of new construction and planning required to support IGPBS is either already complete or funded for completion at MOBs in the European and Pacific AORs. Korea's Land Partnership Plan (LPP), lauded by the GAO in their 2002 report for its comprehensive joint approach, is now funded and ready to implement in Korea. The plan will consolidate forces in South Korea, yet the Rodriguez Range, just south of the border with North Korea will be retained for training.

In the European AOR, Efficient Basing Grafenwoehr (EBG) is even further along than LPP as many of the new facilities needed to implement the plan have already been constructed. EBG consolidates the majority of Army forces slated to remain in Germany under IGPBS at or near the Grafenwoehr and Hohenfels training ranges. The GAO found in 2002 that "all or a vast majority of [Army] training needs can be satisfied"²³ at these ranges. It is wise to consolidate forces where they have ready access to adequate training ranges. This will minimize deployments from home station required for training.

Continued Army investment at these ranges and the adequacy of the training conducted there was verified by Headquarters, Department of the Army G-3 representatives during discussions with Overseas Basing Commission representatives.²⁴

SUMMARY

The Commission concludes that the current state of DOD's facility and range processes to satisfy the requirements of the Future Basing Posture is excellent. Both LPP and EBG are good examples of the kind of regional level joint planning that should be the hallmark of IGPBS. The Commission urges the Department to encourage joint planning such as this at every level possible.

The Commission further recommends that Combatant Command plans for IGPBS be incorporated into DOD's regularly scheduled planning framework as soon as possible if DOD expects to effectively allocate resources to the facility and range processes needed to support the plans. This will be a challenge, and it will be extremely critical that top leadership provide full, continued, and vigorous support so that the overall planning and implementation of large force relocations and worldwide facility and range investments are fully funded, coordinated, and integrated successfully.

Additionally, the Commission recommends Congress look at Title 10 to see if changes could be made to facilitate a more "joint" process, particularly in respect to training

²³ United States General Accountability Office, GAO-02-525, Military Training, Limitations Exist Overseas but Are Not Reflected in Readiness Reporting, p. 20, April 2002.

²⁴ Meetings held with HQ DAG-3 training and range representatives on February 25, 2004. Follow up telephone conversations in early March were used to further verify the adequacy of the Hohenfels, Grafenwoehr, Rodriguez, and Udairi ranges.

ranges. Joint and allied training will be key to IGPBS success and Title 10, as currently written may hinder DOD from realizing the full joint potential of its training ranges.

Finally, the Commission recommends Congress pay close attention to DOD facility investment levels so that progress towards achieving DOD goals of a sustainment rate of 100% and recapitalization rate of 67 years can be measured. DOD has successfully developed both a Facilities Sustainment Model (FSM) and a Facilities Recapitalization Metric (FRM) that can be used today to determine investment levels necessary to attain Department goals. As IGPBS is implemented, Congress should closely monitor investment levels in these areas to ensure each remains fully funded.

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Appendix P

Recruitment and Retention

INTRODUCTION

With the Integrated Global Presence and Basing Strategy (IGPBS), DOD expects to meet the operational requirements of a global defense posture and simultaneously reduce stress on military forces and their families.

All the services will experience change as IGPBS is implemented, however the Army will undergo a truly sweeping transformation as it is just beginning to transform the majority of its force into expeditionary units. The other services were either already expeditionary, as is the case with the Navy and Marine Corps, or had already transformed their forces into expeditionary units, as the Air Force did with its Air and Space Expeditionary Force (AEF) construct.

DOD must manage IGPBS implementation to ensure the Army, in particular, adequately synchronizes its transformation requirements within the context of its commitments to the Global War on Terrorism. Poor synchronization may adversely impact DOD recruiting and retention programs, as a force already stressed by Global War on Terrorism requirements is again stressed with an unsynchronized transformation plan. To function as envisioned, IGPBS needs an ever-ready expeditionary force; DOD must ensure that force will be there when needed.

Even if the Global War on Terrorism was not underway, the magnitude of the transformation associated with IGPBS is in itself enormous. A reasonable estimate of the potential impacts expected to occur during IGPBS implementation and into steady state IGPBS operations should be identified now.

General Myers, Chairman of the Joint Chiefs of Staff, gave compelling testimony about how carefully DOD must look at recruiting and retention when he said the following before the Senate Armed Services Committee on September 24, 2004:

“I think we all appreciate that we’re going to be in Iraq for a long period of time in significant numbers...The impact of this anecdotally is very serious on retention and recruiting...What we’ve got to do is look out beyond what we know and try to predict what our retention is going to be. This would be a very serious matter if we wind up in a year or two and we don’t have the kind of force we need, particularly in our Reserve Component, because they’re not built overnight, and they’re so

essential, I think, to the way we do our military business in this country and connect it to our citizenry.”

DOD Recruiting and Retention Programs

Recruiting is the flow of manpower that energizes and feeds the force; retention sustains the quality and grade experience mix within the force. End strengths that are established by each service and approved by the U.S. Congress, act to guide service recruiting and retention goals. While the Navy and Air Force are actively drawing down their forces, the Army is increasing end strength by 30,000 soldiers. This puts additional pressure on the Army, already faced with the preponderance of the Global War on Terrorism commitments and a simultaneous imperative to transform its force.

