U.S. ARMY FORCE DESIGN: ALTERNATIVES FOR FISCAL YEARS 1977-1981

Staff Working Paper

July 16, 1976



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PREFACE

When the Congress considered the first concurrent resolution targets for national defense this May, one set of issues with important long-term consequences centered around the future size and composition of Army combat forces and the implications of the Army's decision to expand from 13 to 16 divisions. Decisions about the Army's size, the allocation of resources between combat and support elements, and the amount and quality of Army weapons have important consequences with respect both to effectiveness of NATO defense and to the size of future defense budgets.

These major issues are addressed in the national defense section of the CBO report, <u>Budget Options for Fiscal Year 1977</u>. This document explains in greater detail the Army forces and programs discussed in that report, and examines some additional considerations.

This paper was prepared by Edwin A. Deagle, Jr. for the National Security and International Affairs Division of the Congressional Budget Office. The author wishes to acknowledge the helpful advice offered by officials in the Department of the Army and the assistance of Richard Neu, Katharine Bateman and Tricia Knapick.

In accordance with its mandate to provide nonpartisan analysis of budget-related public policy issues, the Congressional Budget Office offers no policy recommendations for either the present force structure of the Army, or any of the alternatives presented in this document.

> Alice M. Rivlin Director

July 16, 1976

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SUMMARY

Since fiscal year 1974 the Army has expanded the number of its active divisions from 13 to 16 without adding to its military manpower ceiling of 785,000. Because Army plans in a major war call for mobilization of eight National Guard divisions, the total force was thus expanded from 21 to 24 divisions. The change has been widely hailed as an improvement in efficiency, particularly with regard to the increased proportion of the Army's manpower resources devoted to combat roles rather than support.

However, the force structure that is evolving during this reorganization is less well manned, less prepared for sustained combat and substantially more reliant on reserve component units than before. Whether the new 16-division force is appropriately designed or not depends on the nature of the war contingencies for which the Army prepares, the capability of the new force to meet them, and the contribution Army force design makes to the peacetime influence of the United States.

The Army organizes its force structure mainly to participate in a defense of Europe against Warsaw Pact ground forces attack. It also provides forces for lesser threats elsewhere. The effectiveness of its organization depends upon, first, whether those priorities are the right ones, and, second, whether the Army's forces are adequate to meet the contingencies for which it prepares.

These issues become more critical in the years to come because the Army asserts that it must greatly increase investment in new technology and larger weapons stocks in order to cope with numerically superior Soviet forces equipped with sophisticated weapons. However, the size and composition of the Army's combat forces are as important as the amount and quality of its weapons, with respect both to effectiveness of NATO defense and budget implications. Furthermore, force size and composition centrally affect the Army's capability to respond not only to an attack on NATO countries, but also contingencies elsewhere.

The present Army procurement and force structure programs represent an implicit choice in favor of increased stocks of advanced weapons and force size, with compromises in the speed with which the force can be deployed and the extent to which it is balanced for sustained combat:

o The Army has raised substantially its estimates of weapons stockpiles needed to replace combat losses in a ground war in Europe (tank requirements have increased 75 percent since 1973), and has embarked on a major modernization program for the 1980s. The Army procurement budget for fiscal year 1976 in today's dollars was \$3.5 billion; the fiscal year 1977

budget request is \$4.6 billion.* A Department of Defense estimate of the average Army procurement request over the next five years is \$7.0 billion.

- o Nine of the Army's 11 active divisions based in the United States use reserve component combat units to make up their full complement of forces. Since reserve units typically require more time than active units to prepare for combat, these divisions might have difficulty reinforcing European-based units in the critical initial weeks of NATO defense against surprise attack.
- o Since the Army has not increased its active military manpower and has reduced its reserve and civilian manpower,
 the expanded total force of 24 active and reserve component
 divisions is more thinly manned than its predecessor, particularly with respect to supporting combat and logistics
 units. The result may be a somewhat weak capability for
 sustained combat, which could be important if a war in
 Europe lasted between two and six months.

In terms of sheer size, the new 24-division force is stronger than the 21-division force it replaced, particularly if the Army is permitted to purchase the weapons it wants. But it is not clear that heavy emphasis on weapons and these compromises in force structure design are the most appropriate responses to the main mission of NATO defense, for which early combat power is important. Nor is it clear that the present force is the right one for other contingencies as well. Other force structure designs are possible, with different mixes of mission capability. Some—the more austere ones—might require a shift in NATO defense strategy, or a change in strategic priorities. Others involve strengthening of Army force structure to lower the risk of failure in conventional NATO defense, or to provide an assured capability for other contingencies.

The present Army program and four alternative force structures (and their estimated five-year additional costs in constant dollars) are the following:

o Present Army Program: 16 divisions (and 8 reserve component divisions) and an active military manpower ceiling of 785,000. This force at present consists of 12 heavy divisions (armored or mechanized) and 12 light divisions (infantry, airborne, or airmobile). By 1981, it is likely to consist of 14 heavy and

^{*} These and subsequent figures are calculated in constant fiscal year 1977 dollars of obligational authority.

10 light divisions, but it will continue to rely on reserve component combat units to round out active divisions.

Five-year cumulative costs above the fiscal year 1976 budget level:

\$13.8 billion*

o Alternative I: 16 well-supported divisions, with an increase in active military manpower of 75,000, an increase in reserve manpower of 73,000 and in civilian manpower of 25,000. Manning percentages would be much higher and active divisions would not rely on reserve component units to roundout their forces.**

Five-year cumulative costs above the fiscal year 1976 budget level:

\$21.0 billion*

o Alternative II: 13 well-supported divisions, with a decrease in active military manpower of 17,000, but an increase in reserve component manpower of 21,000 and in civilian manpower of 18,000. Manning percentages would be very high and active divisions would not make use of reserve component units.

Five-year cumulative costs above the fiscal year 1976 budget level:

\$14.3 billion*

o Alternative III: 10 well-supported divisions, with a decrease in active military manpower of 160,000, but an increase in reserve component manpower of 21,000 and in civilian manpower of 18,000. Manning percentages would be very high, and active units would not rely on reserve component units.

Five-year cumulative costs above the fiscal year 1976 budget level:

-\$0.3 billion*

o Alternative IV: 19 divisions, with an increase in active military manpower of 119,000, in civilian manpower of 25,000, and in reserve manpower of 54,000. Manning percentages would be about the same as the present 16-division force, with substantial reliance on reserve component units to roundout the active divisions based in the United States.

Five-year cumulative costs above the fiscal year 1976 budget level:

\$25.3 billion*

^{*} In constant fiscal year 1977 dollars.

^{**} Manning percentage, as used here, is the proportion of authorized military manpower positions actually filled by soldiers.

Alternative I (16 well-supported divisions) would cost \$7.2 billion more than the planned force over five years. It would be stronger than the planned force, particularly with respect to NATO defense, because it would be more heavily armored, be able to mobilize for combat faster, and would have better logistical support. Because the number of divisions would be the same, this alternative would not be demonstrably better than the present force in its ability to provide for both NATO defense and other contingencies simultaneously.

Alternative II (13 well-supported divisions) would cost half a billion dollars more than the planned force over five years. It would be less capable than the present force in responding to both NATO defense and other contingencies simultaneously, because it would have fewer major organizations (divisions). Whether this force would be more effective for NATO defense than the planned force depends upon assessments about how the war would progress. If a Warsaw Pact attack were sudden and massive in the first month, the faster mobilization capability of the 13-division force might be as important as the larger size of the planned 16-division force. If the war reached a critical phase between the first and sixth months, the superior logistical support of the 13-division alternative might be offset by the larger number of less well-supported divisions of the planned force. But it is not possible to be sure about that. On the other hand, if the war lasted six months or more, the logistical and combat support weaknesses of the planned force could be corrected, and the larger number of divisions would have a major effect on the outcome of a protracted conventional war.

Alternative III (10 well-supported divisions) would cost \$14.1 billion less than the planned force over five years. It would clearly be weaker than the planned force, in terms of the NATO defense mission alone, and the NATO defense mission and other contingencies mission combined. Its adoption might require that defense of NATO involve major upgrading of tactical air forces in Europe, credible policies for tactical nuclear weapons employment in Europe, etc. This alternative would serve effectively for contingencies elsewhere.

Alternative IV (19 divisions) would cost \$11.5 billion more than the planned force over five years. It would comprise the largest force the Army believes it could deploy without reinstitution of selective service. It would suffer from the same weaknesses as the planned force (heavy reliance on reserves and relatively weak nondivision and logistical support), but with a total of 27 divisions, rather than 24. Such a force might be somewhat more effective than the planned force in the initial and intermediate phases of NATO defense, but clearly superior in a protracted war because of the added divisions. It would also provide more divisions for combined NATO defense and worldwide strategic reserve missions.

These assessments do not take account of other possibilities outside the sphere of Army force structure options for improving the effectiveness of general purpose forces. Specifically, any of the options presented here would contribute more to NATO defense if additional divisions and their supporting elements were positioned in the central region of Western Europe, rather than in the United States. Similarly, a substantial increase in Army reserve component combat readiness, number of Marine divisions, and protected airlift and sealift would be as important to U.S. general purposes capability as changes in Army force structure. But the main focus of this inquiry is directed toward the implications of the Army's plans for design of its active forces.

