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Opening Statement

Charles E. Schumer

prepared for the ECAAR/CDI Seminar on

Kosovo: New Paradigm or Object Lesson

October 13, 1999

I would first like to thank Jamie Galbraith (ECAAR) and Gene Carroll (CDI) for organizing this event, as well as all of today's panelists, participants, and observers. We have a very full day ahead, and the issues we will be debating and discussing are among the most important we, as a nation, face on the eve of the 21st Century.

Beginning at 10:30, three separate distinguished panels will present insights and engage in discussions regarding the military, political, and diplomatic lessons of Kosovo, and how these lessons should inform the current and future development of America's foreign policy agenda, including our strategic military planning, our defense spending, and the nature of our global role. Many different views will be represented here, which is exactly what is needed if America is to develop a rational foreign policy agenda for the challenging decades ahead.

I would like to start with a few observations which will lay out the context for today's presentations and discussions, and pose a few questions that I believe require serious deliberation as America plans for the strategic challenges of the 21st Century.

First, the context. The 20th Century began with the United States emerging from the War with Spain as a global power, and by 1945 — after playing the decisive role in ending two bloody world wars — America had assumed superpower status. But America wasn't alone at the top. Forty-five years of Cold War with the Soviet Union dictated to a great extent the nature of America's global role, as well as the basis of America's strategic military doctrine.

The Cold War, though rife with dangers, can be best understood as a period in which the world was divided into easy to understand spheres of power. Indeed, we spent the better part of the last half of the 20th Century following a strategic

policy relatively easily defined as containing Soviet power and influence. Though often imperfect in theory and practice, and costing trillions of dollars, America's containment policy was the foundation, and blueprint, for our nation's strategic planning and weapons procurement policies. This meant forming and leading the NATO alliance, and organizing America's military to be prepared to fight World War III in the heart of Europe against Warsaw Pact armies composed of more than 100 heavy divisions.

That is the world of the past.

The 21st Century begins with the United States confronting a very different kind of world. On the one hand, America begins the new millennium as the world's sole superpower. And the principles we value so highly, such as democratic politics and free market economics, have taken hold as — some would argue — universal principles. But alongside American supremacy, and the encouraging development of emerging democracies, has been the marked increase in bloody regional and ethnic conflicts, some of which involve nuclear powers such as Russia, Pakistan, and India. And alongside the fall of the Soviet Empire has emerged the very real threat that weapons of mass destruction will slip into the hands of unstable states, rogue states, or terrorist groups which mean to do us harm.

So while the Cold War's end has provided the United States with an opportunity to help make the world a better place to live, new challenges have also emerged, some of which may be considered more daunting than those of the 20th Century. Clearly, the 21st Century promises to begin as a much more complicated time than the world of the last half of this century.

With that in mind, what is the United States doing to formulate new strategies and new policies to deal with the new world of the 21st Century? The answer is, unfortunately, we are not doing nearly enough. In fact, although ten years have passed since the Berlin Wall came crashing down, much of America's military force planning is still based on a presumed European-style theater conflict using heavy divisions and large weapons systems to combat a Soviet Red Army-type enemy. Not only is this a profound waste of money, but it is contributing to America's being less, rather than more, prepared for the future.

Why are our defense planning and our weapons procurement policies still rooted in the past? Maybe it's because, let's face it, those policies greatly contributed to our winning the Cold War. So, some may ask, why mess with

success? The answer is because the game has changed. The Cold War is over, and we have to plan for the challenges of the future, not the past.

Or maybe we are stuck on procurement policies and military planning rooted in the past because the way Congress spends on defense has not changed in decades, and there is no incentive to change: jobs in states and districts are at stake, and elected leaders take that very seriously. That means strong opposition to base closures, and just as strong opposition to rethinking Cold War-era military programs like the F-22.

But overall defense spending has declined by more than 30 percent since the end of the Cold War. Clearly, we cannot afford to keep planning to fight the Soviet Empire on the one hand, and expect to meet the strategic challenges of the 21st Century on the other. For example, as we argued over the \$70 billion F-22 program, we spent less than \$1 billion in 1999 on counter-proliferation programs. That is an unacceptable mismatch in funding priorities.

The fact is that weapons procured in the 1970s and 1980s will begin to wear out in the coming decades, and we will have to determine new spending priorities not just for weapons, but also for the structure of our entire military establishment.

But in order to figure out the best way to structure the military budget, we must first determine our global strategy: Our procurement decisions must *follow* our grand strategy, not the other way around. That is why we are here today: to discuss what our strategic priorities are, or should be, and how to best meet them.

We are using Kosovo as our test case today because the Kosovo conflict represents a great example of the changes that have occurred in the world, and the types of strategic challenges and tough decisions that lie ahead.

Many people now consider Kosovo a victory for America, a victory for NATO, a victory for air power, and a victory for the principle of humanitarian intervention. But is Kosovo really indicative of the future of America's global role? And should Kosovo-style diplomacy, and Kosovo-style military strategy now come to dominate American strategic thinking and military budgets?

It is my concern that the Kosovo victory will lull us into a false belief that America can solve all the world's problems by bombing from 15,000 feet. The world of the 21st Century will rarely be so accommodating.

In fact, most military experts agree that the biggest threats to global peace and security in the coming decades will be from escalating regional conflicts, and

the proliferation of weapons of mass destruction. We must devise new military strategies that adapt to these new realities. That means restructuring our military — as Army Chief of Staff Eric Shinseki stated recently — to become lighter, more flexible and agile. The new focus needs to be on quick deployment, light armor, and greater pre-positioning of heavy weapons.

We also need to invest in sustaining our technological edge. We can afford to maintain a leaner fighting force as long as we maintain technological military superiority over current and future competitors.

These lessons should inform the current and future development of America's foreign policy agenda, including our strategic military planning, our defense spending, and the nature of our global role..

Yugoslavia and the Remilitarization of the West

Richard F. Kaufman
ECAAR/CDI Seminar on
Kosovo: New Paradigm or Object Lesson
Panel I: The War in Kosovo

I will discuss two sets of issues in these remarks. The first is how the economic reforms promoted by the International Monetary Fund in Yugoslavia, both before and after the collapse of communism in 1989, contributed to the rise of Slobadon Milosevic and the breakup of Yugoslavia. I will also discuss Kosovo and its contribution to the trends towards remilitarization in the West.

The Economic Reforms in Yugoslavia

The official view in Washington is that the post-Cold War efforts to transform the communist countries of Central and Eastern Europe into market economies have been a great success. The reforms have had some successes, but they must be considered in the context of the dismal record in Russia and a number of other countries including Yugoslavia. Indeed, Yugoslavia is a prime example of the flawed approach towards economic transformation adopted by the United States and the international banks.

A brief look at Yugoslavia's recent history illustrates the point. We are all familiar with the fact that Yugoslavia produced the first crack in the Iron Curtain when Marshall Tito broke with Stalin in 1948. As perhaps the pre-eminent non-aligned nation during the Cold War, it was a valuable asset to the United States and the West so long as that conflict lasted. For this reason, it received considerable encouragement and economic and military assistance from the United States.

Belgrade's unique socialist economic system seemed to work reasonably well in the 1950s and 1960s when it achieved impressive growth, although it was not in the category of an economic miracle. However, in the 1970s Yugoslavia was caught up in the energy crisis and the global recession, and in order to maintain imports the government borrowed heavily from western banks — which were liberally recycling petrodollars. Yugoslavia's loans were denominated in

U.S. dollars and when U.S. interest rates went up, Yugoslavia's debt went up. By the beginning of the 1980s its foreign debt was about \$20 billion and when the commercial banks became reluctant to advance further loans it needed help from the International Monetary Fund (IMF).