DOD is fortunate that its more than three-decade dedication to the all volunteer force has produced robust and flexible recruiting and retention programs. To manage these programs, DOD continuously collects and analyzes a substantial amount of data pertaining to recruiting and retention. Data are collected both from within and outside of the force. DOD uses these data to operate the most effective program it has to determine the relative health of its recruiting and retention programs — the leading indicator program. While leading indicators are not truly predictive, they have normally allowed DOD enough lead time to reverse negative trends in recruiting and retention programs before those trends became unmanageable.

Leading Indicators

Each leading indicator highlights a different aspect of the recruiting and retention picture. Some are used for both recruiting and retention programs; others for one or the other. Some have a stronger, more direct relationship to the outcome of recruiting and retention programs; others are more suggestive of an outcome and are therefore considered moderate indicators. Some are within the span of DOD’s control, others are not.

A list of DOD’s leading indicators is presented below. When looking at the list, note the significant role that the following three indicators play in both recruiting and retention programs: (1) military/civilian pay gap, (2) unemployment, and (3) economic indicators. Note that DOD relies on leading indicators that are outside of its span of control—unemployment is a good example of this. Other indicators are within DOD’s span of control because they are specific to military duty. An example is the Proxy-PERSTEMPO (Personnel Tempo) indicator, discussed later, that tracks both hostile and non-hostile unaccompanied deployments.

IGPBS deployments, both hostile and non-hostile, will alter present day expectations for deployment tempo and duration. Thus, it is clear that IGPBS will impact Proxy-PERSTEMPO. Altered expectations will also impact the propensity to enlist and retention intentions, as discussed below.

DOD can control all three of these leading indicators. Working with the U.S. Congress, DOD can continue to implement policy changes and award monetary incentives across a broad spectrum of programs to make military lifestyles more attractive and rewarding. This appendix will give certain examples of supportive policy changes contemplated by the Commission as helpful in this regard. DOD could also initiate a strategic communication plan to explain why IGPBS is so important to national security and how military lifestyles will be impacted as a result.

Table P-1: DOD Recruiting and Retention Leading Indicator Chart

Recruiting Leading Indicators	Relationship to Outcome
Contract Forecasts	Strong
Military/Civilian pay gap	Strong
Unemployment	Strong
Delayed Entry Program	Strong
Economic indicators	Moderate
Propensity to enlist	Moderate
Retention Leading Indicators	Relationship to Outcome
Experience profile	Strong
Military/Civilian pay gap	Strong
Proxy-PERSTEMPO	Strong
Unemployment	Moderate
Economic indicators	Moderate
Retention intentions	Moderate

Each leading indicator shown in Table P-1 is described briefly here. For recruiting purposes, DOD uses the following: (1) contract forecasts, a model that generates a probability distribution for the most desired enlistment candidates (high school graduates with top scores on the enlistment test); (2) the delayed entry program, an outlook of recruits in the pipeline but not yet in training; (3) military-civilian pay, a measure of the gap between military and civilian pay in recognition of which DOD has already closed the gap for officers, and will fully close the enlisted gap by 2006; (4) unemployment rates based on the official U.S. Government unemployment statistic; (5) economic indicators, a group of statistics issued by the Conference Board; and (6) the propensity to enlist, a measure of interest in military service provided to the DOD by the Joint Advertising, Market Research and Studies (JAMRS) Program.

The retention program uses three of the same leading indicators as the recruiting program; namely, military-civilian pay, unemployment, and economic indicators. To those, DOD adds the following: (1) experience profile; (2) a time to promotion metric, focused on mid-level enlisted ranks; (3) Proxy-PERSTEMPO, a Defense Manpower Data Center (DMDC) product that measures service member unaccompanied time away from home station; and, (4) retention intentions, an annual DMDC survey of service members and spouses which asks them if they plan to stay in or leave the military.

Examining Where IGPBS Is Expected to Impact the Leading Indicators

Of the leading indicators for retention and recruitment discussed above, the Commission has determined that Proxy-PERSTEMPO, retention intentions and the propensity to enlist are the three leading indicators that are expected to be most impacted by IGPBS. All three will be examined below to see how they could be used to quantify IGPBS impacts.

Proxy-PERSTEMPO

Proxy-PERSTEMPO measures deployment time and IGPBS is deployment dependent. Proxy-PERSTEMPO tracks unaccompanied time away from home station. Time away from home station is the hallmark of the truly expeditionary force envisioned to support IGPBS. Ideally, Proxy-PERSTEMPO should yield historical data that shows how much deployment time has proven to be too much in the past.

However, the Proxy-PERSTEMPO program has some problems. Proxy-PERSTEMPO is actually a follow-on program to an original program called, PERSTEMPO.

Congress levied the requirement for a PERSTEMPO program on DOD in the late 1990's to give monetary incentives to service members who deployed. The original program sought to reward members who deployed for more than 139 days with an incentive of \$100 for every day deployed. Believing that this would be too expensive, the services countered with an offer of \$200 per month. Congress agreed. Almost as soon as the program began, it was stopped.