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CHAPTER I

INTRODUCTION

The U.S. Army's budget for fiscal year 1976 is \$25.3 billion (total obligational authority, in constant fiscal year 1977 dollars)—about a quarter of the defense total.1/ The largest component—\$8.6 billion (34 percent)—will be spent for direct personnel expenses. Another large portion—\$7.7 billion (30 percent) will be spent for operations and maintenance to sustain the readiness of equipment and the competence of the Army's soldiers. In addition, the Army will spend a substantial portion of its budget—\$3.6 billion (14 percent)—for procurement of new equipment. The remainder of the Army budget is spent for research and development, reserve component forces, and military construction.

For fiscal year 1977, the Army has requested \$26.7 billion—an increase of 5.5 percent. The Army proposes to devote substantially more real resources to research and development (increased 14 percent), and procurement (increased 30 percent). These increases stem from significant developments in the Army's force structure and equipment.

In the last decade, the Army has undergone several dramatic changes in its size and composition (see Table 1). It grew from 16 divisions and 969,000 men in 1965 to 19 and 2/3 divisions and 1,570,000 men in 1968. After the Vietnam war, the Army was reduced to 13 divisions and 783,000 men while it converted from selective service to all-volunteer recruitment. During the last two years, the Army has expanded its active duty combat force from 13 to 16 divisions, while holding active military manpower constant at 785,000.2/

This paper examines the Army's role as an instrument of foreign policy and national security and the extent to which that role is defined in terms of the NATO commitment. It explores the implications of increasing reliance on technology in ground combat and sets forth alternative force structures for the future, with their cost implications.

^{1.} Testimony of Martin R. Hoffmann, Secretary of the Army, before the House Committee on Armed Services, February 4, 1976.

^{2.} The Army has requested that its manpower ceiling be adjusted to 790,000 beginning in fiscal year 1977 (which begins in October rather than July) because manpower figures tend to be somewhat higher in October than in July.

TABLE 1--U.S. ARMY FORCE STRUCTURE AND MANPOWER LEVELS (Selected Years)

	1965	End of 1968	Fiscal 1974	Year 1975	1976
Active Army Divisions	16	19 2/3	13	14	16
Active Military Manpower (thousands)	969	1,570	783	785	785
Number of Soldiers per Division* (thousands)	60.6	79.8	60.2	56.1	49.1

^{*} The increase in this ratio during the Vietnam war years reflects an expansion of training and logistical support units needed in wartime, but not necessary to maintain Army forces in peacetime.

The Army's Role in National Security

Maintaining peace is one of the central objectives of U.S. foreign policy and, as an instrument of the defense establishment, the Army's role is to support that policy. Its forces are to be prepared for the contingencies thought most likely to occur in order to deter potential adversaries and to defeat them, should deterrence fail. However, the specific contingencies that may threaten the peace or other U.S. interests are not clearly foreseen. And, it is difficult to know how Army warfighting capabilities and peacetime deployments contribute to the achievement of foreign policy goals.

These uncertainties pervade force calculations for the entire military establishment, but they create particular difficulties in determining the size of general purpose forces, of which the Army is a part. In the Army's case, great uncertainties arise, first, from the variety of contingencies for which ground forces might be prepared (many of which would require very different kinds of forces); and, second, from the difficulty of measuring whether a given force structure is sized properly to control the worst threat.

Different kinds of contingencies require different kinds of combat formations. U.S. armored divisions, for example, are well suited to war in central Europe or the Middle East, but are virtually useless in jungle-infested regions of the world. Similarly, light infantry and airmobile

units are effective in places like Southeast Asia, but would be vulnerable in desert warfare. Since organization, equipment and training once implemented are not readily changed, the choice of contingencies for which the Army prepares is an important long-term decision.

U.S. ground forces are sized, equipped and positioned to respond to to three general contingencies:

- o Warsaw Pact Invasion of Western Europe. For this purpose, the Army maintains four armored and mechanized divisions in Germany, and five armored and mechanized divisions in the United States. In addition, three of the eight National Guard divisions are armored or mechanized. Thus, the total number of heavy divisions available for NATO defense is 12.
- o <u>Invasion of South Korea</u>. The Army maintains one infantry division in Korea and one infantry division in Hawaii. The Marine Corps deploys one division partly in Okinawa and partly in Hawaii.
- o Lesser Contingencies Elsewhere. Forces for this purpose would be drawn from the strategic reserve units maintained in the United States for reinforcement of NATO or South Korea as well as lesser contingencies. These forces consist of two active and one reserve Marine divisions, and five active and five reserve Army divisions (infantry, airborne, or airmobile). The Defense Department considers this force adequate to respond to either an attack on NATO and a simultaneous lesser contingency elsewhere, or an attack in South Korea and a lesser contingency elsewhere. It does not consider the force adequate to respond to an attack in South Korea and on NATO simultaneously.3/

The major contingency against which the Army plans is the possibility of large-scale war in central Europe. U.S. and NATO strategy is based on forward defense, with units in position in West Germany to defend against a ground attack by the Warsaw Pact nations. The likelihood of a successful defense should war break out depends upon the amount of advance warning of an impending attack, the speed with which the United States and its NATO allies reinforce units already in position, and the uncertainty surrounding the use of tactical nuclear weapons.

There is some disagreement about the relevance of elaborate planning for NATO defense against Soviet ground attack. It is sometimes argued that the critical deterrent to Soviet attack in Europe is the prospect

^{3.} Donald H. Rumsfeld, Report to the Congress on the FY 1977 Budget and Its Implications for the FY 1978 Authorization Request and the FY 1977-1981 Defense Programs (January 27, 1976), pp. 133-134.

of U.S. nuclear retaliation—not NATO ground forces. This view would also permit an emphasis on seapower in view of growing Soviet naval capability, and organization of general purpose forces to project significant ground forces ashore in other parts of the world where U.S. interests might be threatened. Reliance on a seapower strategy might call for major U.S. investment in naval and marine forces and for emphasis on the Army's ability to provide a modest strategic reserve for lesser contingencies.

An opposing view is that power in international politics is strongly influenced by what nations perceive it to be. In Europe, increasingly fluid relations among the NATO and Warsaw Pact nations may depend in part on the perceived balance of conventional military power. From this point of view, elaborate scenarios about Soviet attack and NATO defense in central Europe provide a convenient means of measuring what the local military balance is. Should the calculations point to an obvious and persistent wartime advantage to one side or the other, peacetime political influence could follow.

In the past, U.S. technological and nuclear superiority was generally accepted as an effective counterweight to Soviet superiority in forces and military manpower. But recently Soviet investment in modern technology for its general purpose forces may be undermining that assessment, raising the possibility of a perceived military imbalance in Europe. If the Soviet Union is perceived to have equipment as good as or better than that of the United States, its traditional superiority in numbers may take on new military significance.

From this point of view, recent changes in the Army's combat power and readiness for battle in Europe are a matter of renewed interest. If there is or soon will be a Soviet military advantage which could be decisive in a conventional ground war in Europe, the United States would probably choose to correct the imbalance, regardless of how unlikely the possibility of such a war seemed to be. Further, if detailed calculations about what would happen in a highly unlikely war contribute to perceptions about military power in Europe, and, if such perceptions constitute an important source of political influence, then the Army's warfighting capability in Europe is important for peacetime foreign policy reasons as well.

These two views are complementary if the Army maintains the mix and level of forces for both. At present, the 16-division force structure, which compromises in the provision of forces for both strategies, may or may not be large enough for both (a question beyond the scope of this paper). But in any case the force may be insufficiently supported, particularly for NATO reinforcement. This point can be made most clearly by examining alternative force structures in detail; exploring how each might contribute to either a NATO or worldwide strategic reserve strategy, or both; and looking at the costs involved. In what follows, Army doctrine

for the use of its forces in combat is briefly discussed; the impact of technology on procurement of weapons is analyzed; the Army's transition from 13 to 16 divisions is explored in detail; and alternative force structures are presented.

The Army's Organization for Combat

Army units are structured hierarchically, with large units made up of two or more smaller units—each of which is in turn is made up of two or more even smaller units. Standard formations are shown in Table 2.

TABLE 2--STANDARD ARMY COMBAT FORMATIONS

Headquarters	Subordinate Units	Manpower Strength
Theater Command	Two or more corps, plus support- ing units	250,000+
Corps	Two or more divisions, plus other combat and support units	50,000-100,000
Division	Three brigades, plus other combat and support units	16,000
Brigade*	Two or more maneuver battalions, plus supporting artillery and other combat units	3,000-6,000
Maneuver Battalion	Four or five tank, infantry or mechanized infantry companies	850-1,000
Company	Three or four platoons, each made up of infantry squads, tank crews or weapons teams	140-240

^{*} Reinforced brigades and armored cavalry regiments (roughly equivalent) often operate independently of divisions, under the direct command of corps headquarters.

Typically, the senior army command in a war theater directly controls two or more corps headquarters, each of which controls two or more divisions. The allocation of divisions among corps is deliberately varied, and depends on missions, the array of opposing forces, and the terrain over which the corps must fight.

Divisions, however, are relatively standard in basic organization, consisting of a division headquarters, three subordinate brigades (among which are allocated the division's 8 to 12 maneuver battalions), a division base of combat support units (engineers, artillery, communications, etc.) and logistical support units (supply, maintenance, medical evacuation, etc.). The Army division is an integrated combat formation, combining infantry, tanks, artillery, air defense and aircraft. The Army views its divisions as the principal organizational building blocks for the conduct of combat operations.