IMF loans came with strings attached, called conditions, and in Yugoslavia these always required belt tightening in the form of cuts in government spending. In the 1980s there were several loan packages that required Yugoslavia to put into place some features of a market system. At the same time, the reforms were intended to reverse the decentralized system of economic management that had emerged in Yugoslavia. For example, the IMF believed that the banking and monetary systems were too decentralized among the various Yugoslav republics and that these activities needed to be concentrated in the central bank in Belgrade.

There was a surface logic to this approach but it was completely at odds with sentiment in the republics. In Slovenia, Croatia and elsewhere there were abiding suspicions about Serbian intentions. Nationalistic feelings were hardening in all the republics, and outside of Serbia there was rising opposition to Belgrade's policy of economic reforms. In addition to the objectionable political implications of the reform agenda — that is, the perceived threats to the autonomous powers of the republics — economic conditions worsened throughout the decade and the austerity measures imposed in response to the IMF's demands led to considerable hardships among large segments of the population. There was very little support in the republics and provinces for transferring authority over economic resources to the federal government.

Nevertheless, the IMF's conditions became progressively more stringent. In 1989, the Yugoslav Prime Minister, Ante Markovic, unveiled a new sweeping program, similar to the shock-therapy approach employed in Poland. Yugoslavia was now among the first countries, following the breakup of communism, to try a comprehensive package of radical reforms intended to rapidly transform the economy to capitalism. The latest measures called for a stabilization policy with more cuts in government spending, monetary restraint, the elimination of price controls, privatization of state owned businesses, and continued efforts to remove trade barriers.

The new program exacerbated the situation politically and economically. For example, under the privatization component shares in state enterprises were

distributed directly to managers and workers. The shares were not worth very much and were, in effect, claims on future profits of the firms. The workers suspected — and they were right — that it was just another way to reduce wages, and wages had already been reduced under earlier IMF loan packages. In addition, all the firms scheduled for privatization were under the republics rather than the federal government, and the republics resented being directed to cede to Belgrade sectors of the economy under their control.

Meanwhile, Slobodan Milosevic — who had been the leader of the Serbian communist party — was taking advantage of the strong nationalist impulses unleashed by the reforms. In 1987 he allied himself with Serbian nationalists in Kosovo and used the difficulties in that province as a pretext for accusing the Serbian government of being too soft on the Albanians. He went on to advocate that the autonomy granted to Kosovo years earlier be repealed. That and his opposition to the austerity aspects of the economic reforms increased his popularity among Serbs, and in 1989 he was elected president of Serbia.

By this time, after a long period of more or less friendly relations between Washington and Belgrade, Yugoslavia found itself unable to reverse the long-term downward economic spiral. It was politically unstable and without any real friends in the West. In particular, Washington was not inclined to offer Belgrade any assistance or to modify the IMF's approach. The most charitable explanation is that U.S. officials thought things were going well in Yugoslavia. The CIA reported to Congress in 1990 that the initial results of the economic reforms adopted the year before were favorable although "tougher measures needed to be implemented." In reality, the economic and political consequences of the reforms were pushing the country towards disintegration. This fact should have been apparent to all. The more likely explanation is that with the collapse of communism, Yugoslavia's strategic value to the West evaporated and its special relationship with the United States disappeared.

The change that occurred in the last years of the Cold War is striking. For example, early in the 1980s the State Department put together a consortium of banks, called "The Friends of Yugoslavia" to help Yugoslavia with its foreign debt problem. Later in the decade, the Bush Administration rejected a request by the Markovic government for economic aid.

As the United States was losing interest in Yugoslavia's problems, so was Western Europe offering little material support. In fact, the European

governments were sending mixed signals as to whether they favored a continued federation or a breakup. When Germany came out in support of Slovenia's and Croatia's independence, in 1991, the breakup could no longer be prevented. The economic reforms had contributed to Yugoslavia's impoverishment, strained relations between the republics and the federal government, facilitated Milosevic's rise to power, and begun the process that ended in the federation's violent disintegration.

The Remilitarization of the West

Following the end of the Cold War, there was a nearly decade-long period when most countries on both sides of the former Berlin Wall cut their military budgets, down-sized their military forces, and converted military assets to peacetime economic uses. These trends are now changing in the West where the process of remilitarization appears to be moving forward. By "remilitarization" I mean a reversal of the stable or downward trend of military spending and a resumption of sustained increases intended to strengthen the military force structure. Three developments are contributing to remilitarization in the West: U.S. defense policy, NATO expansion, and Kosovo.

U.S. outlays for national defense peaked at about \$400 billion in FY 1986, in today's dollars, and declined to \$279 billion in FY 1998, a reduction of about 30 percent. However, that amount was about the average level of annual spending during the Cold War except for the surges of spending in Korea, Vietnam, and the Reagan buildup. The figure increased modestly last year and will rise substantially this year to about \$290 billion. More significantly, U.S. defense spending is likely to continue rising for the next several years.

In Europe, the downward trend for military spending appears to be leveling off in some countries and the U.S. Administration is urging Germany and others to follow the U.S. example by increasing their military spending. With respect to Central and Eastern Europe, a direct consequence of the expansion of NATO is that the new members — the Czech Republic, Hungary, and Poland — must restructure and modernize their forces in order to meet NATO requirements. To achieve this they will have to increase their military spending.

Estimates of the costs of upgrading the military capabilities of the new NATO members vary greatly, but it is likely to be substantial and the money spent will detract from their efforts to develop their economies. This military rebuilding will have the unfortunate effect of elevating the status and political

influence of the military leaders in those countries, many of whom still harbor the culture of primacy and secrecy that characterized the military establishments of the communist era. As the process of modernization goes forward, one can also expect western arms manufacturers to move into the region in a search for new markets and arrangements with local firms. In fact, this process has already begun. Undoubtedly, increased arms production and arms trade will follow in the near future.

Similar military activities are also being planned or are under way in the many other countries of Central and Eastern Europe that have applied for membership in NATO. Kosovo reinforces the remilitarization trends as other countries are likely to decide that it is, more than ever, in their interests to be inside rather than outside the NATO military alliance regardless of the military costs. Indeed, it may be dangerous to be outside this alliance.

The bombing campaign in Yugoslavia and Kosovo appears to have convinced a number of west European leaders that they need to build up their military capabilities to achieve something like technological parity with the United States. The United States carried the burden of most of the air war because the Europeans do not possess the same kind of high tech, smart bomb, and power projection weapons. European military analysts are speaking out about the “crushing asymmetry of military power” between Europe and the United States, and of the need to increase their defense spending to catch up with America. NATO officials and some European government officials are expressing the same concerns. European military leaders are especially exercised over the military technology gap and their dependence on the United States.

In the United States, Kosovo has revived the controversy over burden-sharing with the NATO allies that persisted throughout the Cold War. On October 7 [1999], Deputy Secretary of State Strobe Talbott reportedly expressed frustration with the minor role played by the Europeans in Kosovo. Talbott warned that in some future European crisis a similar predominance of American military power might not be sustainable given the competing commitments in the Persian Gulf, Korea, and elsewhere. At a meeting of NATO defense ministers in September, Defense Secretary William S. Cohen said that the lesson of Kosovo was that the Europeans needed to spend more on better weapons, communications equipment and transport.