Nonetheless, DOD recognized the importance of tracking deployment time. DOD devised Proxy-PERSTEMPO as a way to "approximate" the data that would have been collected by PERSTEMPO and launched the Proxy-PERSTEMPO in 2004.

The Defense Manpower Data Center devised and runs the Proxy-PERSTEMPO program for DOD. Proxy-PERSTEMPO works by looking at a unit that has ten or more members. If 30% of the unit members are married or single with dependents and 60% or more of these receive family separation allowance or imminent danger pay then the entire unit is considered deployed. Unfortunately, while the DOD is collecting Proxy-PERSTEMPO data, the data are not as precise as they would have been under PERSTEMPO, which

focused on the individual. Also, the program has yet to reach the maturity level required to yield a reliable body of historical data.

While the Proxy-PERSTEMPO program is a good one, program execution is flawed. IGPBS will be deployment dependent and the Global War on Terrorism is already deployment dependent. The Commission feels strongly that now is the ideal time for DOD and Congress to readdress the PERSTEMPO program. A compromise might be to reinstitute the original PERSTEMPO program without monetary incentives attached; at least accurate data could be collected.

Retention Intentions

To make up for Proxy-PERSTEMPO program shortfalls, the retention intentions leading indicator program collects deployment data by including deployment questions in their Status of Forces Surveys. These surveys are conducted by the Defense Manpower Data Center's Human Resources Strategic Assessment Program (HRSAP). The primary mission of the HRSAP is to provide the DOD with the capability to quickly and accurately assess the attitudes and opinions of the entire DOD community, active, reserve, and civilians; on the full range of personnel issues.

This information is used to formulate, monitor, and refine policies and programs affecting the morale, health, pay, benefits, and readiness of DOD personnel and their families. DOD could design some survey questions to yield data about how IGPBS might impact retention.

In the August 2004 Status of Forces Survey of Active-Duty Members¹, DOD posed the following question:

“What impact has time away (or lack thereof) from your permanent duty station in the past 12 months had on your military career intentions?”

In the Commission's view, questions, such as this, could be modified to be more IGPBS specific. Survey results could help DOD predict whether or not Service members would choose to stay in or leave the IGPBS military.

DOD issues surveys to both active and reserve component forces at least annually. The surveys are not identical. A separate survey goes to each component, so concerns unique to each, are fully addressed. An example of reserve component tailoring can be seen in the following question from the May 2004 Status of Forces Survey of Reserve

¹ Defense Manpower Data Center, August 2004 Status of Forces Survey of Active Duty Members, May 2004.

Component Members,² “To what extent is each of the following aspects of activation/deployment a reason for you to leave the National Guard/Reserve?”

Possible responses included:

“too few activations/deployments;”

“too many activations/deployments;”

“activation/deployment too long;”

“activation/deployment too short;”

“income loss;”

“family burdens;” or

“conflict with civilian job.”

The retention intention leading indicator yields an enormous amount of data that DOD currently uses to manage its retention program. With question tailoring an option for each new survey, questions specifically targeted to IGPBS could be easily folded into upcoming surveys. The May 2004 active component survey had a separate section entitled, “Global War on Terrorism.” The Commission asks why not include an IGPBS section in the 2005 survey?

Propensity to Enlist

While the retention intention leading indicator uses Status of Forces surveys to collect data, the propensity to enlist uses the annual Youth Poll to collect data on potential recruits. The Joint Advertising Market Research and Studies (JAMRS) program executes the Youth Poll and reports results to DOD. JAMRS could tailor its Youth Polls to ask questions that might reflect the desirability or lack thereof of the lifestyle expected in an IGPBS military. New questions would be a departure from the norm since Youth Poll questions have remained unchanged since the first Youth Attitude Tracking Study was conducted in 1975.

The most recent 2005 Youth Poll³ shows that the unaided propensity to enlist tracks level is at 4%. Polls also show that youths are more concerned about being “in contact with family and friends” than they are with having “an opportunity to travel and experience adventure.” The JAMRS wrote a short paper for the Overseas Basing Commission on the subject of Basing Strategies and Youth Propensity. The paper shows the sophisticated level of analytic ability available to DOD right now.

² Defense Manpower Data Center, May 2004 Status of Forces Survey of Reserve Component Members, May 2004.

³ Joint Advertising, Market Research and Studies program, Basing Strategies and Youth Propensity: Insights from DOD Youth Polls, January 2005.

The JAMRS paper included an observation which indicates that a strategic communication program could go a long way towards helping DOD recruit the force it needs. The observation was:

“Another underlying influence of attitudes is knowledge about the military. In the May 2004 Youth Poll, youth reported they lack a great deal of knowledge about the military. Because youth who are more knowledgeable about the military are more propensed, it is important to inform youth about the benefits of the military.”⁴

Is DOD Leveraging These Programs to Study IGPBS Impacts?

The Commission has concluded that the DOD is not leveraging its leading indicator program to study IGPBS because DOD is focused on solving present day recruiting and retention problems. These problems, characterized by an inability for some services to meet recruiting and retention goals, have been brought on by the Global War on Terrorism.