At present, the Army has five kinds of divisions, each consisting of about 16,000 men and organized basically in the same way, but with different kinds of subordinate maneuver battalions, and therefore different capabilities. The differences in divisions are summarized in Table 3. Just as a theater commander adjusts the assignments of divisions to his corps commanders as their missions change, a division commander also typically shifts maneuver battalions among his brigades, depending on their current mission assignments. Thus, a brigade conducting the division's main attack, for example, might have assigned to it five maneuver battalions, while another brigade given a secondary role would be assigned only two battalions.

While the allocation of resources among units engaged in battle is flexible and changes with circumstances, the basic design of the Army's combat force as a whole is largely fixed and is based on detailed formulas for the number and kinds of units required to support divisions in combat. These formulas are based on past wartime experience, modified in light of new technology, doctrine, and specific requirements generated by contingency plans such as those prepared for NATO defense. Although the formulas themselves are manipulated by computer models, the general dimensions of combat force design can be summarized in a simple concept called the division force equivalent (DFE). The DFE can be defined as the average number of troops required to man a typical Army division and its supporting units in sustained combat.4/

^{4.} The weakness of this concept is that it fails to account for the variations in supporting forces which would result from tailoring them to specific situations in Europe, the Middle East, Southeast Asia, or whereever U.S. forces might have to fight. But for planning purposes generally, the concept is considered valid.

TABLE 3--TYPICAL U.S. ARMY DIVISIONS

Division Type	Maneuver Battalions*	Tanks**	Armored Personnel Carriers**	Aircraft**
Armored	6 tank 5 mechanized infantry	320	350	55
Mechanized	4 tank 6 mechanized infantry	220	420	55
Infantry	<pre>1 tank 1 mechanized infantry 8 infantry</pre>	55	70	55
Airborne	1 light tank 9 airborne infantry	55		165
Airmobile	10 airmobile infantry	****		420

^{*} Standard maneuver battalion allocations; for specific missions, a division may be given a larger or smaller number of battalions, or a different mix.

^{**} Approximate numbers, based on Department of the Army unit tables of organization and equipment.

Currently, the DFE is defined as shown in Table 4.

TABLE 4--DIVISION FORCE EQUIVALENT

Component	Forces Typically Included	Manpower Spaces
Division Combat	All division units, including maneuver battalions, division artillery, engineer, signal, cavalry, headquarters and frontline logistical support units.	16,000
Nondivision Combat	Corps-directed assets, including additional artillery, engineer, cavalry, aviation, air defense units, and separate infantry and armored brigades.	12,000
Tactical Support	Supply, maintenance, medical transportation and administrative units which provide support to combat units.	20,000
	Total Division Force Equivalent:	48,000

For example, if the Army committed ten active and ten reserve component divisions to battle, it would need 320,000 division combat troops, 240,000 nondivision combat troops, and 400,000 tactical support troops, for a total field force of 960,000. The remainder of the Army's military manpower would belong to the base structure (located mainly in the United States), which supports training, recruitment, research and development, and procurement. Later in this paper, the DFE is used to measure the balance of alternative force structures.

The Army designs its combat force in terms of both active and reserve component units, and typically assigns to reserve component units a large share of nondivision combat and tactical support requirements. The assumption is that enough support units to sustain the first divisions in combat are on hand, and large-scale deployment of Army forces in a war overseas would probably involve mobilization of reserves in any case.

Reliance on reserves has important budgetary consequences. Reserve units and personnel cost less to maintain in the force structure than active units and personnel, and one way to moderate Army budget growth is to shift more of its force structure into the reserves. However, reserve units typically require more time to prepare for overseas deployment than active units, and therefore the effect of shifting units into the reserves is a delay in their availability for combat.

If active forces are sufficient for the most important contingencies, then reliance on reserves is unimportant one way or the other. However, in central Europe, the magnitude of Soviet investment in its ground forces and the Soviet doctrinal emphasis on speed and violence in armored attack, increase the significance of initial efforts to defend Europe. Since no NATO country (including the United States) is willing to maintain active forces in defensive positions sufficient to guarantee successful defense, the role of active and reserve component forces in strategic reserve becomes more significant.

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CHAPTER II

THE ARMY'S INCREASING RELIANCE ON TECHNOLOGY

Modern technology is becoming increasingly central to the conduct of land warfare. While the bulk of the Army budget still pays for personnel, the Army has embarked on an ambitious program to modernize its equipment. In part, this program stems from the need to replace aging equipment purchased before and during the war in Vietnam. But it mainly reflects concern about the consequences of rapidly changing and increasing sophisticated technology.

In a general sense, technology has played an important role throughout history by yielding a temporary edge to either the offense or the defense in land combat. Thus, in World War I, the machine gun gave a distinct advantage to the defending forces, while in World War II tactical aircraft and tanks shifted the balance toward the attacker. But recent advances in electronics have increased the accuracy of both offensive and defensive weapons, the result being that availability of weapons produced by the most recent advances in technology may be more important to the outcome of ground combat than it was a decade ago. There is no agreement as to whether this development favors offensive or defensive operations. However, the Army believes that major weapons systems such as tanks, armored personnel carriers, artillery and aircraft may be destroyed more rapidly than heretofore.1/

The Army proposes to respond to these developments with a substantial increase in its procurement activities (and therefore procurement budgets). While the proportion of the Army's budget devoted to procurement has averaged 13 percent during the past five years, it is projected to average 21 percent for the next five years. Projected dollar totals (in constant fiscal year 1977 dollars) for Army procurement during fiscal years 1977 through 1981 are shown in Table 5.

The Army's procurement request for fiscal year 1977 is \$4.6 billion—a 41 percent increase over the fiscal year 1976 request of \$3.3 billion. (About \$240 million of this increase is for inflation, and the remainder is real growth.) But the planned average procurement budget over the next five years is \$7 billion—a major increase over this year's budget.

^{1.} In his posture statement to the House Committee on Armed Services on February 4, 1976, Army Chief of Staff General Fred C. Weyand noted that in the first three weeks of the October 1973 war in the Middle East, the Arab forces lost 60 percent of their tank force—more tanks than the U.S. presently has in Europe.

TABLE 5--PLANNED FIVE-YEAR ARMY PROCUREMENT AND RDT&E COSTS (in billions of constant fiscal year 1977 dollars)

Item	Procurement	Research, Development, Test & Evaluation (RDT&E)				
Tanks	8.6	0.5				
APC's Attack helicopters	0.8	0.2 0.5				
Transport helicopters Surface-to-air missiles	1.6	0.5 1.2				
Artillery All other items	0.4 20.8	0.2 10.4				
Total Average per year	34.9 6.98	13.5 2.70				

Source: Testimony of Leonard Sullivan, Assistant Secretary of Defense (Program Analysis and Evaluation), before the House Budget Committee Task Force on National Security Programs, February 19, 1976.

This increase in procurement includes a number of different decisions about inventory levels, rates of modernization and the cost of accelerating weapons acquisition. The tank program, which is the costliest element of the Army's procurement plans, is described below. The decisions involved are typical of other Army procurement plans.

In fiscal year 1974, the Army had established for itself and met an inventory objective of about 8,300 tanks to equip its 13 divisions and provide war reserve stocks for its own and allied forces. The Army had on hand, or was developing, three series of tanks:

- o M48 Tanks. Largely procured during the 1950s, this tank mounted a 90 millimeter gun. Models procured before 1964 were powered by a gasoline engine. The Army considered this tank obsolete, but maintained about 3,000 of them for its reserve forces and as part of its war reserve stocks.
- o M60 Tanks. These tanks have been in the Army inventory since 1961, and improved versions are still being purchased. The M60 tank mounts a 105 millimeter gun, is diesel-powered, and late versions have a computerized laser fire control system.

In fiscal year 1974, the Army had about 5,000 M60 tanks and was purchasing 600 per year to replace the obsolete M48 tanks by about fiscal year 1979. (Average cost per tank [in constant fiscal year 1977 dollars] is about \$500,000.)

o XMl Tank. After Congress terminated the Army's MBT-70 development program, development of a successor began in 1972. The XMl is still in development, but it is planned for production in fiscal year 1978. It will be more heavily armored, more powerful than older tanks, and is likely to have a new gun system. The Army planned to purchase 3,000 of these tanks during the 1980s, gradually replacing the older M60s. (The estimated average cost of these tanks [in constant fiscal year 1977 dollars] is \$1.3 million.)

In fiscal year 1975, following an interim assessment of tank combat attrition rates experienced in the 1973 Middle East war, the Army raised its inventory objective from 8,300 to 10,300 tanks (including about 325 tanks for its three new divisions). A year later, after a more formal assessment, the inventory objective was raised to 14,400 tanks—a 75 percent increase over the 1973 inventory objective.2/

In theory, the Army had three options available to expand its inventory from 8,300 to 14,400 tanks:

- 1. Continue production of the M60 to replace the 3,000 M48 tanks, and to expand procurement of the XM1 to fill the 6,100 perceived shortage of tanks. This option would have cost about \$9.7 billion and would mean living with the shortage well into the 1980s, when production of the XM1 would be in full swing.
- Expand production of the M60 tank to replace the M48 tanks and fill the 6,100 perceived shortage, and purchase 3,300 XMl tanks to modernize the force in the 1980s. This option would have cost about \$9 billion. Difficulties in expanding production would have meant that the shortage would not be eliminated until about fiscal year 1984 or thereafter. The percentage of XMl tanks would be less than in the first option.

^{2.} These figures include tank requirements for the Marine Corps of 408 tanks.