These arguments are based on two questionable assumptions. The first is that U.S. advanced military technology was effective in Kosovo. While definitive studies have not yet been completed, the facts disclosed so far indicate that far less damage was done to the Serbian military than was reported by NATO during the war. For example, NATO estimated the Yugoslav army had about 300 tanks and that 150 tanks were destroyed. Soon after the bombing was halted, the figure was revised to 110 tanks destroyed, and more recently it was revised downward again to 93 tanks destroyed. Some unofficial sources estimate that the number was much lower than that. A Pentagon study of the damage from the bombing was due by Labor Day but its completion was postponed to some time this month. If it turns out that U.S. weapons were not as effective against Serbian military forces as was thought, and that most of the damage inflicted during the war was the result of the bombing of civilian and industrial targets in Serbia, conclusions about the Europe-U.S. technology gap will need to be reconsidered.

The second questionable assumption concerns the legitimacy and practicality of what appears to be a new post Cold War policy of military intervention, which has been referred to as “humanitarian intervention.” Whether one concludes that the commencement of war in Kosovo was justified because of genocidal acts, questions remain about the legality of failing to obtain the approval of the United Nations and the morality of attacking civilian targets. One must also doubt whether this policy will be applied to the large, nuclear armed nations such as Russia or China. The lesson for small countries in other regions may be that they need to acquire nuclear weapons as a deterrent against military intervention from the United States.

From a purely budgetary standpoint, the problem with the new interventionism as a national policy is that it is open ended. Virtually any set of military requirements and any level of defense spending can be posited to implement this policy. The adoption of defense spending caps would be meaningless gestures, as they are already turning out to be. The logic of this kind of interventionism is that military forces must constantly expand to meet the multitude of contingencies for their potential employment, and that may have little bearing on U.S. national security interests. The new interventionism and remilitarization go hand in hand.

Lessons of NATO's Record in Kosovo

Andrew Cockburn

ECAAR/CDI Seminar on

Kosovo: New Paradigm or Object Lesson

Panel I: The War in Kosovo

Although we are concerned here with the military lessons of NATO's record in Kosovo, I wish to begin by mentioning an item of historical background — the very first attempt to win a military conflict through air power alone. This does not go back as far as Senator Schumer's reference to the Spanish-American War, just to 1919 and a campaign conducted by the RAF in British Somaliland. The British opponent was a character known, at least in the British press, as the "Mad Mullah."

I want to invoke this history because it shows how incredibly farsighted the Royal Air Force was, even in those days, a year after its formation. They managed to anticipate every development of the use of air power since. I think we have to see the Kosovo conflict in that light.

The first point was the idea that victory could be achieved by air power alone and that there was no need for the use of ground troops, who had failed to catch this nationalist guerilla, the "Mad Mullah."

Second, it was claimed that air power could be centrally controlled from far away. In fact, it was controlled from London. The air fleet dispatched by the British consisted of six biplane bombers. So the technology has changed, but the same principle obtains: that you can control an air conflict in Somalia from London, or in the Balkans from Brussels.

A third sign of how little things have changed is that the air fleet had great difficulty in finding the "Mad Mullah," let alone hitting him. In fact, it failed to inflict any damage on him at all, except for one bomb, which by an amazing fluke singed his beard, but also killed his uncle.

Fourth, most importantly, for reasons totally unconnected with the air campaign, but based on the development of efficient counter-guerilla techniques by the ground forces, the "Mad Mullah" finally went on the run and was defeated. This is the most important lesson of that conflict, which still holds true

today: The air force immediately claimed total credit. They said, "We were there, we did it, and we prevailed in the conflict."

Among other things, they said that their bombing, even if it hadn't done any material damage, had gravely injured the guerrillas' morale. The British ground force commander at the time commented that he was aware of this claim, but could only say that he had attacked and been at the main guerilla headquarters just after it had been heavily bombed, and had found the defenders "cheerful, utterly defiant, and grossly slanderous about my parentage."

I invoke this completely forgotten little incident to show that there is a real timelessness to this discussion of the recent Kosovo conflict. From what we know so far, there was absolutely nothing new, apart from the fact that the United States was bombing a country in peacetime without a declaration of war. But that was not new either, apart from the fact we were doing this in Europe.

We heard much early on about pinpoint bombing, and the efficacy of cruise missiles. There were many triumphant briefings. You will remember Mr. Shea talking about how NATO was defeating the weather, that there was some bad weather but that NATO was getting around it. No one in the press briefings asked about the \$50 or \$60 billion that had been spent in the last 30 years to develop all-weather bombing systems, which still seem to be not quite on hand.

We heard about the wonders of the B-2 bomber, so amazingly stealthy. We heard about the deadly effectiveness of the Apache helicopter, which was being sent to Albania to wreak terror on the Serb army, and the devastating effect of the B-52, which at the end of the conflict apparently was destroying Serb troops by the hundreds.

At first the press went along with this in the main. There were occasional quibbles that air power didn't seem to be working as well as claimed. Various retired ground force generals appeared on television to say they didn't think the conflict could be won by air power alone. But generally the reception to the barrage of official briefings throughout the war was pretty positive. And, in the end, of course, as we know, Mr. Milosevic threw in his hand and agreed to leave Kosovo.

Then came a nasty shock. This battered defeated army, which had been pounded by thousands of NATO sorties, immolated by B-52 bombs, and so on and so forth, there it was, withdrawing from Kosovo in amazingly good order. There they were, streaming onto the roads. We saw them all. They all seemed to

be well-fed, well-shaved, looking rather cheerful actually, if you remember, giving victory signs everywhere; not the sign of a defeated army. Not the sign of an army that had been subjected to what NATO claimed to have done. From the evidence of the TV pictures and from the people on the ground, the best that NATO could do was not very much.

Members of the British press were the first to do proper on-the-ground reporting, talking to Serb military figures and actually going around and looking. They spoke to and quoted Serb commanders as saying they had lost a minimal number of tanks and suffered very few ground casualties — perhaps on the order of a 100 or 152 to NATO action and a further couple of hundred to Kosovo Albanian action. Mr. Milosevic later came out with a figure of only 462 from both, in both army and armed police units; again, very minimal.

Also people observed that the Serbs had deployed very traditional techniques of deception: fake roads made out of plastic. Simply drag a strip of plastic across a field and put up something that looks like a bridge at the end of it across a river and NATO will immediately bomb it, while the real road and the real bridge go undisturbed.

Of course, this evidence can always be written off as anecdotal, which means someone has gone and seen for himself, as opposed to a proper official study. And then we were told we would have to wait for the lessons-learned studies to be completed. We may have a long wait for that. I have it on good authority that the Office of the Secretary of Defense has had problems obtaining the databases on the bombing from the services' units that did the compilations.

We do have the early results of some lessons-learned studies from the British. We find that some intelligence reports about Serb troops and equipment locations took up to three days to reach front-line attack squadrons, by which time the Serbs had changed position. Consequently, pilots found themselves bombing old tank tracks.

American intelligence bureaucracy is blamed for innumerable delays. Secure communications were sometimes inadequate, meaning that vital information could not be passed to attack units for fear the Serbs would hear it. Also, none of the NATO forces had proper all-weather precision weapons of the type now deemed necessary to avoid undue civilian casualties. This is all part of a massive lessons-learned exercise launched by the British Ministry of Defense

as soon as the war ended. The British also admitted that even the widely quoted Serb figure of just 13 tanks destroyed by NATO might be an overestimate.

Also, I understand that another British study concluded that any future operation by NATO is likely to involve heavier, more ruthless attacks on civilian targets, such as power stations and water treatment plants at an earlier stage of the campaign. That is a rather depressing lessons-learned aspect of the conflict.