The War’s heavy deployment demands, in both tempo and duration, have stressed both the active and reserve component. The active component had, until the beginning of calendar year 2005, been able to effectively manage its programs and keep numbers on target. DOD in general has an excellent track record of interpreting its recruiting and retention data and using that information to initiate precise programs designed to achieve clearly defined and measurable results.

An example of this type of clearly defined program is a monetary incentive introduced on December 22, 2004 to retain the Special Operations Forces needed to prosecute the Global War on Terrorism. It is entitled, “Incentives to Increase Retention of Special Operations Forces (SOF).” It applies to a select group of SOF specialties in each service.

In fact, the need for these forces is so great that an exception is granted to the existing DOD policy which provided that a member could not receive more than \$200,000 over a career in combined Critical Skills Retention Bonus (CSRB) and retention/continuation bonuses. The services will be required to compare “quarterly skill inventories against requirements through 2008, to ensure any recommended adjustments in compensation can be evaluated and implemented in a timely manner.” This shows the level of detail and management DOD applies to a problem when its leading indicators reveal that things are not on target.

⁴ Joint Advertising, Market Research and Studies program, Basing Strategies and Youth Propensity: Insights from DOD Youth Polls, January 2005.

The stresses to the reserve component have proven more difficult to manage and recruiting numbers have fallen below established goals for at least two years now. The Army Guard achieved 87% of its recruiting goal in 2003 and 88% in 2004. It missed retention by 2% in both 2001 and 2002, and by less than 1% in both 2003 and 2004. To address these trends, three separate but related initiatives were funded in the FY05 budget.

First, the FY05 budget calls for the Army Guard to increase its recruiting force by 1,400 recruiters. Next, the budget increased the monetary incentive to \$15,000 for Army members who separate from active duty and join the Army Guard. They targeted this group in particular because historical data showed that about 9,000 soldiers leave the active duty each year and join the National Guard. When the 9,000 soldier target was missed, they instituted a program specifically designed to get this number back where they wanted it.

Secondly, DOD also launched a strategic communication program to better explain the benefits available to Army National Guard members and their families. Time will tell if these initiatives will get Army National Guard recruiting and retention back on track. Finally, while the thrust of DOD's recruiting and retention efforts is focused on managing its leading indicator program and initiating programs to reverse undesired trends, DOD is working some longer term recruiting and retention efforts as well. DOD is either the subject of or has commissioned several recruiting and retention reports with ties to IGPBS related issues. Some of these reports are described in the section that follows.

Recruiting and Retention Reports

A Government Accountability Office (GAO) report that covers both recruiting and retention, was begun on January 25, 2005. The due date has yet to be determined, although the report may be issued in the fall of 2005. The report was initiated by the GAO's Comptroller General and it focuses on how present day operations are impacting recruiting and retention. The report will specifically focus on the following: (1) to what extent has DOD established strategic recruiting and retention goals for active component and reserve component to support military operations, (2) to what extent is DOD currently utilizing its full array of human capital tools and preparing for possible recruiting and retention shortfalls, (3) to what extent have current recruiting and retention data been affected by DOD's reliance on programs such as stop loss, and (4) to what extent are current operations affecting members' decisions to join or remain in the military.

This GAO report should prove very useful in describing today's DOD recruiting and retention climate. This could help DOD better assess how adding IGPBS to the mix might further impact recruiting and retention. If IGPBS and the Army transformation efforts to increase military career stability, predictability, and stateside basing are viewed

by service members as positively as DOD thinks they should be, present day negative retention trends could be reversed.

A Center for Naval Analysis study entitled, “Attrition Implications of Mobilization,” was completed in March 2005. The study looks at the mobilized population for the past three years and examines their attrition behavior. Results from this will help DOD understand retention concerns in the reserve component when that component is mobilized for extended periods of time.

Another study, completed in February 2005, was accomplished by the Logistics Management Institute and assessed which non-monetary incentives are most influential when it comes time for service members and their families to decide whether or not to reenlist in the military. The study may validate that stability and predictability in deployments and more opportunities for stateside basing are as important to service members as DOD had predicted they would be. Conclusions remain to be drawn.

Another report by the RAND Corporation has very close ties to IGPBS because it seeks to determine how to improve retention metrics and goals in the context of military transformation. It also looks at how to develop a capability to support the setting of retention goals. This report could contain some very useful data for measuring the impacts of the IGPBS on retention.

In the Commission’s view, each study referenced above contains important and useful background information for the DOD in terms of forward planning for its recruitment and retention needs.

Expectation Management

In addition to commissioning the reports described above and continuing the day to day management of the leading indicator program, DOD launched, “Expectation Management — Reserve Component (RC) Military Service” in January 2005. This program was initiated to address recent RC recruiting and retention shortfalls. Each service has been asked to brief its Expectation Management program implementation to the Under Secretary of Defense for Personnel and Readiness as soon as possible.

The stated requirement of Expectation Management is to “Ensure that all individuals—both in the military today, and entering the military in the future — are made aware of their total Military Service Obligation (MSO), other contractual obligations, duty requirements and opportunities as Active and Reserve members.” Please note that “opportunities” are described as being voluntary service opportunities to perform such duties beyond minimum training requirements, and not as benefits and programs for RC members and their families.