3. Equip the stock of M48 tanks with 105 millimeter guns and diesel engines (which make the M48 nearly as effective as the M60), at a cost of less than \$170,000 per tank, expand M60 production to fill the perceived shortage of 6,100 tanks, and purchase 3,300 XMl tanks to modernize the force in the 1980s. This option would cost about \$8 billion and would permit reaching the new inventory level by about fiscal year 1982. The percentage of XMl tanks would be less than in the first option.

The Army chose the third option, thereby opting for early stockpile improvement at the expense of a more modern tank force later (or, post-poning a decision to increase the production of the XMl tanks as in the first option). But what is clear is that the most important budget decision involved the expansion of tank inventory objectives.

The Army bases its case for inventory expansion of tanks, as well as most other weapons systems, on the assertion that recent Soviet investment in modern ground forces weapons systems and other force improvements have reduced or eliminated the U.S. technological edge, which in the past has offset Soviet superiority in numbers of men and weapons. The Army maintains that it must respond with both rapid modernization and increased inventory of its weapons.

Whether this assessment is valid or not depends upon judgments about the character of a war in Europe, the relative importance of Army weapons compared to Air Force and Navy tactical air forces weapons, the contributions of other NATO countries, and the tactical competence of NATO versus Warsaw Pact forces. And, if the Army's assessment is correct, there still remains the key issue noted earlier of whether expensive Army preparations for the NATO contingency are the best U.S. response to protecting its interests in Europe.

What is clear is that the Army's procurement goals are heavily influenced by its planning for NATO, and that future choices will be expensive. Procurement decisions are difficult because they are inevitably long-range, and what will have to be anticipated is the character of U.S. interests in Europe ten years from now, and the nature of the threat to those interests at that time.

Force structure, however, is another matter. Adjustments to the Army's force structure and adaptation to new technology can be made in three to five years, while changes in weapons technology and production take a decade or more. Moreover, force structure decisions profoundly influence what capabilities the United States will have for participation in NATO defense as well as for provision of a worldwide strategic reserve.

For these reasons, and because force structure choices are more complex, the remainder of this paper examines force structure alternatives and their budgetary consequences. In each instance, the Army's present procurement plans are retained, but adjusted to fit the number of combat units deployed. War reserve stocks—equipment stockpiled to replace combat losses—is assumed to be unchanged.

CHAPTER III

CHANGES IN THE STRUCTURE OF THE ARMY, FISCAL YEARS 1974-1981

In fiscal year 1974, the Army consisted of 13 active divisions and eight reserve component divisions. Active units trained by themselves and had little to do with reserve component units, whose readiness for combat was substantially poorer than active units. During the next three years the Army activated three new divisions, converted a substantial number of tactical support and base structure manpower spaces into combat unit spaces, and reorganized a number of its divisions to incorporate reserve units. Active Army manpower remained about the same (785,000), but reserve component manpower and civilian manpower were reduced by about 10 percent and 5 percent, respectively.

The Army's decision to field 16 rather than 13 active divisions is the most significant force structure development since demobilization after Vietnam, with important consequences for its deterrent and warfighting capabilities as well as its budget. There appear to be three main reasons for this change:

- To increase the proportion of active Army manpower in Europe allocated to combat tasks, as compared to support tasks. The Nunn Amendment (PL 93-365) specifically required that the Department of Defense reduce support positions among the services in Europe by 18,000 positions by the end of fiscal year 1976, and authorized replacement of these positions by an equivalent number of combat positions. The Army's share of these conversions was about 12,000 spaces, which was met by deploying two mechanized infantry brigades with supporting artillery, aviation and engineers to Europe from divisions in the United States.1/
- To effect an Army-wide improvement in the proportion of combat manpower and increase the number of divisions available in exchange for the promise of a military manpower ceiling stabilized at 785,000. Fifty thousand spaces in tactical support forces and base elements were converted to form 56 new combat battalions. Of the 56, 33 were formed into 3 new divisions (2 infantry and 1 mechanized), and 23 formed new nondivision combat units to balance the new divisions.2/

^{1.} One other division in the United States has for several years maintained one of its brigades in Europe.

^{2.} Based on information supplied by Department of the Army officials.

o To increase reliance on reserve component units by integrating them into the active force structure for training and mobilization. Nine of the 11 divisions based in the United States were given reserve component maneuver battalions to round out or augment their strength.

The force structure that has evolved during this reorganization is larger, somewhat less fully manned, less well supported for sustained combat, and more reliant on reserve components.

The details of this transformation and its likely evolution through fiscal year 1981 are summarized in Table 6.

TABLE 6—ARMY FORCE STRUCTURE EVOLUTION (end of selected fiscal year)

	Fiscal Year 1974		Fiscal Year 1975		Fiscal Year 1976			Fiscal Year 1981 (estimated)				
	Act*	Res*	Total	Act	Res	Total	Act	Res	Total	Act	Res	Total
Divisions	3	2	ε	4	2	c	4	า	c	4	2	6
Armored Mechanized Infantry**	4 6	2 1 5	$\frac{\frac{5}{5}}{\frac{11}{2}}$	4 4 6	1 5	$\frac{\frac{6}{5}}{11}$	4 5 7	1 5	$\frac{\frac{6}{6}}{\frac{12}{}}$	7 5	1 5	$\frac{\frac{6}{8}}{10}$
Total	13	8	_21	14	8	_22	16	8	24	16	8	_24
Maneuver Battalions***												
Tank Mech. Inf. Infantry**	43 44 39	45 44 67	$\frac{88}{88}$ 106	45 47 46	43 44 70	$\frac{88}{91}$ $\overline{116}$	48 50 50	43 44 67	$\frac{91}{94}$ $\frac{117}{}$	57 59 40	43 47 62	$\frac{100}{106}$ $\frac{102}{102}$
Total	126	156	282	138	157	295	148	154	302	156	152	308

Source: Congressional Budget Office estimates, based on data supplied by the Department of Defense.

^{*} Act: Active units; Res: Reserve component units.

^{**} Figures include infantry, airmobile infantry and airborne infantry units.

^{***} Figures include maneuver battalions organized in separate brigades as well as divisions. Maneuver battalions do not include other combat units such as artillery, combat engineer, signal, armored cavalry and air cavalry units.

Changes in Combat Units

Although at present the expansion in active divisions consists of two infantry divisions and one mechanized infantry division, the Army is expected to complete conversion of some of its light divisions to heavy divisions by fiscal year 1981. If the Army proceeds, it will eventually have 11 heavy divisions and 5 light divisions, as compared to 7 heavy and 6 light divisions in fiscal year 1974. This difference is illustrated clearly in the change in the number and type of active maneuver battalions. Of the 30 battalions added to the active force, only 1 is light infantry; 14 are tank battalions and 15 are mechanized infantry battalions. The change in reserve component maneuver battalions is far less dramatic, but in the same direction. Thus, although the overall increase in "heaviness" of the 24-division total force is marginal, the increase is substantial for the active force.

Active/Reserve Component Integration within Divisions

The 11 active divisions in the United States make substantial use of reserve component combat units, to round out the active division force structure and to provide better training opportunities for other reserve units. Four divisions consist of two active brigades and one reserve brigade. Five other divisions contain one to three reserve component battalions integrated among the three active force brigades. In total, 22 reserve component maneuver battalions serve to flesh out 9 of the 11 divisions in the United States. In addition, four divisions have reserve component brigades affiliated with them for the purpose of improving the quality of reserve unit combat training. Fifteen reserve component maneuver battalions benefit from this arrangement and are earmarked for early deployment overseas in the event of war mobilization.

To the extent that the reserve component units integrated into the active force structure are adequately trained and available for mobilization, they contribute to the deployable combat power of the Army at substantially less cost than active units. However, the reverse is also true. The active force combat units are substantially weaker than the number of divisions would indicate, if their reserve component units are not really combat-ready. This issue turns mainly on the speed with which the Army would have to mobilize for war, about which more will be said later in this paper.

Changes in Unit Manning Percentages and The Balance Between Combat and Support 3/

The Army's plans for war mobilization have always included an assumption that some of the tactical support forces required to provide administrative and logistical support to deployed combat units should be placed

^{3.} Manning percentage, as used here, is the proportion of authorized military manpower positions actually filled by soldiers.

in the reserve structure or left unmanned, since not all such units would be needed during the initial phases of a war. The shift from 13 to 16 active divisions has increased reliance on this assumption, mainly because activation of the new divisions without an increase in manpower necessarily meant withdrawing resources from other parts of the active force structure.

The magnitude of this shift can be measured roughly by comparison of the actual force structure against a nominal standard, given assumptions about what is typically required to support a division in combat. For this purpose, the <u>division force equivalent</u> (DFE) 4/ concept defined earlier provides a useful standard.

The value of the DFE nominal standard is that it gives a rough indication of what must be added to the total force structure to provide what the Army considers balanced support for additional divisions (or, conversely, what can be withdrawn from the force structure if fewer divisions are provided to the Army).

It should be noted that the DFE force structure is not a measure of ideal or actual active Army military manpower strength. There are two reasons for this. First, the DFE is calculated against the total force of 16 active and eight reserve component divisions, and not simply in terms of the active force. Second, in addition to the DFE force structure, there are base structure manpower requirements, to sustain the training and logistical support base in the United States. A hypothetical example may make the calculation clear:

- --A 24-division nominal DFE force would require $24 \times 48,000 = 1,152,000$ spaces.
- --If the active Army DFE manning was assumed to be 500,000 out of 800,000 total military manpower;
- --And the reserve component DFE manning was assumed to be 550,000 out of 600,000 total reserve military manpower;
- --Then total DFE manning would be 1,050,000 102,000 short of the nominal deployable force structure. Base structure elements for the active Army would be 300,000 and for reserve components, 50,000.