Back to what was learned by the United States. In the face of the negative reports emanating from Europe and particularly from London, the commander of the conflict, General Wesley Clark, felt he had to do something. Accordingly, on September 16, he held a briefing in Brussels to explain that, in fact, he had done very well and that his own on-the-ground study had shown how successful the tactical bombing in Kosovo had been. He remained ominously silent about the other part of the campaign, which was the bombing of the Serb civilian infrastructure.

He explained that he had sent people in to look for destroyed tanks and self-propelled artillery and other military targets. When these couldn't be found, observers could claim kills, or at least successful strikes, if they had two or more sources to say there had been successful strikes, such as the pilot or his wingman or other sources such as satellite or overhead imagery, a reconnaissance plane or cockpit video. With all these aids, General Clark managed to get the number up to 93 destroyed tanks and artillery pieces. However, he could only produce 26 destroyed tanks and self-propelled field artillery pieces on the ground when he went to look for them.

When you look at the slides he used, the pictures he used of the 26 confirmed, absolutely totally confirmed "kills", what do we find? We find among them a picture of an M-36 World War II American self-propelled antitank gun, which was famously ineffective even when introduced in 1943. One person told me it was lethal against German tank crews because they giggled themselves to death when they saw it. This was given to the Yugoslavs in the 1950s. From Clark's picture, it seems to have been parked out in a field, evidently as a decoy for NATO to bomb.

What are some of the lessons we were not able to learn? We do not know what would have happened in a ground campaign. But we do know that it took no fewer than 200 C-17 flights to put the 24 Apache helicopters in place that were on the Albanian border.

If you multiply that by what it was said would have been needed — 150,000 or 200,000 troops — to actually invade Kosovo, one must ask whether that could have happened by September, as claimed after the war. I don't think so. September, October — I think that we would still be seeing the build-up now and talking about an offensive sometime in the spring.

I think that unfortunately the most terrible lesson learned could be seen in the British report I just quoted about more ruthless attacks on civilian targets. That has been learned around the world, most negatively in a sick kind of way by the Russians currently in Chechnya, where they have said they are simply repeating the example of NATO in Yugoslavia, taking out command and control and air force assets and infrastructure. There is only one old biplane in the Chechen air force at Grozny airport, so it must be the infrastructure — water, electric power — that matters.

As I said at the beginning, there was nothing new in the Kosovo campaign. Probably the greatest effect was to further legitimize the practice of attacking a very small enemy by attacking and directing fire against a civilian infrastructure. Just bear in mind that we did prove in Kosovo that using the full might of NATO and the U.S. Air Force, we were able to conclude with the surrender of a country with an economy two-thirds the size of Fairfax County, Virginia. Maybe our \$260 billion a year are being well spent.

Reflections on Kosovo and U.S. Force Structures

James K. Galbraith

ECAAR/CDI Seminar on

Kosovo: New Paradigm or Object Lesson

Panel I: The War in Kosovo

Clearly the menu of U.S. policy choices for Kosovo in March 1999 was not large. With diplomatic discussions along then-ongoing lines, the Yugoslav military campaign against the KLA would have succeeded. And whether that would have been an acceptable outcome from a humanitarian standpoint may be debated. Or we could (in theory) have mobilized for a ground campaign, which, given the topography of the region might have meant a land assault on Serbia proper, for instance from Budapest to Belgrade.

Instead, we constrained ourselves in a number of ways. First, we determined that Yugoslav domination of Kosovo had to end. Second, we decided that for practical purposes no American casualties could be tolerated. And third, we had to act with the forces available, which meant a campaign of aerial bombardment. The result was the 78 day air war.

The air war thus represented a middle ground between ineffective diplomacy and full-scale invasion — a “third way”. The apparent success of that war has now crystallized, in many minds, a particular model of American involvement in world affairs. For many Americans, it is a model of relatively clean, politically achievable projection of power. It is a way of securing national and also humanitarian objectives without interrupting the normal rhythms of domestic political life, and especially without sacrificing our own soldiers.

But for much of the rest of the world the appearance is quite different. For them, it is a model of a country that issues ultimatums and then enforces them with high explosives delivered at long range. That we view our goals as noble, and our soldiers as priceless, is not so important to other people. Let me suggest that we should think very carefully about the implications of this for the American position in the world in the long run.

We will not resolve here arguments about the actual intent of the Milosevic regime in Kosovo, or what would have happened to the civilian population had

we refrained from launching the bombing campaign on March 24. Still less can we know how events might have played out in the longer run.

But I think we can evaluate, with some dispassion, the air war itself, and understand for ourselves the nature of this middle course of military action. Proper evaluation of bombing requires some historical context, and that can usefully begin with an austere, rather beautiful document: the United States Strategic Bombing Survey report of October 31, 1945, entitled “The Effects of Strategic Bombing on the German War Economy.” The USSBS study, directed by my father [John Kenneth Galbraith] along with such luminaries as Burton Klein, Edward F. Denison and Nicholas Kaldor, is justly famous in the annals of applied economics.

The Survey found that, with one important exception, the strategic bombing of Germany had few effects on German war production. Production of aircraft, for instance, peaked in the summer of 1944 when record numbers were on hand. Only the attacks on oil facilities had important effects on the German war effort, until the combined effect of land operations began to cause the collapse of Germany itself.

Why was this? By comparison with later periods the tonnage dropped on Germany was small, and the bombing itself was highly inaccurate. But the fundamental reason, the Survey found, lay in the economic possibilities for substitution. There are multiple ways to achieve any given military or production objective, and under pressure it is usually possible to find them.

Now through the late 1940s and 1950s we solved the problems of tonnage and accuracy in a fairly straightforward way: by replacing conventional explosives with hydrogen bombs. And we developed strategic bomber forces that were capable of delivering these weapons.

But there were difficulties. First, the weapons were unusable. While some factions in the Air Force notoriously militated for a preventive war against the Soviet Union, the government as a whole realized that the United States could not launch such an attack and one was, in fact, never launched. Later, the strategic nuclear missile and the submarine effectively superceded the bomber for both pre-emptive and retaliatory missions.

Thus the bomber force became again a conventional weapon. And in Vietnam, it again confronted the conventional bombing dilemma. Mobile and military targets are hard to hit. And hitting civilian targets does not win wars

against a determined adversary, particularly when, as was true of Vietnam, there were few fixed industrial targets of value. Most of the Vietnamese military supplies came in from China and Russia.

The development of precision-guided weapons, which began at the end of the Vietnam war, aimed at finding some useful role for aerial warfare. Precision-guided weapons were, of course, greatly celebrated during the Gulf War, though we learned later that their actual military role was much less than claimed at the time. No Iraqi Scuds were destroyed during that war, as I understand, and great numbers of Iraqi tanks survived to wreak havoc among the Shi'a of Southern Iraq after the war ended. The precision bombs were mainly useful against civilian infrastructure, for instance in Baghdad and other cities, where it bore little direct relation to the military operations in and near Kuwait.

That Brings Us to the Kosovo Operation

One can not take seriously the idea that the bombing campaign “ought to have worked” within a few days. Bombing is by nature a cumulative operation. The early blows have little effect. This is particularly true if the campaign is conducted conservatively, with a view at first to suppressing return fire, to keeping aircraft above a safe ceiling, and to minimizing civilian casualties.

It follows that a bombing campaign cannot be calibrated to prevent, or forestall, or even much interfere with, a campaign of expulsion of a civilian population on the ground, such as was launched against the Kosovar Albanians once the bombing started. Implicit in the decision to bomb was a decision to let the humanitarian disaster happen, and to sort out the results afterward.