In the Commission's view, the Expectation Management program focuses on existing statutes and laws under which the RC can be used for duty. IGPBS, while not mentioned by name, is referenced in the Expectation Management Program by way of a "General Planning Construct." The construct says that "RC members should involuntarily serve on active duty no more than one year out of six." This, in turn, is consistent with the 2004 Army Transformation Roadmap.

The Commission believes that the Expectation Management Program is a step in the right direction. It will be beneficial to clarify duty requirements for the RC. However the program also represents a missed opportunity. The Commission feels that the program is too narrowly focused. It may not be well received by a force that has already seen far more deployed duty than any of them ever imagined they might see. To reverse negative trends in recruiting and retention, the program needs to be more comprehensive and forward looking. It may have the opposite effect if it comes across as DOD telling the RC that the mobilization and deployment tempo they are experiencing today is exactly what should have been expected given the legal statutes in place today.

Therefore, the Commission recommends that the Expectation Management program goals be combined with goals from the Army National Guard's strategic communication program to create a more comprehensive and effective program. In fact, a combined Expectation Management program could be the genesis for an all encompassing IGPBS strategic communication program adding to the program's overall comprehensiveness and effectiveness.

Army Transformation and IGPBS Implementation

The Army's "2004 Army Transformation Roadmap" (ATR) is the Army's plan to build its modular expeditionary force. In the Executive Summary to the 2004 Roadmap, the Army highlights the role balance plays when faced with the requirement to transform their force and prosecute a war simultaneously:

"Since publication of the 2003 ATR, the Army has undertaken a significant shift in emphasis of its near- and mid-term focus based on the 2004 Strategic Planning Guidance and operational necessity. Prior to the events of September 11, 2001, the Army assumed greater risk in the Current Force as it built to the Future Force. Over the past two years, the Army shifted resources to reduce operational risk of the Current Force. The 2004 ATR and the Army Campaign Plan attempt to balance the resource commitments to sustained war fighting and transforming to meet future challenges.

IGPBS calls for the three Army Divisions, currently based overseas, to return stateside. Permanent Army presence forward will be maintained by in-place Stryker Brigade Combat Teams, in both the European and

Pacific theaters. The preponderance of Army forces will have their permanent bases in the U.S. and U.S. territories.”⁵

These U.S. based forces will be transformed in accordance with the 2004 ATR into readily deployable units of employment or unit of action design. Following transformation, Army force structure will be characterized by 18 units of employment (the Army’s primary tactical and operational war-fighting modularized headquarters, known as UEx) and 77 to 82 Brigade Combat Teams (BCT) divided among the active and reserve components. The active component UExs and BCTs could deploy as frequently as once every three years; the reserve component UExs and BCTs, once every six years.

These stable deployment cycles are designed to allow the Army to surge a predetermined amount of force capability should the Army be required to do so. There is every chance that units would not deploy this frequently unless a surge is required. However, routine training deployments required to maintain an IGPBS style rotational forward presence overseas may require deployments in line with the one in three, and one in six year cycle. This will be the new steady state for the Army and, according to the 2004 ATR, Army transformation will happen over the next 6 years. The transition to steady state IGPBS could be expected to occur after Army transformation is complete and all forces have moved to their new permanent basing locations.

The foreword to the 2004 ATR, contains the following guarantee from the Chief of Staff and Secretary of the Army:

“Soldiers remain the center of our transformation focus. As we improve our capabilities, we also remain dedicated to the well-being of our Soldiers, their families and the Army’s civilian workforce.”⁶

The Commission has concluded that this kind of up front commitment to every Army soldier and civilian is necessary when working a plan of the magnitude of the 2004 ATR and integrating it with IGPBS.

Further, the 2004 ATR is a well thought out, balanced and coordinated transformation plan. With strong leadership behind it, and a firm dedication to soldiers and civilians up front, impacts on recruiting and retention should be manageable.

⁵ Office of the Deputy Chief of Staff, U.S. Army Operations, Army Transformation Office, 2004 Army Transformation Roadmap, August 2004.

⁶ Office of the Deputy Chief of Staff, U.S. Army Operations, Army Transformation Office, 2004 Army Transformation Roadmap, August 2004.

Nevertheless, the Army could begin to manage impacts now by making sure new recruits are made aware of IGPBS-style career expectations. An active component soldier could spend seven years of a twenty year career away from home and family. Other separations for education and routine training courses could increase time away. A reserve component soldier, during the same twenty year period, could spend three to four years on active duty deployed status; a departure from the two weeks a year and one weekend a month expectation that used to exist for the reserve component.

For today's reserve component, IGPBS-style career expectations may represent a more manageable deployment tempo than they face now. Reserve component retention could increase when soldiers recognize that Army transformation and IGPBS will make their deployment schedules more predictable and less frequent. Combine this with 2004 ATR rebalancing efforts which take reserve component forces out of the mix of forces required to deploy in the first 30 days and deployment predictability is further enhanced.

A study which uses actual military deployment data to draw some conclusions about how deployments impact retention was completed by the RAND Corporation.⁷ The study titled, "Deployment, Retention, and Compensation," was presented before the House Armed Services Committee, Subcommittee on the Total Force in March 2004. RAND used hostile and non-hostile deployment data from 1993 to 1999 to show that retention decreased for service members participating in three or more deployments within a three year period. An increase in retention was noted for service members with less than three deployments during the same period. Overall, RAND found deployments typically did not decrease retention and in many cases increased it.