The shortage of 102,000 spaces from the nominal DFE standard would reflect an assumption by the Army that those spaces could be made up through mobilization of the individual ready reserve units by the time they were needed.

^{4.} The average number of troops required to man a typical Army division and its supporting units in sustained combat.

A comparison of recent Army force structure evolution (and its likely direction through 1981), with a nominal force structure based on the division force equivalent is detailed in Table 7. What is striking is the fact that, despite the Army's efforts to increase the proportion of its active military manpower allocated to combat forces, the result for the total force has been an overall decline in percentages of manning of the three DFE components, particularly with respect to tactical support. This results from reductions in support manpower while expansion from 13 to 16 divisions increased support requirements.

TABLE 7-FORCE STRUCTURE BALANCE AND MANNING LEVELS ARMY FORCE STRUCTURE EVOLUTION (manpower numbers in thousands)

Division Force Equivalent Component	Fiscal Year 1974 Nom.* Actual %			Fiscal Year 1975 Nom. Actual %				r 1976	Fiscal Year 1981 (estimated) Nom. Actual %			
Total Active and Reserve Divisions	21			22			Nom.	24			24	
Division Combat	336	334	99.4	352	344	97.7	384	351	91.4	384	366	95.3
Nondivision Combat	252	251	99.6	264	249	94.3	288	245	85.0	288	254	88.1
Tactical Support	420	318	<u>75.7</u>	440	310	70.4	480	303	63.1	480	313	65.2
Total	1008	903	89.5	1056	903	85.5	1152	899	<u>78.0</u>	1152	933	81.0
Shortage from Nominal Force		105			153			253			219	

Source: Congressional Budget Office estimates, based on data supplied by the Department of Defense.

^{*} Nom. = Nominal. Nominal figures are computed by multiplying the number of divisions authorized each year by figures contained in the division force equivalent.

The Army has made up part of its substantial shortfall in tactical support through agreements with other NATO countries which will provide some support. Nevertheless, division force equivalent manpower will be increased by only 30,000 by 1981. (It has not changed since fiscal year 1974.) Moreover, while the Army was short 105,000 soldiers from a nominal 13-division force in fiscal year 1974, at present it is short 253,000 soldiers from a nominal 16-division force. Despite planned conversion of additional base element spaces into the DFE structure over the next two years, by 1981 the Army will be short 219,000 soldiers.5/

Implications of the Current Army Force Structure Evolution

The major advantage of the expansion to 16 active divisions is the creation of three command headquarters capable of managing combined arms combat operations independently, plus the creation of 56 new combat battalions. Thus, the 16-division force is an important strengthening of command and control that ought to mean better management of resources in combat. Furthermore, an expansion in the number of armored and mechanized maneuver elements means that the Army will be able to employ more of its tanks and armored personnel carriers on the battlefield (all other things being equal). These advantages contribute to the effectiveness of a NATO European defense, and therefore to perceptions about the balance of military power in Europe. Additional divisions also increase the Army's capability to provide resources for both NATO reinforcement and a world-wide strategic reserve.

However, there are disadvantages in the 16-division expansion as well. Two of the new divisions are infantry, with less combat power for NATO defense than armored or mechanized divisions. Only 6 of 30 new maneuver battalions have been deployed to Europe. To date, most of the Army's expansion in combat power remains in the United States. Nine of the 11 divisions in the United States make more or less extensive use of reserve component units. Manpower available for tactical support has declined absolutely even though tactical support forces required to support 24 divisions have increased. Two-thirds of the manpower available for tactical support lies in the reserve components. These factors sharply increase the Army's reliance on mobilization of reserves and on protected airlift and sealift to move its forces to Europe if it were necessary to do so.

^{5.} The full dimension of this shortage and how it could be corrected are explored in Force Structure Alternative I, which is discussed on pages 27-31.

Heavy reliance on mobilization presumably makes a massive surprise attack against NATO forces the best strategy to overcome NATO defense. If Soviet ground forces investment over the past decade is perceived to facilitate surprise attack, then the reliance on mobilization inherent in the Army's expansion to 16 divisions may be a poor response to increased Soviet military power in Europe.

Moreover, if the Army were to commit some of its active divisions and their supporting elements to combat somewhere other than in Europe, it would be necessary for forces remaining for NATO deployment to rely on reserve components for tactical support, and surprise attack against NATO might appear to be a viable option.

Finally, the expansion to 16 divisions has resulted in a decline in the percentage of manning of combat units as well as tactical support, and it has been accompanied by a decline in the number of civilians available for base support. Instead, soldiers from combat units must be used to maintain military bases. This inevitably means that, on a day-to-day basis, fewer soldiers will be available for training and maintenance of equipment in the Army's divisions, and combat readiness will decline. That decline is hard to measure but, if it is an important factor in success in battle, then the Army's move to 16 divisions with no increase in manpower has weakened, rather than strengthened its combat units.

On balance, it would seem that the new 16-division force is stronger than the old 13-division force for most contingencies, with three critical exceptions:

- o If the Soviet Union were able to mount a surprise attack of great strength in Europe, then the present force (incorporating reserve units) might not be mobilized and moved to Europe fast enough to contribute to NATO defense.
- o If the United States deployed Army divisions for a contingency elsewhere than in Europe without mobilizing reserves, the relative scarcity of tactical support in the active forces earmarked for NATO (and the increased reliance on reserves) might invite surprise attack against NATO during the crisis.
- o If there were a Soviet attack against NATO which threatened to become decisive sometime after the first month or so (even with successful mobilization and deployment of U.S. divisions), the lack of tactical support manpower in the active and reserve force structure might weaken NATO defense.

Budget Impact of the Army's Planned Evolution

The likely evolution of Army force structure described here will result in a budget between fiscal years 1977 and 1981 about \$2 billion per year higher than a current policy budget—that is, a budget which would result if there were no changes made in policy about existing programs.6/ In constant—dollar terms, the budget is estimated to increase from \$26.2 billion in fiscal year 1977 to \$28.9 billion in fiscal year 1981—an increase in real resources over the five—year period of about \$14 billion. Most of this increase in real resources takes place during fiscal years 1978 and 1979. The leveling off of increases in the the budget in later years reflects the fact that the Army has not yet made specific decisions about later phases of its long-term procurement plans.

Budget estimates of the Army's force structure plans are set forth in Table 8.

TABLE 8-BUDGET PROJECTIONS, PLANNED ARMY FORCE STRUCTURE (Total obligational authority in millions of dollars)

	Fiscal Year 1977	Fiscal Year 1978	Fiscal Year 1979	Fiscal Year 1980	Fiscal Year 1981
Current Dollars:					
Current Policy Budget	24,881	27,114	29,084	30,978	32,806
Planned DOD Budget	26,246	29,346	31,693	33,334	34,696
Difference from Current Policy	+1,365	+2,232	+2,609	+2,356	+1,890
Constant Dollars: (Fiscal Year 1977 Dollars)					
Planned DOD Budget	26,246	27,701	28,691	28,748	28,923
Cumulative Increase over Fiscal Year 1976 Budget	+ 946	+3,347	+6,738	+10,186	+13,809

Source: Congressional Budget Office estimates, based on data supplied by the Department of Defense.

^{6.} For a fuller definition of a current policy budget, see CBO's <u>Budget</u> Options for Fiscal Year 1977: A Report to the Senate and House Committees on the Budget, published March 15, 1976.

CHAPTER IV

ALTERNATIVE I: 16 WELL-SUPPORTED DIVISIONS

One alternative to the planned Army force structure is a 16-division force not restricted by the current manpower ceiling nor by severe budget constraints. If these constraints were removed, the Army would presumably flesh out its divisions in the United States with active units rather than reserve units, strengthen tactical support, and increase the percentage of manning of all active and reserve units. Affiliation of reserve component units with active units for training would continue. The Army might be expected to convert one of its mechanized divisions to an armored division, to increase front line availability of tanks. This alternative would cost \$7.2 billion more than the planned force over five years.

This stronger force would require an increase in active military manpower of 75,000, an increase in reserve component manpower of 73,000, and an increase in civilian manpower of 25,000. The Army's active military manpower strength in fiscal year 1981 would be 865,000. The details of how such a force would evolve over the next five years are summarized in Table 9.

A well-supported 16-division force would be substantially stronger than the planned force in terms of maneuver battalions: twelve battalions would be added (roughly the equivalent of 1 1/2 divisions) to replace the reserve units which presently round out the 16-division force. Eleven of the 12 maneuver battalions would be armored or mechanized, further increasing the proportion of these units in the active force. Reserve maneuver battalions would be increased slightly, and reserve component units released from rounding out active divisions in the United States would be retained.

A well-supported 16-division force would require increases in manning percentages in all parts of the division force equivalent structure, especially in tactical support. However, it would be inefficient in peacetime to fill every space in the nominal DFE structure, since some tactical support units would not be needed until after the first six months of hostilities, and there would be time to organize and train such units.

A comparison of the well-supported 16-division force against the nominal 16-division DFE standard is shown in Table 10.