By the time of Kosovo, our inventory of precision weapons had become quite large, and it was possible to conceive of a prolonged air campaign that relied mainly on them. Yet we found, just as in World War Two, Vietnam and Iraq, that the basic problems of aerial bombing against military targets remained. First, there were few fixed military targets to bomb: airfields and barracks, notably. Second, the mobile military targets were small, hard to find, located in and among civilians or else buried deep in underground bunkers. Third, the Yugoslav army was quite adept at providing decoys. At the end of the war, we found we had destroyed only a few dozen tanks and a handful of aircraft, and had caused only a few hundred casualties in the Yugoslav National Army.

That meant, as in earlier cases, the air war was primarily effective because it was, and only to the extent that it was, aimed at the fixed infrastructure of

civilian life. We destroyed government office buildings and television stations. We destroyed oil refineries and chemical plants, and we damaged the power grids. We bombed the major automobile factory and other industrial facilities. We destroyed hotels and other business assets belonging to the Serbian elite. We dropped bridges into the water up and down the Danube. We bombed a nation until it gave up.

We need to face this reality squarely. The bombing of civilian and administrative targets is not incidental to military operations in this kind of warfare. It is the essence of the operation. The campaign is successful only through the political pressure that arises from economic and civilian losses, environmental damage, and the psychological stress that comes from being under bombardment for a long period of time. It is perhaps gratuitous to point out that this type of warfare is plainly illegal under the laws of warfare to which we purport to subscribe.

I would rather ask a milder question. Is it in the U.S. national interest that we continue to be seen by the world as the major architect of this system of warfare? Is it something that we as Americans should support? Do we regard it as reasonable, fair and just? (And would we be prepared to accept it as legitimate if another country decided to retaliate, with the lower-technology, yet equally precision-guided, tactics of car and truck bombs?)

This is a Question of Costs and Benefits

At one level, the benefits of the Kosovo operation are straightforward: it worked, we won, we own the territory. But the *value* of this benefit really depends on whether one believes that the government and security system now arising, led by the leadership of the KLA, is a real improvement over the Serbs. The evidence for this, so far, is not overwhelming. One finds that claims of genocide before the bombing campaign started were exaggerated, while the new group operates with a brutality against Serbs, Roma and other minorities that does not seem all that different qualitatively from the brutality of the older regime.

At the time, much of American and north European public opinion was persuaded by the comparison of Serb actions to genocide, and also by the shame felt over insufficiently rapid action to prevent carnage in Bosnia. But this was not so in Greece, in Italy, and still less in Russia or other parts of the world not members of NATO. Most of world public opinion felt that Yugoslav actions

prior to the bombing were, while brutal, not acts of genocide. And the evidence emerging since the end of the conflict has tended to reinforce this view.

In total, the physical and human costs of the operation were very large. Serbia itself is in ruins, with heavy damage to transport, utilities, the industrial base and energy supplies, as well as scars on the urban landscape. Kosovo is a mess, littered with unexploded cluster bomblets that will cause civilian casualties for years to come. There is human and physical damage: civilian death and injury directly from the bombing, and the destruction of Kosovar homes that has to be counted in, because it would not necessarily have occurred had we not had the bombing campaign.

When you add all of this together, the claim that the benefits exceed the costs depends on a very strong view of the evil of the Yugoslav regime in Kosovo, of the likelihood of genocide proper occurring in the absence of an actual war in the territory. To the extent that evidence of this is less than persuasive, the relative weight of the costs begins to mount, in comparison.

As I said earlier, at the outbreak of the crisis, the actual choices were quite limited: ineffective diplomacy, full-scale invasion, or the “third way.” At some point, there was no choice, practically speaking, given the objectives we had set for ourselves.

But why was that the case? The answer is, in part, that we have downgraded our capability to use diplomacy effectively, and for that matter our ability to mobilize and deploy ground forces where they might be required, precisely because the “third way” seems to solve many of the thorny problems of projecting power.

But in fact, close examination of every case of strategic bombing seems to reveal that it does not resolve issues that ought to be considered important. Bombing is not, and has never been, effective against well-prepared and mobile military forces. It is only effective as a political and economic weapon against fixed civilian targets. It therefore necessarily entails the random murder of innocents in significant numbers. And it necessarily leaves major economic hardship, environmental destruction, and continuing physical hazards in its place, all of which greatly complicate the problem of post-war reconstruction.

As a thought experiment, suppose we had not had the ability to project our air power over Kosovo and Serbia? In that case, we would have had two options, both of which could have been pursued at the same time. First, diplomacy. Since

there would have been fewer alternatives to diplomacy, we would have had a strong incentive to strengthen and to rely on, rather than weaken and marginalize, the diplomatic institutions and our position in them, notably the United Nations. The fact that the U.N. *as it exists* was ineffective does not establish the impossibility of effective multilateral institutions. But we don't invest in such institutions because, in part, we think we do not need them.

Second, a military mobilization for a ground invasion. The threshold for this extreme step would have to have been very high. But would that have been, necessarily, a bad thing? Absent an actual campaign to drive the Kosovars from their homes, an invasion would not have been launched. And most Kosovar Albanians would still be in their homes today, instead of desperately trying to rebuild them. Would this have been such a terrible alternative to what actually happened?

In short, let me suggest that it may have been bad national strategy to develop the third way of remote aerial warfare. The point that some military alternatives are best not pursued is not new. We long ago banned chemical and biological warfare. We long ago recognized that tactical atomic weapons were too dangerous to use, particularly when positioned close to the front lines. We are presently moving toward permanent downsizing of the nuclear arsenal itself.

Our current capability to bomb presents similar problems. It tempts us to take a path that is easy on ourselves, but inflicts maximum damage on other people, and that prompts us to neglect our responsibility to win over the candid opinion of the rest of the world before committing our forces to military action.

U.S. Military Needs and NATO Expansion in Light of Kosovo

Edward L. King

ECAAR/CDI Seminar on Kosovo: New Paradigm or Object Lesson Panel I: The War in Kosovo

At the end of April 1998, the United States Senate by a vote of 80 to 19 approved ratification of the inclusion of Poland, Hungary, and the Czech Republic into the NATO alliance. This vote approving the expansion of the Western European defensive alliance into Central Europe by bringing three former Warsaw Pact member countries under its protective military shield marked a dramatic and potentially dangerous commitment for the United States and its military forces. As Senator Moynihan so succinctly put it during the Senate debate, "It's back to the hair-trigger."

I lobbied against the expansion of NATO because as an old soldier and a long-time Capitol Hill foreign policy advisor, I believed it was not in the best interest of the United States to make such a far-reaching and expensive military commitment, which we and our allies cannot in reality substantially fulfill short of using nuclear weapons. Why do I believe this?

In the first instance, my several years of military experience in U.S. Army units assigned to NATO missions taught me early on that a lot of the bureaucratic NATO public relations boilerplate is not completely accurate. In 1956, for example, when Soviet tanks rolled into Hungary, the infantry company I commanded was hurriedly deployed into defensive positions near the Czech border with enough ammunition for less than an hour of combat. And while we crouched apprehensively in hastily dug foxholes, NATO rhetorically thundered against the invasion. Later, when I was a general staff officer in France, we usually referred to NATO as "No Action, Talk Only."

For a large part of the Cold War that was NATO's role. The real deterrent to the overwhelming Warsaw Pact conventional forces that faced the

outnumbered and outgunned NATO divisions was the threat posed by the 7,000 tactical nuclear weapons that the United States maintained in West Germany — although the Germans never agreed to their use, since that would have killed just about everybody in Germany. But the potential U.S. tactical and strategic nuclear threat was enough to hold back any serious Soviet thought of a blitzkrieg attack until the Soviet empire finally collapsed from its own internal rot. And so, NATO — with the United States footing the lion's share of the bill — can justifiably take legitimate credit for this ultimate collapse after nearly 50 years of armed peace.