The impact of deployments on retention can be gauged to some degree by studying HRSAP Status of Forces surveys. 2003 active duty surveys showed that 55% of service members with more time away from home station than expected reported a decreased desire to stay in the military; in 2002 the number had been 44%. A percentage opinion that remained the same for both 2002 and 2003 was that 76% of service members, who were away the amount of time they expected, reported that the time away had neither a positive nor a negative impact on their decision to remain in the military. This suggests the positive role that a true Expectation Management program could play in the recruiting and retention equation.

In the May 2004 reserve component survey, data showed that long deployments were the number one reason service members considered leaving the reserve component. About 85% of survey respondents said that too many and too long deployments had a moderate to a very great impact on their desire to stay in the reserve component. The most compelling reason for wanting to exit the reserve component was based on long deployments that placed too many burdens on the reservists' families. The second, and

⁷ RAND Corporation Testimony, Deployment, Retention, and Compensation, March 2004.

related reason, was that military spouses felt negatively about their husband/wife participating in the reserves due to the numerous deployments and, consequently, the disruption to family life.

Enhanced DOD programs, designed to support families of deployed reserve component members might do a lot to keep reserve component retention on track.

In his testimony before the Overseas Basing Commission on September 2, 2004, Michael O’Hanlon of The Brookings Institute expressed his concerns with the IGPBS rotational concept.⁸ “Deploying to war is one thing,” he said, “but deploying for a year to train may have negative impacts on job satisfaction.” The IGPBS deployments are different from the deployments most military members are used to doing today. To date, data have not been compiled to gauge service members’ views on IGPBS style extended training deployments with allies. Surveys could be used to help gather some data on this.

IGPBS Recruiting and Retention Concerns

Based on the Commission’s research and discussions with contributors to the report, it appears that about 40% of the Army’s modularized force needed to support IGPBS will reside in the reserve component. Reserve component recruiting and retention is already stressed to the point where the Army National Guard has missed goals for two years in a row. The Global War on Terrorism is stressing every service and each component while taking the heaviest toll on the Army. The active duty Army missed its recruiting goals in February - May 2005. While DOD is focused on near term recruiting and retention problems, the Commission is concerned that DOD is not doing enough now to recruit and retain the force needed for IGPBS.

Summary

Data does not exist to definitively determine whether IGPBS will have a positive or a negative impact on recruiting and retention. The brief examination presented in this appendix shows that IGPBS has yet to be comprehensively addressed across DOD recruiting and retention programs. There are many existing programs that DOD could use to collect data and make reasonable assumptions about how IGPBS might impact recruiting and retention. With DOD currently applying its full energies to recruiting and retaining the force required to prosecute the Global War on Terrorism, it does not have the time to leverage its vast recruiting and retention resources to prepare for IGPBS.

⁸ Commission on the Review of Overseas Military Structure of the United States, Public Hearing Testimony of Mr. Michael E. O’Hanlon of the Brookings Institute, September 2, 2004.

DOD needs to take the time now to become better informed on how IGPBS might impact recruiting and retention through the implementation and steady state phases of IGPBS. If this is not done quickly, there is a risk that DOD will not have the force required to implement IGPBS as envisioned.

**APPENDIX
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Glossary of Terms

MAIN OPERATING BASE (MOB)

This is a permanent base with a robust infrastructure and is usually single service, but may also be joint service. It has established command and control and supports training and security cooperation. These bases provide enduring family support facilities. Examples include: Ramstein Air Base in Germany, Kadena Air Base in Okinawa, Japan, and Camp Humphreys in Korea. MOB attributes include:

- Strategically enduring asset with robust infrastructure and family support facilities;
- Established in friendly territory with permanently stationed combat forces;
- Provides sustained command and control, administration and logistical support in designated areas;
- Provides strategic access; and
- Serves as an anchor for throughput, training, engagement and U.S. commitment.

FORWARD OPERATING SITE (FOS)

This type of base is characterized as a scalable, “warm” facility that can support sustained operations, but with only a small permanent presence of DOD support or contractor personnel. A forward operating site will typically host occasional rotational forces and many contain pre-positioned equipment. Examples include the Sembawang port facility in Singapore and Soto Cano Air Base in Honduras. FOS attributes include:

- Expandable host-nation “warm-site” with limited U.S. presence;
- Scalable and may be used for an extended time period;
- Able to host rotational forces and be a focus for bilateral and regional training;
- May contain propositioned equipment and
- Backup support by a MOB may be required.

COOPERATIVE SECURITY LOCATION (CSL)

In general, these are a host nation facility with little or no permanent U.S. personnel presence. They may contain pre-positioned equipment and/or provide for logistical arrangements. The cooperative security locations serve both security cooperation activities and contingency access. A current example is in Dakar, Senegal, where the Air Force has negotiated contingency landing, logistics, and fuel contracting arrangements, and which served as a staging area for the 2003 peace support operation in Liberia. CSL attributes include:

- Host-nation facility with little or no U.S. presence;
- Expeditionary asset similar to a FOS but with limited in-place infrastructure;
- Requires periodic service, contractor, and/or host-nation support;
- A focal point for security cooperation activities, located for tactical operations;
- Rapidly scalable to a forward operating site; and
- May contain prepositioned equipment.