By fiscal year 1981, division combat manning would exceed 100 percent, to insure a high proportion of soldiers available for training. Nondivision combat forces would be manned somewhat under 100 percent, and tactical support force manning would be increased from 65 percent to over 80 percent. The total shortage of manpower in the division force equivalent structure would decline from 219,000 to 93,000—slightly below the shortage that existed in fiscal year 1974. The Army would probably not seek to reduce

TABLE 9--ALTERNATIVE I: 16 WELL-SUPPORTED DIVISIONS ARMY FORCE STRUCTURE EVOLUTION

			r 1976 Total	Fisca Act	l Yea Res	r 1977 Total	Fisca Act	l Yea Res	r 1978 Total	Fisca Act	l Yea Res	ır 1981 Total
Divisions				-								
Armored	4	2	6	4	2	6	4	2	<u>6</u>	5	2	7
Mechanized	5	1	6	5	1	-6	5	1		6	1	7
Infantry**	7	5	12	7	5	12	7	5	12	5	5	10
Total	16	8	_24	16	8	_24	16	8	<u>24</u>	16	8	<u>24</u>
Maneuver	.											
Battalions***												
Tank	48	43	91	49	43	92	49	43	<u>92</u>	62	43	<u> 105</u>
Mech. Inf.	50	44	94	52	44	96	52	47	99	65	47	112
Infantry**	50	67	117	53	67	$\overline{120}$	56	64	<u>120</u>	41	64	105
Total	148	154	<u>302</u>	154	154	308	157	154	<u>311</u>	168	154	322

^{*} Act: Active units; Res: Reserve component units.

^{**} Figures include infantry, airmobile infantry and airborne infantry units.

^{***} Figures include maneuver battalions organized in separate brigades as well as divisions. Maneuver battalions do not include other combat units such as artillery, combat engineer, signal, armored cavalry and air cavalry units.

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TABLE 10—FORCE STRUCTURE BALANCE AND MANNING LEVELS ALTERNATIVE I: 16 WELL-SUPPORTED DIVISIONS (manpower numbers in thousands)

Division Force Equivalent Component		l Year Actua		Fiscal Year 1977 Nom. Actual %			Fiscal	Year Actua		Fiscal Year 1981 Nom. Actual %		
Total Active and Reserve Divisions		24			24			24			24	
Division Combat	384	351	91.4	384	366	95.3	384	379	98.7	384	397	103.4
Nondivision Combat	288	245	<u>85.0</u>	288	254	88.1	288	256	88.9	288	268	93.1
Tactical Support	480	303	63.1	480	318	66.3	480	329	<u>68.5</u>	480	394	82.1
Total	1152	899	78.0	1152	938	81.4	1152	964	83.7	1152	1059	91.9
Shortage from Nominal Standard		253			214			188			93	

^{*} Nom. = Nominal. Nominal figures are computed by multiplying the number of divisions authorized each year by figures contained in the division force equivalent.

that shortfall further, since some portions of the total 24-division force could safely be left unmanned and filled in later phases of mobilization, if necessary.

Implications of a Well-Supported 16-Division Force Structure Alternative

This force would be less reliant on mobilization of reserves, and therefore potentially would offer a higher level of assurance that the early phase of NATO defense against surprise attack would succeed without resort to nuclear weapons. Improved tactical support for the total force would reduce the risk that NATO defense would fail if the war entered a decisive phase after the first month. Active units would be better trained, more heavily armored, more adequately supported and manned at higher percentages. There would be less evidence of force structure weakness in the American ground force contribution to NATO defense, with a felicitous shift in perceptions about the military balance in Europe.

However, there would remain in this alternative heavy reliance on protected airlift and sealift to deploy the stronger American divisions to Europe in time to participate in the initial defense. It would seem logical therefore to match the development of this heavier structure either with an increase in airlift and sealift, or with increased peace-time deployment of Army divisions in West Germany. The three divisions which now deploy one brigade forward to Europe, for example, might be moved entirely to Europe, thereby increasing forward defense forces in Germany from four plus to seven divisions.1/

Since the thrust of this alternative is strengthening forces mainly intended for the defense of Europe (rather than the provision of additional forces for other contingencies), its adoption would reflect a concern that the Warsaw Pact threat to NATO—or the perceived threat—presented serious European foreign policy problems for the United States. Moreover, strengthened resources for NATO reinforcement could mean more flexibility than the present force allows in providing forces for a worldwide strategic reserve strategy. But whether this force would provide sufficient resources for both strategies remains difficult to assess.

^{1.} The cost of increased airlift and sealift, or of increased division deployment in Europe, is not included in the budget estimates which follow.

Budget Impact of a Well-Supported 16-Division Force

Investment in a well-supported 16-division force would result in a budget which, over the next five years, would average about \$1.8 billion more per year than the planned 16-division force. This budget would exceed the current policy budget by \$1.3 billion in fiscal year 1977 and \$4.8 billion by fiscal year 1981. In constant-dollar terms, this alternative would require more than \$21 billion additional funding over the period from fiscal year 1977 to fiscal year 1981.

Budget estimates for this alternative are set forth in Table 11.

TABLE 11—BUDGET PROJECTIONS, 16 WELL-SUPPORTED DIVISIONS (Total obligational authority in millions of dollars)

	Fiscal Year 1977	Fiscal Year 1978	Fiscal Year 1979	Fiscal Year 1980	Fiscal Year 1981
Current Dollars:					
Current Policy Budget	24,881	27,114	29,084	30,978	32,806
Full 16-Division Budget	26,246	30,687	33,510	35,635	37,573
Difference from Current Policy	+1,365	+3,573	+4,426	+4,657	+4,767
Constant Dollars: (Fiscal Year 1977 Dollars)					
Full 16-Division Budget	26,262	28,969	30,327	30,712	31,275
Cumulative Increase over Fiscal Year 1976 Budget	+ 962	+4,631	+9,658	+15,070	+21,045

*			

CHAPTER V

ALTERNATIVE II: 13 WELL-SUPPORTED DIVISIONS

Another plausible alternative to the planned Army force structure is a return to the 13-division force of several years ago. It would permit higher manning percentages, end reliance on reserves to roundout the force, and provide more adequate tactical support. Active military manpower could be decreased from 790,000 to 773,000, but reserve manpower would be increased, especially in tactical support, from 619,000 to 640,000. Civilian manpower would also be increased from 334,000 to 352,000, to release more military manpower for training. This alternative would cost a half billion dollars more than the planned force over five years.

The reduction in divisions would probably involve two newly formed infantry divisions and the one newly formed mechanized division.1/ However, six infantry battalions would be converted to three mechanized infantry and three tank battalions, and one more mechanized infantry battalion would be formed, to fully flesh out the 13 active divisions. The details of how such a force would evolve over the next five years are summarized in Table 12.

A well-supported 13-division force would require an absolute increase in tactical support manpower to eliminate the shortages presently existing, even though the level of tactical support required for 13 divisions is less than for 16 divisions. Maintenance of nondivision combat strength at present levels would eliminate shortages in that component of the division force equivalent. A comparison of the well-supported 13-division force alternative against the nominal 13-division DFE standard is shown in Table 13.

^{1.} The Army might choose to keep the new mechanized force and deactivate an infantry division instead, but that is not assumed here.

TABLE 12-ALTERNATIVE II: 13 WELL-SUPPORTED ACTIVE DIVISIONS ARMY FORCE STRUCTURE EVOLUTION

			ar 1976 Total	Fisc Act	al Ye Res	al Year 1977 Res Total		Fiscal Year 1978 Act Res Total		Fiscal Ye Act Res		ar 1981 Total	
Divisions Armored Mechanized Infantry**	4 5 7	2 1 5	$\frac{\frac{6}{6}}{\frac{12}{2}}$	4 5 7	2 1 5	$\frac{\frac{6}{6}}{\frac{12}{12}}$	4 4 6	2 1 5	$\frac{\frac{6}{5}}{11}$	4 4 5	2 1 5	6 5 10	
Total	16	8	<u>24</u>	16	8	24	14	8	22	13	8	<u>21</u>	
Maneuver Battalions*** Tank Mech. Inf. Infantry**	48 50 50	43 44 67	91 94 117	49 50 50	43 44 67	92 94 117	49 52 48	43 44 67	92 96 115	51 54 44	43 44 67	94 98 111	
Total	148	154	302	149	154	303	149	154	303	149	154	303	

^{*} Act: Active units; Res: Reserve component units.

^{**} Figures include infantry, airmobile infantry and airborne infantry units.

^{***} Figures include maneuver battalions organized in separate brigades as well as divisions. Maneuver battalions do not include other combat units such as artillery, combat engineer, signal and armored and air cavalry units.

TABLE 13--FORCE STRUCTURE BALANCE AND MANNING LEVELS ALTERNATIVE II: 13 WELL-SUPPORTED DIVISIONS (manpower numbers in thousands)

Division Force Equivalent Component		Year Actual		Fiscal	l Year Actua		Fiscal	l Year Actua		Fiscal	l Year Actua	
Total Active and Reserve Divisions		24			24			22			21	
Division Combat	384	351	91.4	384	358	93.2	352	350	99.4	336	348	103.6
Nondivision Combat	288	245	<u>85.0</u>	288	254	88.2	264	254	96.2	252	252	100.0
Tactical Support	480	303	63.1	480	318	66.3	440	329	74.8	420	339	80.7
Total	1152	899	78.0	1152	930	80.7	1056	933	88.4	1008	939	93.2
Shortage from Nominal Standard		253			222			123			69	

^{*} Nom. = Nominal. Nominal figures are computed by multiplying the number of divisions authorized each year by figures contained in the division force equivalent.

By fiscal year 1981, division manning would exceed 100 percent and nondivision combat units would be manned at 100 percent, to enhance training and combat readiness. Tactical support manning would be increased from 65 percent to over 80 percent. The shortage in division force equivalent manpower would decline from 253,000 in fiscal year 1976 to 69,000 in fiscal year 1981. Here again, for reasons noted earlier, the Army would probably not choose to fill every nominal DFE space in peacetime.