However, we should remember the sobering fact that these five decades of armed peace were secured essentially through the threat and fear of nuclear war. Therefore, we do not want to create international conditions that could lead to a return to such an era of "peace." This is one of my principal concerns in regard to where the Clinton Administration's NATO expansion policy may ultimately be taking our country, with stops along the way in Bosnia and Kosovo.

Many important questions were put forward before and during the debate over expanding the NATO alliance. Essentially, they dealt with the strategic and tactical military implications, the possible effect on Russian-American relations, and the ultimate costs involved. This morning as we consider the crisis in Kosovo, which was brewing but not seriously considered at the time of the debate, and the implications that NATO expansion has for possible future Kosovos, I think it is worthwhile to briefly review some of the considerations that were raised during the debate.

A former U.S. ambassador to NATO recently wrote that one of NATO's core functions is to provide lasting security and stability in Central Europe and to design a place for Russia in a European security system. But the long-standing core mission of the NATO alliance is the defense of the territory of its members as outlined in Article 5 of the Treaty, in accord with the provisions of Article 6 that establishes the territorial boundaries of NATO's defensive responsibilities. With the 1999 admission of Poland, Hungary, and the Czech Republic, NATO assumes a very difficult — some military officers would say impossible — tactical burden of having to defend much further to the east in front of the historically militarily indefensible Polish plains rather than the more defensible geographic positions along the Oder or Rhine rivers. All of this is of little concern except to military planners so long as Russia remains weak and unstable.

But under other circumstances, NATO's pledge to defend Poland could become as reckless as Britain and France's pledge was in 1939.

It must be remembered that membership in NATO is a very serious long-term commitment of U.S. blood and treasure that applies equally when there is no discernable threat and when there is a high level of threat. Above all else, NATO is a military, not a political or socio-economic organization. It is committed by treaty to defending *all* of its members from attack. In my estimation, it should not be used as an expedient means to fill a void to divert Eastern European desires to enter the European Union or to provide, as Senator Warner said during the debate, "a 911 dial-a-soldier" peacekeeping force for settling disputes among non-member states.

And what about Russia's reaction to this eastward expansion of NATO's defensive perimeter right up to its Baltic border of Kaliningrad and to the border of its "union" ally Belarus? And what about the Clinton administration's promise that expansion is open-ended and that Romania, Slovenia and the Baltic states will be considered for future entry? I don't think this does much for reducing Russian apprehension either.

During the hearings, Secretary of State Albright assured the Senate Foreign Relations Committee that expansion would not have an adverse effect on the bilateral relationship. But perhaps the Russian ambassador to the United States more accurately answered that question when he said, "Russia's attitude toward NATO enlargement has been and remains unequivocally negative. The signing of the Russian-NATO Founding Act does not alter that attitude in any manner." Many Russians see the expansion of NATO into Central Europe as an attempt to contain Russia.

Charles Krauthammer addressed this question most bluntly in a March 1998 Washington Post op-ed article, writing that NATO is "expanding in the service of its historic and continuing mission, containing Russia. It says to the world, and particularly to the Russians, that the future of Central Europe is settled." But is it that clear? Are we really prepared to go to nuclear war to save Warsaw?

We should keep in mind that the U.S. and its NATO allies are dealing here with a Russia that, albeit weakened and struggling economically, continues to be the world's second most powerful nuclear nation with over 7000 nuclear warheads, most of which are or can be quickly targeted on the United States.

Columnist David Broder best summed up the situation when he wrote in a Washington Post column, "None of the current NATO countries envisions sending its ground forces to fight on this vastly enlarged frontier. The security guarantee will have to be underwritten by America's nuclear force, a prospect that surely will motivate Russia to maintain its own nuclear weapons rather than join us in scaling them down." And based on the available evidence and Russian reluctance to ratify START II or to be forthcoming about their tactical nuclear weapons, that appears to be exactly what Moscow is doing.

President Yeltsin stated in 1998, "Long unprotected sections of the Russian Federation state border have appeared. Russia reserves the right to use all the forces and systems at its disposal, including nuclear weapons, if the unleashing of armed aggression results in a threat to the actual existence of the Russian Federation as an independent sovereign state." In other words, this would be the first use of nuclear weapons.

Daniel Patrick Moynihan spoke to this in the April 1998 speech that he made before the debate when he observed; "We may stumble into a nuclear war with Russia not from Russian strength, but from Russian weakness."

Former Soviet President Mikhail Gorbachev addressed a similar point in 1992 when speaking about the break-up of the Soviet Union. He said, "One problem which is assuming an acute and at times dramatic character in Russia is that of ethnic enclaves which are being violently separated from their accustomed motherland and now find themselves on the other side of a national border, which has in places generated direct discrimination against minorities. In this situation, any incautious step by anyone, however well-intended it might be, can be misinterpreted and used in a way contrary to what was anticipated."

I would submit that expanding NATO was exactly such an incautious step. A further incautious step would be to expand it further into the Ukraine or the Baltic states. During the debate over expansion, the administration was fond of reminding the opponents that no NATO nation had ever been attacked, and during its half-century of existence, NATO had never once had to fire a shot in anger to fulfill the security guarantees in the Washington Treaty of 1949.

However, NATO now has fired a shot in anger. In fact, hundreds of shots have been fired by NATO warplanes into Serbia and Kosovo. Serbian planes have been shot down. Some tanks and artillery pieces have been destroyed and an undetermined number of troops and civilians killed in Serbia and Kosovo. So,

after 50 years, NATO has ceased talking and taken action. After 78 days, during which it bombed a small, fourth-rate, dictator-run Serbia into submission, the result was a victory. However it now has to send in 50,000 troops as a peacekeeping force to keep the ethnic Albanians and Serbs from continuing to kill each other in vicious civil war.

NATO now has about 80,000 troops, including 3,500 Russians, occupying Kosovo and Bosnia at a cost unofficially reported to run between six and ten billion dollars. The United States currently has about 15,000 troops in the peacekeeping and occupying forces and, if the past is any indicator, is probably paying about 30 percent or more of the direct and indirect costs.

The three new NATO members offered varying degrees of military and civilian support. Poland gave the most outspoken civilian support, while Hungary permitted NATO aircraft and troops to use its Tsar Air Base for troop staging and bombing and supply missions to Kosovo. The Czech Republic permitted NATO aircraft to fly over, and donated a field hospital and relief supplies to assist refugees in Albania.

Russia surprised NATO. After strongly denouncing the bombing as illegal under international law, shortly after the cease-fire Russia hurriedly moved its troops to unilaterally occupy the airfield at Pristina, in effect muscling into the peacekeeping operation. At the same time the Russian Army and Air Force began the largest military maneuvers held in recent years, while there were demands made in the Russian Duma for increased defense spending.

For U.S. military forces, NATO's war has had costs in materiel readiness, personnel morale and in dollars. The wear and tear on U.S. aircraft, the maintenance requirements, and the replenishment of munitions stocks is quite costly. And, as Mr. Kaufman mentioned, that's running the expense of the defense budget much higher. Also, the problems of family separation and repeated prolonged periods of being away from family in a frustrating and sometimes boring occupation job in Bosnia or Kosovo is having severe impact on Army morale and in retainability.

The Secretary of the Army recently announced that the Army would soon begin to restructure itself into lighter, more mobile forces designed for places like Kosovo. This reminds me of the great reorganization we did between the Korean and the Vietnam wars when the Army prepared to fight counter-insurgency wars. Vietnam and the Persian Gulf changed most of that, and I suspect that since the

Chinese, Russian, North Koreans, Iraqi, and Iranian armies have not restructured for peacekeeping, we will probably come out about the same way again.