PREPOSITIONING SITE (PS)

These are locations of prepositioned equipment and supplies (other than operational materiel of forward deployed units) positioned to directly enhance availability to Combatant Commanders to execute operations. Preposition site attributes typically:

- Contain propositioned war reserve materiel (combat, combat support, and combat service support), usually maintained by contractor support;
- Tailored to enable rotational and expeditionary forces (land- or sea-based);
- Often collocated with a main operating base or forward operating site.

SEABASING

A future capability evolving from amphibious operations comprised of a “system of systems” enabling personnel, materiel, fires, and command and control to come together rapidly, integrate and be projected as a flexible force capable of undertaking a broad spectrum of over-the-shore operations. Such operations could range from humanitarian relief, operations other than war, and conflict prevention to brigade-sized or larger combat operations.

List of Acronyms

AB	Air Base
ABN	Airborne
AC	Active Component
ACOS	Assistant Chief of Staff
AD	Active Duty
AEF	Air and Space Expeditionary Force
AEG	Air Expeditionary Group
AEW	Air Expeditionary Wing
AFB	Air Force Base
ANG	Air National Guard
ARF	Army Regional Flotilla
ARNG	Army National Guard
AOR	Area of Responsibility
ASD	Assistant Secretary of Defense
ATR	Army Transformation Roadmap
BCT	Brigade Combat Team
BRAC	Base Realignment and Closure (Commission, process and authority established by the Defense Base Closure and Realignment Act of 1990, as amended, by which the Secretary of Defense may close or realign military installations inside the U.S.)
BSR	Base Structure Report
CENTCOM	Central Command
CG	Commanding General
CJCS	Chairman, Joint Chiefs of Staff
CJTF	Combined Joint Task Force
CNA	Center for Naval Analysis
COCOM	Combatant Commander
CONUS	Continental United States
CSG	Carrier Strike Group

CSL	Cooperative Security Location (sometimes called, erroneously, “Contingency Support Location”)
CSRB	Critical Skills Retention Bonus
CV	Aircraft Carrier (Conventional Power)
CVN	Aircraft Carrier (Nuclear Power)
DASD	Deputy Assistant Secretary of Defense
DDESS	Domestic Dependent Elementary and Secondary School (DOD school stateside and in U.S. territory)
DPG	Defense Planning Guidance
DOD	Department of Defense (also abbreviated “DoD”)
DODDS	Department of Defense Dependent School (DOD school overseas)
DODEA	Department of Defense Education Activity
DOS	Department of State (also abbreviated “DoS”)
DMDC	Defense Manpower Data Center
DMZ	De-Militarized Zone
DSB	Defense Science Board
DEPSECDEF	Deputy Secretary of Defense
DUSD	Deputy Under Secretary of Defense
EAL	East Asian Landmass
EOD	Education Opportunity Directorate (within OSD (P&R))
ESGR	Employer Support and Guard and Reserve
EUCOM	European Command
FOS	Forward Operating Site
FSS	Fast Speed Ships
FY	Fiscal Year (Starts 1 October /Ends 30 September)
GAO	Government Accountability Office (formerly known as “General Accounting Office”)
GMFP	Global Military Force Posture
GNFPP	Global Naval Force Presence Posture
GWOT	Global War on Terrorism

HAC	House Appropriations Committee
HASC	House Armed Services Committee
HRSAP	Human Resources Strategic Assessment Program
HSV	High Speed Vessel
IGPBS	Integrated Global Presence and Basing Strategy
IMET	International Military Education and Training
ISR	Intelligence, Surveillance, Reconnaissance
JAMRS	Joint Advertising, Market Research and Studies (Program)
JCS	Joint Chiefs of Staff
JFCOM	Joint Forces Command
JS	Joint Staff
JTF	Joint Task Force
LMSR	Large , Medium Speed Roll On/Roll Off Ship
MCAS	Marine Corps Air Station
MCB	Marine Corps Base
MCO	Major Combat Operation
MILCON	Military Construction
MEB	Marine Expeditionary Brigade
MOB	Main Operating Base
MPF	Maritime Preposition Force
MPS	Marine Prepositioning Ship
MSO	Military Service Obligation
MWR	Morale, Welfare and Recreation
NB	Naval Base
NAF	Naval Air Facility
NAP	Not Authorized for Prepositioning
NAS	Naval Air Station
NATO	North Atlantic Treaty Organization
NAVSUPPFAC	Naval Support Facility
NDS	National Defense Strategy