This force would represent an important improvement over the 13-division force which existed in fiscal year 1974. For that force, the shortage in manpower from the nominal DFE standard was 105,000, even though total active duty military manpower was 110,000 more than for this force.

Implications of a Well-Supported 13-Division Force Structure Alternative

This force structure alternative could result in a force better bal-anced and trained for combat than the planned force, but with less command and control flexibility and less battlefield combat power. The number of command and control headquarters would be reduced by three, lowering the flexibility of a European defense and making fewer forces available for contingencies elsewhere. And, if no additional forces were deployed to Europe (or no improvements were made in protected airlift and sealift), the fleshed-out divisions in the United States would not significantly improve the early viability of NATO defense. But, if one or more additional divisions were deployed to Europe, the 13-division force might be more effective in the early phase of a NATO defense than the present 16-division force, as it is presently deployed. If a conventional war in Europe became protracted (for, perhaps, six months or more) the reduction of the total force from 24 to 21 divisions might have significant impact on NATO defense as more Warsaw Pact divisions were committed.

If it were determined that the NATO reinforcement strategy were less central to U.S. interests than a worldwide strategic reserve strategy, 13

well-supported divisions would constitute an ample force for that purpose, with sufficient resources to maintain some presence in Europe—perhaps two to four divisions. But any commitment of forces to a conflict outside of Europe would severely weaken the U.S. capacity to reinforce NATO forces.

On balance, the well-supported 13-division force alternative could provide effectively for the worldwide strategic reserve strategy, or—if more forces were sent to Europe—NATO early defense. We don't know whether this alternative could provide for both, or for prolonged NATO defense.

Budget Impact of a Well-Supported 13-Division Alternative

The decline in force structure would be offset by strengthening of division components. It would result in a budget slightly higher in later years than the presently planned 16-division force budget and about \$2 billion higher per year over the next five years than the current policy budget. In constant fiscal year 1977 dollars, the budget is estimated to increase from \$26.2 billion in fiscal year 1977 to \$29 billion in fiscal year 1981—an increase in real resources over the five-year period of more than \$14 billion.

This budget is higher than for the presently planned program because the small decrease in procurement, construction and manpower accounts is more than offset by increases in operation and maintenance funds—an indication of the extent to which present plans may underfund the operation and maintenance of the present 16-division force.

Budget estimates of the well-supported 13-division alternative are summarized in Table 14.

TABLE 14—BUDGET PROJECTIONS, 13 WELL—SUPPORTED DIVISIONS (Total obligational authority in millions of dollars)

	Fiscal Year 1977	Fiscal Year 1978	Fiscal Year 1979	Fiscal Year 1980	Fiscal Year 1981
Current Dollars:					
Current Policy Budget	24,881	27,114	29,084	30,978	32,806
13-Division Budget	26,206	29,378	31,871	33,494	34,870
Difference from Current Policy	+1,365	+2,264	+2,787	+2,516	+2,064
Constant Dollars: (Fiscal Year 1977 Dollars)					
13-Division Budget	26,206	27,792	28,855	28,896	29,076
Cumulative Increase over Fiscal Year 1976 Budget	+ 906	+3,398	+6,953	+10,549	+14,325

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CHAPTER VI

ALTERNATIVE III: 10 WELL-SUPPORTED ACTIVE DIVISIONS

Virtually any force structure of 13 divisions or larger will cost more than a current policy budget, if the Army is permitted to improve its stockpile of weapons and equipment and keep pace with new technology. But, if Congress determined that the Army must make do with a constant level of resources for the next five years, it is worthwhile to examine what cuts in force structure would be required to finance new technology and to procure a supply of weapons stipulated by the Army as necessary for the force that resulted. For the next five years, that force would consist of ten active and eight reserve divisions. Active Army manpower would decline by 160,000 spaces to 625,000. Civilian manpower would be increased to 352,000 to replace some of the lost military manpower in base elements. Reserve manpower would be increased to 640,000 to offset cuts in active DFE units. This alternative would cost \$14.1 billion less than the planned force over five years.

If the Army were to dismantle six divisions, it would probably deactivate the three new divisions first (two infantry and one mechanized divisions), and then deactivate one armored division, one mechanized division and one infantry division. Details of the evolution of such a force over the next five years are shown in Table 15. Deactivation of the 6 divisions would free 61 maneuver battalions (11 for the armored division, 10 for the others). However, only 28 would actually be deactivated. The rest would remain and be used to end the Army's reliance on reserve component units to round out its forces. The active force which would result at the end of fiscal year 1978 would consist of three armored divisions, three mechanized divisions, two infantry divisions, one airmobile division and one airborne division.

Presumably, the Army would seek to insure that its smaller active force was adequately supported and that the total force of 18 divisions would be balanced when mobilized. For these reasons, the cut in Army manpower would not be entirely imposed on the division force equivalent structure; 80,000 would be withdrawn from the DFE structure and 80,000 from base elements (which would in any case be smaller since there would be fewer units to support). A comparison of the well-supported 10-division force against the nominal 10-division DFE standard is shown in Table 16.

TABLE 15--ALTERNATIVE III: 10 WELL-SUPPORTED DIVISIONS ARMY FORCE STRUCTURE EVOLUTION

			r 1976 <u>Total</u>	Fiscal Year 1977 Act Res Total			Fiscal Year 1978 Act Res Total			Fiscal Year 1981 Act Res Total		
Divisions Armored Mechanized Infantry**	4 5 7	2 1 5	$\frac{\frac{6}{6}}{\frac{12}{2}}$	4 4 5	2 1 5	$\frac{\frac{6}{5}}{\frac{10}{10}}$	3 3 4	2 1 5	5 4 9	3 3 4	2 1 5	5 4 9
Total	16	8		13	8	_21	10	8	18	10	8	18
Maneuver Battalions*** Tank Mech. Inf. Infantry**	48 50 50	43 44 67	91 94 117	49 41 39	43 44 67	92 85 106	40 41 39	43 44 67	83 85 106	40 41 39	43 44 67	83 85 106
Total	148	154	302	129	154	<u>283</u>	120	154	274	120	154	274

^{*} Act: Active units; Res: Reserve component units.

^{**} Figures include infantry, airmobile infantry and airborne infantry units.

^{***} Figures include maneuver battalions organized in separate brigades as well as divisions. Maneuver battalions do not include other combat units such as artillery, combat engineer, signal, armored cavalry and air cavalry units.

TABLE 16—FORCE STRUCTURE BALANCE AND MANNING LEVELS ALTERNATIVE III: 10 WELL—SUPPORTED DIVISIONS (manpower numbers in thousands)

Division Force Equivalent Component	Fiscal			Fiscal Year 1977 Nom. Actual %			Fiscal	Year Actua		Fiscal Year 1981 Nom. Actual %			
Total Active and Reserve Divisions		24			21			18			18		
Division Combat	384	351	91.4	336	331	98.5	288	300	104.2	288	303	105.2	
Nondivision Combat	288	245	<u>85.0</u>	252	235	93.2	216	216	100.0	216	216	100.0	
Tactical Support	480	303	63.1	420	305	72.6	360	317	88.0	360	322	89.4	
Total	1152	899	78.0	1008	875	86.8	864	833	96.4	864	840	97.2	
Shortage from Nominal Standard		253			133			31			24		

Source: Congressional Budget Office estimates, based on data supplied by the Department of Defense.

^{*} Nom. = Nominal. Nominal figures are computed by multiplying the number of divisions authorized each year by figures contained in the division force equivalent.

By the end of fiscal year 1978, division combat manning would exceed 100 percent; nondivision combat unit manning would be at 100 percent; and tactical support would be increased to 89 percent. The total shortage in manpower from the nominal ten-division DFE standard would be 24,000.

Implications of a Well-Supported 10-Division Force Structure Alternative

A 10-division active force would presumably be adequate for defense of North Asia and lesser contingencies elsewhere. But it would substantially alter the U.S. capacity to reinforce NATO, since there would be only 10 heavy divisions available instead of 12, and 6 fewer divisions overall. Adoption of this alternative, therefore, might mean a modification of the NATO forward defense strategy in favor of something like a "tripwire" concept. Enough U.S. ground force presence would remain in Europe to quarantee that an attack against NATO countries would necessarily involve U.S. forces, and the United States would be forced to consider a response. But the prospects for effective, conventional defense in the early phases of a Warsaw Pact attack would be substantially diminished, as would the intermediate stage involving deployment of mobilized reserve component divisions from the United States. It is possible that a reduction in forces of this magnitude might increase the risk of a Warsaw Pact surprise attack. Presumably, there would accrue to the U.S.S.R. some political influence in Europe as a result, unless the reduction in NATO ground force capability were offset by some other comparable improvement in the related capabilities of general purpose forces.

Conceivably, heavy buildup of tactical air forces or explicit, credible reliance on the use of tactical nuclear weapons might constitute off-setting capability options. The critical issue would be whether or not the United States could afford the political repercussions that would result from discarding its conventional ground forces response to the Warsaw Pact threat to NATO. But this force would require a substantial redefinition of the NATO defense strategy, because the traditional NATO reinforcement strategy would not likely be credible.