Well-trained U.S. and NATO troops have been most fortunate so far in Kosovo and Bosnia in the fact that there's been no guerrilla activity against them. But I do believe that there is a severe chance of that breaking out against these troops unless NATO and the Organization for Security and Cooperation in Europe soon find some other way than large military occupation forces to bring peace and some form of lasting social and economic stability for the devastated and polarized region.

I would hope that NATO would most carefully consider the provisions of Article 4, particularly that of out-of-area and other mission requirements when they meet again in the next NATO Council meeting. In my estimation, it would be a serious mistake for NATO in the pursuit of bureaucratic longevity or power to obscure its essential core mission and try to become a European fire brigade. The United States should welcome and faithfully support the encouraging efforts of European leaders to create a creditable, autonomous EU military force.

As England's Prime Minister Tony Blair has said, "Europe needs to develop the ability to act alone in circumstances where for whatever reason the U.S. is not able or does not wish to participate." As someone who helped to work on Senator Mansfield's 1971 amendment to try to get the Europeans to assume more equitable burden-sharing in their own defense, I say, amen, it's about time.

Balancing Commitments and Capabilities

Kori Schake

ECAAR/CDI Seminar on

Kosovo: New Paradigm or Object Lesson

Panel II: The U.S. Military Buildup and Rational Readiness

I understand there were very good talks this morning about Kosovo, many of which emphasized that using military force as the primary diplomatic tool is an expensive way to do business. I want to reinforce that. The United States needs to spend more time and diplomatic attention on the kinds of crises that lead to committing military forces. If it's not worth political attention and political capital, then it shouldn't be worth tax dollars or America's soldiers.

Kosovo is a clear example of the imbalance between our commitments and our capabilities. Our capabilities, spending, and troop levels have been cut, but our commitments have not. Defense spending has been reduced by about a third since the height of the Cold War. Our forces have been reduced by about a third, as well. For the Army, that's down from 19 to 11 active duty divisions; the Air Force, down from 22 to 12 tactical air wings. The Navy has gone from 528 to 300 ships, including a reduction from 15 to 12 aircraft carriers. The Marine Corps is down from 194,000 active duty Marines to 172,000. And while some overseas station forces have been reduced — forces in Europe, for example, from a Cold War high of 325,000 to about 109,000 — our commitments have not been reduced by anywhere near that much.

As a result, operating tempo and personnel tempo (which are measures of the amount of time soldiers, sailors, airman and Marines are deployed away from their bases doing their jobs) are higher than at any time since World War II. Because we have reduced the size of our military more than we have reduced our commitments, we are working people much harder, and that has long-term effects on the force.

These effects are predominantly negative, especially when we consider that most soldiers are very young. While most soldiers feel pride in what they did in Kosovo, in feeding starving people in Somalia, and in many of the kinds of humanitarian operations they were engaged in, the long-term grind on these kids

has real costs. Those of us interested in defense policy need to remember that “the military” is predominantly kids. The average age in the Marine Corps is 19. For every old colonel of 42 or 43, we have a lot of soldiers in their twenties and younger.

Because we have a professional force, many people are both young and married. Spending large proportions of their first tours away from home has costs in terms of their family relationships. It also has costs in terms of people being willing to commit their time, energy and their talents to the U.S. military. When we make more commitments than we can manage, it significantly damages our military force.

The strain on the force behaves like an infectious agent. When an epidemic reaches its tipping point, a formerly stable phenomenon becomes a crisis. In this case, it is a matter of attrition, and we are reaching the tipping point. We are reaching the point where we can't keep talented young sergeants in great enough numbers to have really talented sergeants major in 15 years time, when it will be too late to fix the problem. Keeping talented people in the military is a problem that needs to be managed in a 10 to 15 year timeframe.

The epidemic of attrition means we either need a larger force or we need to be stingier as to how we commit it. We need to be more selective about which of the many possible tasks we choose to take on. We need to be honest about the limits of our resources, because at this point, we are over-committed.

Defense policy choices are always choices of risk management: How much risk are we willing to tolerate? The answer is always greater than zero. It has always been greater than zero, because we have never spent the entire federal budget on defense. Right now, the military risk facing the United States is fairly low, in spite of our reduced funds. It's difficult to imagine any country wanting to put an army in the field to fight against this country.

That does not mean there aren't threats we need to manage both old and new. Whether we are preparing our military for the kinds of threats they are likely to face is an open question, and one that deserves careful attention. Our armies are preparing to fight and win the nation's wars, but it's not clear that they're preparing to fight the kinds of wars they may actually be called upon to fight. In order to prepare properly for actual risks, we need to think in new ways about various kinds of threats. We need to think about the asymmetrical power relationships between the United States and many other nations, and the kinds of

tactics this asymmetry may lead an adversary to use. We need to think about terrorism. We must consider whether we need the large building blocks for major theater wars, or whether we would be better served by a greater number of small, more flexible units and capabilities.

We are notoriously bad at understanding what kinds of wars are coming or what they're going to require of us. Kosovo is just the latest example. Is it possible that 19 NATO governments genuinely believed that three or five days of bombing with some 100 to 200 aircraft would get them what they wanted? In the end we used more than 500 American aircraft, and another couple of hundred allied aircraft, operating for 78 days. Even with such a substantial commitment of air power, it was lucky that Slobodan Milosevic ended up agreeing to what was demanded.

Our ability to anticipate the kinds of wars we're likely to be called upon to fight will improve if defense professionals are straightforward: about the kinds of risk we're accepting and what the cost is to reduce those risks. I would argue the risk to us of war or terrorism is currently quite low, but the cost of further reducing that risk is quite high. It is high in terms of money. It is also high in terms of civil liberties.

If we really wanted to manage the terrorist risk, we would have to rethink immigration, the free movement of peoples, and the role of the military within the U.S. polity. We would pay an exorbitant price to further reduce the risk of terrorism or the risk of weapons of mass destruction coming into the country. Reasonable people can disagree on where the balance of the opposing values lies, but we must be straightforward in assessing risks themselves.

The Bottom-Up Review (BUR) in 1993 did exhaustively address some of the risks in the U.S. military posture. The BUR evaluated a strategy of halting the advance of adversaries in two major regional conflicts and then being able to go back and win them both. So although it was popularized as a win-hold-win strategy, it was actually a hold-hold-win-win strategy. The two contingencies were not expected to occur at exactly the same time, so the BUR accepted the risk of using some of the same forces in both wars. And the Bottom-Up Review also explicitly delayed some procurement because it was possible to continue to take advantage of what was left of the Reagan build-up.

The Quadrennial Defense Review, the most recent review, also explicitly accepted some risks, most notably the degree of comfort the military had that it

could carry out the strategy. The services are more nervous nowadays. At the same time the usage rates of the equipment we have in places like Kosovo are higher than programmed. We will therefore need more modernization in some key assets if the forces continue to be used at the present rate. This will be especially true if our allies continue their practices of not building up greater capabilities and of not sharing a greater part of the burden.

I identify several worrying trends affecting the balance of commitments and capabilities. One I mentioned earlier is our recent tendency to use military forces as the main tool of American diplomacy. We are under-funding the State Department. I cannot emphasize that too much. We need to spend more money on embassies. We need to spend more money on early engagement. We need to spend more money on the kinds of preventive activities that can reduce the need to commit military forces. We need to go back to force being an element of diplomacy rather than its main thrust.