NEA	North East Asia
NEO	Noncombatant Evacuation Operation
NGR	National Guard and Reserve
NK	North Korea
NMS	National Military Strategy
NSS	National Security Strategy
O&M	Operations and Maintenance (Funding)
OA	Operational Assessment
OBC	Overseas Basing Commission
ODUSD (I&E)	Office of the Deputy Under Secretary of Defense for Installations and Environment
OEF	Operation ENDURING FREEDOM (Liberation of Afghanistan)
OFT	Office of Force Transformation
OIF	Operation IRAQI FREEDOM (Liberation of Iraq)
OSBC	Overseas Basing Commission
OSD	Office of the Secretary of Defense
OSD (AT&L)	Office of the Under Secretary of Defense for Acquisition, Technology and Logistics
OSD (I&E)	Office of the Deputy Under Secretary of Defense for Installations and Environment
OSD (ISP)	Office of the Assistant Secretary of Defense for International Security Policy
OSD (MC&FP)	Office of the Deputy Under Secretary of Defense for Military Community and Family Policy
OSD (MPP)	Office of the Deputy Under Secretary of Defense for Military Personnel Policy
OSD (P)	Office of the Under Secretary of Defense for Policy
OSD (P&R)	Office of the Under Secretary of Defense for Personnel and Readiness
OSD (PA&E)	Director of Program Analysis and Evaluation
OSD (RA)	Assistant Secretary of Defense for Reserve Affairs
OV	Operational Value

PACOM	Pacific Command
PCS	Permanent Change of Station (Personnel Transfer Orders)
PERSTEMPO	Personnel Tempo
PfP	Partnership-for-Peace
PL	Public Law
POTUS	President of the United States
POM	Program Objective Memorandum
Prepo	Preposition (also “Prepos”)
QDR	Quadrennial Defense Review
QOL	Quality of Life
RC	Reserve Component
RO/RO	Roll on/Roll off
RPLANS	Real Property Planning and Analysis System
RSOI	Reception, Staging, Onward Movement and Integration
SAC	Senate Appropriations Committee
SACEUR	Supreme Allied Commander Europe
SASC	Senate Armed Services Committee
SECDEF	Secretary of Defense
SOA	Speed of Advance
SOCOM	Special Operations Command
SOF	Special Operations Force(s)
SOFA	Status of Forces Agreement
SOUTHCOM	Southern Command
SPG	Strategic Planning Guidance (e.g., for Fiscal Years 2006-2011)
Stryker	Armored vehicle employed by U.S. Army
TAD	Temporary Assigned Duty (also called “TDY”)
TDY	Temporary Assigned Duty (also called “TAD”)
TRANSCOM	Transportation Command

Transformation	(Institutional / Systemic change to DOD and Armed Services)
TRICARE	(DOD healthcare system)
USA	United States Army
USAF	United States Air Force
USMC	United States Marine Corps
USN	United States Navy
USCENTCOM	United States Central Command
USD	Under Secretary of Defense
USD (AT&L)	Under Secretary of Defense for Acquisition, Technology and Logistics
USD (P)	Under Secretary of Defense for Policy
USD (P&R)	Under Secretary of Defense for Personnel and Readiness
USCENTCOM	United States Central Command
USEUCOM	United States European Command
USFJ	United States Forces Japan
USFK	United States Forces Korea
USPACOM	United States Pacific Command
USSOCOM	United States Special Operations Command
USSOUTHCOM	United States Southern Command
USTRANSCOM	United States Transportation Command
WMD	Weapons of Mass Destruction
WMD/E	Weapon of Mass Destruction/Effect

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 - Carolee Van Horn, Staff Analyst;
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- OSD, Office of Personnel and Readiness, Joint Family Readiness Working Group:
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OVERSEAS BASING COMMISSION

Major Conclusions and Recommendations

The Commission on the Review of Overseas Military Facility Structure of the United States (Overseas Basing Commission) submits its August 2005 Report that advises the President and the U.S. Congress on the U.S. overseas military basing posture, and makes the following recommendations.

- The military basing posture of the United States is a significant reflection of U.S. national security interests throughout the world. It will serve as a central component of our strategy for decades to come. The totality of this posture is larger than just the Department of Defense and therefore requires a wider review by all affected parties. The review process might include the Departments of Defense, State, Energy, Homeland Security (Immigrations and Customs), Justice (FBI), Commerce, and Treasury, the U.S. Trade Representatives, the National Intelligence Director (and relevant agencies), the Office of Management and Budget and others.
- Congress should provide more rigorous oversight (including hearings) of the global basing process given the scope and impact of DOD rebasing plans. Particular attention should be paid to the timing and synchronization and cost of all the related efforts.
- The detailed synchronization required by so massive a realignment of forces requires that the pace of events be slowed and re-ordered.
- DOD must ensure all necessary infrastructure and quality of life programs be retained at overseas bases until the last day service members and their families depart, and that necessary infrastructure and quality of life programs be in place in the U.S. by the first days troops and families arrive from overseas.
- Marine Corps assets assigned to Futenma Marine Air Corps Station on Okinawa should re-locate to Kadena Air Base and/or Iwakuni Marine Air Corps Station; all other Marine Corps assets should remain on Okinawa.
- Within the European Theater, one of the heavy brigade combat teams scheduled for return to the U.S. should remain in Europe. A heavy brigade combat team equipment set should be prepositioned afloat within the region, and a brigade should be committed to support continuous rotational deployments.
- Additional U.S. attention is needed to encourage healthy relationships in many areas of Africa and Latin America as they may be key to future strategic interest.
- The U.S. should review its treaty with Iceland, and update it to reflect a post-Cold War security environment.

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