Budget Impact of a Well-Supported 10-Division Force

Reduction to a 10-division force over the next five years would result in a budget which would gradually fall below the current policy budget, particularly after the reductions in force were completed in fiscal years 1977 and 1978. Since the Army has expressed the need for a major increase in its equipment inventory levels, it is not assumed that the deactivation of six divisions would result in an immediate saving of the \$4.6 billion in equipment and ammunition costs involved

in the reduction. Instead, it is assumed that that equipment would be redistributed among the 18 active and reserve divisions (including war reserve stocks), with a subsequent lowering of procurement budgets over fiscal years 1978 to 1981—a saving of about \$1.2 billion per year.

This force, by definition, would have no increase in constant dollar funding over the five-year period. The constant-dollar budget would initially decline, reflecting the rapid reduction in force structure and manpower, and then gradually rise as the cost of new weapons and equipment begins to influence the budget in later years. Budget estimates for this alternative are summarized in Table 17.

TABLE 17—BUDGET PROJECTIONS, 10 WELL—SUPPORTED DIVISIONS (Total obligational authority in millions of dollars)

Current Dollars:	Fiscal Year 1977	Fiscal Year 1978	Fiscal Year 1979	Fiscal Year 1980	Fiscal Year 1981
Carrent Borrary.					
Current Policy Budget	24,881	27,114	29,084	30,978	32,806
10-Division Budget	25,970	26,272	26,822	29,621	30,811
Difference from Current Policy	+1,089	- 842	-2,262	-1,357	-1,995
Constant Dollars: (Fiscal Year 1977 Dollars)					
10-Division Budget	25,970	24,627	24,368	25,407	25,803
Cumulative Increase over Fiscal Year 1976 Budget	+ 670	- 3	- 935	- 828	- 325

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CHAPTER VII

ALTERNATIVE IV: 19 ACTIVE DIVISIONS

During the peak of the war in Vietnam, the Army fielded 19 divisions and maintained its forces in Europe at the same time. That situation may be considered similar to contemporary contingencies in which a threat to the interests of the United States require Army deployment to places outside of Europe without weakening NATO defenses. Thus, if it were determined that threats to the national security warranted a sizable expansion of the Army, a 19-division force would be a possible option. It would cost \$11.5 billion more than the planned force over five years.

Such a force could not be built up rapidly, because construction of base facilities and recruiting of additional manpower would take several years. Active Army manpower would increase by 119,000 to 904,000. Civilian manpower would increase by 25,000 to 359,000, and reserve component manpower would increase by 54,000 to 673,000.

If the Army were to add three divisions to its force structure, it might elect to add one armored division and two mechanized divisions to the present active force, increasing the total number of heavy divisions from 12 to 15. This would mean an increase of 25 maneuver battalions, of which ten would be tank battalions; 12 would be mechanized infantry battalions; and 3 would be infantry battalions. Details of the evolution of such a force are shown in Table 18.

The Army assumes that this force is about the largest which could be developed without reinstituting the draft. For this reason, the force has a lower percentage of DFE manning than the 10, 13 or 16 well-supported division force alternatives. In particular, the 19-division force would be relatively weak in nondivision combat elements and tactical support elements. Whereas in 1969 active Army strength was more than 1,500,000 in support of its 19 divisions, this force would consist of just over 900,000 spaces. The overall balance of the 27 active and reserve component division force would be about the same as that of the planned force in fiscal year 1981.

A comparison of the 19-division force against the nominal 19-division DFE standard is shown in Table 19.

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TABLE 18—ALTERNATIVE IV: 19 DIVISIONS, ARMY FORCE STRUCTURE EVOLUTION (end of selected fiscal year)

			r 1976 Total	Fisca Act	l Yea Res	r 1977 Total	Fisca Act	l Yea Res	r 1978 Total	Fisca Act	l Yea Res	r 1981 Total
Divisions Armored Mechanized Infantry**	4 5 7	2 1 5	$\frac{\frac{6}{6}}{12}$	4 5 7	2 1 5	$\frac{\frac{6}{6}}{12}$	4 6 7	2 1 5	$\frac{\frac{6}{7}}{12}$	5 7 7	2 1 5	$\frac{\frac{7}{8}}{\frac{12}{}}$
Total	16	8		16	8		17	8	25	19	8	27
Maneuver Battalions*** Tank Mech. Inf. Infantry**	48 50 50	43 44 67	91 94 117	49 52 53	43 44 67	92 96 120	51 53 53	43 44 67	94 97 120	58 62 53	43 44 67	$\frac{101}{106}$ $\frac{120}{120}$
Total	148	154	302	154	154	308	157	154	311	173	154	327

^{*} Act: Active units; Res: Reserve component units.

^{**} Figures include infantry, airmobile infantry and airborne infantry units.

^{***} Figures include maneuver battalions organized in separate brigades as well as divisions. Maneuver battalions do not include other combat units such as artillery, combat engineer, signal, armored cavalry and air cavalry units.

TABLE 19--FORCE STRUCTURE BALANCE AND MANNING LEVELS, ALTERNATIVE IV: 19 DIVISIONS (manpower numbers in thousands)

Division Force Equivalent Component	Fiscal Nom.*	Year Actu			l Yea Actu	r 1977 al %		l Yea Actu	r 1978 al %		l Yea Actu	r 1981 al %
Total Active and Reserve Divisions		24			24			25			27	
Division Combat	384	351	91.4	384	366	95.3	400	374	93.5	432	413	95.6
Nondivision Combat	288	245	85.0	288	254	88.2	300	252	84.0	324	282	87.0
Tactical Support	480	303	63.1	480	318	66.3	500	323	64.6	540	378	70.0
Total	1152	899	78.0	1152	938	81.4	1200	949	<u>79.1</u>	1296	1073	82.8
Shortage from Nominal Standard		253			214			251			223	

^{*} Nom. = Nominal. Nominal figures are computed by multiplying the number of divisions authorized each year by figures contained in the division force equivalent.

By the end of fiscal year 1981, division combat manning would exceed 95 percent; nondivision combat manning would be 87 percent; and tactical support would be at 70 percent. This profile is better than that of the planned force right now, but about the same as the likely posture of the planned force in fiscal year 1981. The total shortage in manpower from the nominal 19-division DFE standard would be 223,000 spaces—proportionately better for this force than the 253,000 shortage which exists in the present 16-division force.

Implications of a 19-Division Force Structure Alternative

A 19-division force could permit, as noted earlier, response to a threat in places other than in Europe, without weakening the U.S. commitment to NATO. It thus might be a suitable force for both a NATO reinforcement and a worldwide strategic reserve strategy. But, to strengthen NATO's capability for successful defense in the early phases of a Soviet attack in Europe, there would need to be improvement of protected airlift and sealift, or deployment of two or three additional divisions to Europe.

For the next five years, this force would share some of the weaknesses of the planned 16-division force. Its active military manpower would be spread thinly through the expanded number of divisions, and it would rely heavily on reserve components to flesh out force structure balance. Moreover, there would be some question of whether the Army could manage the required recruitment for this force without a major increase in pay and bonuses.

In view of the substantial increase in costs for this force, its adoption would unquestionably indicate that the United States considered both the Soviet military forces buildup and general international conditions unfavorable to its interests. Were such circumstances to develop, the United States would probably invest substantially more in Air Force and Navy programs as well.

Budget Impact of a 19-Division Force Alternative

Expansion to 19 active divisions would entail a major increase in resources allocated to the Army. This budget would exceed the current policy budget by more than \$2.8 billion in fiscal year 1977 and by more than \$6.1 billion in fiscal year 1981. In constant fiscal year 1977 dollars nearly \$25 billion additional funding would be required to sustain this force through the next five years. In fact, more funding would ultimately be required in later years in procurement of equipment and ammunition for the larger force, since not all items could be purchased within five years. Budget estimates for the 19-division alternative are summarized in Table 20.

TABLE 20-BUDGET PROJECTIONS, 19 DIVISIONS (Total obligational authority in millions of dollars)

	Fiscal Year 1977	Fiscal Year 1978	Fiscal Year 1979	Fiscal Year 1980	Fiscal Year 1981
Current Dollars:					
Current Policy Budget	24,881	27,114	29,084	30,978	32,806
19-Division Budget	27,773	31,476	34,579	36,914	38,976
Difference from Current Policy	+2,852	+4,362	+5,495	+5,936	+6,170
Constant Dollars: (Fiscal Year 1977 Dollars)					
19-Division Budget	27,773	29,721	31,289	31,815	31,178
Cumulative Increase over Fiscal Year 1976 Budget	+2,473	+6,894	+12,883	+19,398	+25,276

CHAPTER VIII

CONCLUSIONS

Drastic alterations to the Army's force structure should not be made lightly, nor often. Frequent activations or deactivations will exact a heavy toll in efficiency of manpower utilization, combat readiness, and soldier morale.

But it is the Army's force structure—its size, balance and the contingencies for which it is organized—that defines its contribution to the nation's security. It may be that the nature of the threats for which the Army might provide a suitable response is changing, in which case, changes in Army force structure are certainly warranted.

It is also the Army's force structure and its procurement goals that will generate major changes in the size of the Army budget. The difference between a 10-division force and a 19-division force is more than \$25 billion over the next five years and undoubtedly more later. Doubling the pace of procurement would add about \$2 billion to the Army budget each year, and slowing procurement down or reducing planned equipment levels might reduce the procurement budget by about \$1 billion per year.

Procurement and force structure choices are difficult, because they necessarily involve judgments about the tenuous relationship between broad national security missions, and divisions and weapons. Furthermore, such judgments must be made with a long-range view: procurement decisions have an impact a decade or more in the future, and force structure decisions have an impact three to five years in the future. But, the decisions are no less important, or avoidable.

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