The budget of the U.S. Information Agency is also very important. I can't tell you how much difference the USIA could have made during the Yugoslav elections of 1990 and 1991 if they'd had the money to make sure that all candidates had access to free media, that candidates from mono-ethnic parties or extreme parties didn't have sole access to the airways. There are many creative ways to engage and advance our interests in the world, but we are not being creative enough.

A second concern is the way the Defense Department is used as a cash cow for other types of foreign engagements, for hurricane relief, for congressional desires to build and retain military bases, for military equipment the Defense Department doesn't think it needs. The defense budget is not big enough to do this anymore. We need to be much more disciplined about how we spend the defense budget and how we reach into it for things of immediate importance not of concern to our nation's defense.

Third, again as I mentioned earlier, is the question of retention rates of trained personnel. We need to pay a lot more attention to this because it's the most worrisome sign of excessive strain. If we are going to have the world's finest military, it won't be primarily because we have the world's best weapons. It will be because we have master sergeants with the smarts and the initiative to jump their computers together. That kind of initiative is the living heart of the U.S. military. That's what provides the United States with the world's finest

fighting force.

Fourth, I am concerned about congressional add-ons to the defense budget. This is an unpopular thing to say on Capitol Hill, but the \$30 billion that have been added since fiscal year 1996 to the defense budget are not predominantly helpful to our national interests or to carrying out our defense policy. Two billion of that alone is military construction at a time when we need to be shutting unused bases, not adding on. Senator McCain's has compiled a long list of pork projects to eliminate. I encourage you to read this and publicize it, because we have too much unnecessary spending in the defense budget.

In closing, let me use the Kosovo air campaign to illustrate my point about the need to balance our commitments and capabilities. The total cost of the Kosovo air campaign was \$2.8 billion, and we have already pledged \$550 million to addressing the immediate post-conflict humanitarian needs. While military force is important as a last resort for advancing our country's interests, this is a very expensive way to do business. If we had been more creative diplomatically, if the military had been used economically with other kinds of engagement, I suspect the bill to taxpayers would be lower.

Rational Readiness

Michael O'Hanlon

ECAAR/CDI Seminar on

Kosovo: New Paradigm or Object Lesson

Panel II: The U.S. Military Buildup and Rational Readiness

I want to make two main points, one relating to what Kori Schake said, and one to what I think [Franklyn] Chuck Spinney will say. However, in the end, I am more comfortable with our U.S. military commitments than Kori is. I'd like to provide an explanation for this view.

I agree with Kori's point that readiness has been strained and the force is working a bit too hard. At the same time we make that pitch, I think it is also important to remember just how good the force still is. Kori probably wouldn't disagree; she's concerned about where it's headed. But I do think that sometimes in our debates on Capitol Hill and elsewhere we tend to conjure up an impression of a force that's becoming hollow in the near term, and this is fundamentally wrong.

Today's force remains very good. You can look at live indicators. In terms of levels of education, experience, and training, I would give the force an overall grade of something like B+, and that's about the same average grade I think it would get for the 1980s. It built up to a higher level in the course of the 80s, and certainly the Desert Storm force was more ready than today's. And I acknowledge that there are trend lines that have been almost universally down in the 90s.

But the absolute levels today are still quite good, and with the recent congressional attention and presidential effort to increase pay and funding for training and other readiness initiatives, I don't think we need to cry wolf. I'm sure Chuck Spinney and I will have a somewhat different opinion on this point. My own view is that if we convince ourselves that we have a readiness crisis today, it hamstrings us internationally and may lead us to attempt more radical solutions

than are necessary.

Having said that let me propose a couple of solutions, because the problem is serious enough that we need to find ways to address it. It's not primarily a resource problem. Especially with the recent pay, spare parts and training initiatives, there's a lot of money going into the Operations and Maintenance budget, the primary place that readiness is funded, and quite a bit of money going into the personnel budget. The real problem is in the way we are using the force.

The problem is partly the way the Department of Defense is organized and the way it manages its forces. If you look at the absolute level of effort for most of the 90s, frankly, you can make it look quite large and poised right. But in proportional terms, we do not deploy a lot. We are sending six, and eight, and 10,000 people out of a force of 1.4 million to places like Somalia, Haiti, or Bosnia. Following the war in Bosnia, we did send an additional 20,000 troops to the earlier 10,000 or so into the immediate area for the first year. And certainly in Kosovo, we had large numbers for the spring of 1999. But the enduring operations, the longer ones, are typically of modest size, which raises the question: Why can't we do them? What's so hard about having 6,000 U.S. Army troops in Bosnia when you've got 500,000 in the force?

Part of the problem is that the Army hasn't properly organized itself to handle these things. And part of the reason for that is, of course, the two-war strategy. The Army is required to maintain a force structure that envisions two somewhat miniaturized, but still comparable Desert Storm-like wars in two places at the same time.

Because of this requirement the Army is willing to man its divisions at just 85 percent of total troop levels. Then when it wants to have 10 full divisions (because the two-war strategy requires 10 full combat-ready divisions organized in the old fashioned way), it expects to pull people out of the individual Reserves and National Guard to fill out combat units. At least there would be a force that would be 85 percent of what it was supposed to be.

The problem is that in crisis situations such as we have had in the 90s, when a force is deployed, just sending an 85 percent strength unit seems inadequate. So, we rob Peter to pay Paul. We end up drawing on much of the force structure simply to fit out the six, or eight, or 10,000 people who are going to be in Bosnia. That means the soldier who gets pulled out of a stateside division to go strengthen up the First Armored Division, for example, finds himself

deployed again two or three years later because the Army has somehow lost track of what his responsibilities have been. I refer to the Army to illustrate my point; a similar problem holds for each of the services.

Also, as we all know, the military did not have enough of certain kinds of high demand units, such as AWAC crews [Airborne Warning and Control System]. They tried to correct that during the 90s. But a large part of the problem is the way the military is organized. I believe we could maintain the current level of commitments at the current level of spending provided the military is given some freedom to relax the two-war requirement. I'm not saying we should get away from any sort of two-war capability, but the idea of being able to fight two Desert Storm-like wars at the same time is to me strategically unconvincing as a requirement. And it may sound the death knell for the force in terms of how it has to function to handle the kind of operations that have been much more common in this decade.

In some ways I'm amplifying points that Kori made. But I do want to offer a somewhat different perspective. I think we have to put pressure both on the Pentagon and also on our own strategic thinking regarding our view of the two-war scenario. Some people are happy to just dismiss the two-war construct and say it's ridiculous, that we would never fight two wars at the same time, that Iraq and North Korea are getting weaker. This is also, I think, a mistake. It's too easy for the Pentagon to shoot down that argument. Defense Secretary Bill Cohen showed how easy it was in 1991, saying "Which do you want me to forget about? Iraq or North Korea? Which one do you really think is not safe?"

One needs to ask why the future will never be like 1994 when both those countries caused us serious concerns and crises at the same moment, raising the very real possibility that there could have been two conflicts at the same time? This requires a more nuanced and detailed focus on what sort of alternative two-war requirement would be suitable and acceptable both for much of the peace community, and also for the defense community.

I argue for an analytical approach. Those of us who are worried about being able to maintain commitments and operations to maintain some form of two-war or two-theater capability need to say how the force can be restructured to do this while also being able to do peacekeeping operations more efficiently. I think there are ways to do it.

Let me quickly mention one or two other ideas on readiness before I move on to discuss procurement issues. One concerns the no-fly zone operation in Iraq. We talk about peace operations as if they were the cause of all the strained overcommitment of resources, but it's Iraq that's been the cause of the Air Force's problem and to a large extent the Navy's. I would personally be much happier, and I think the Air Force pilots would be as well, to set up either a more modest deployment in that region, or to get away from flying holes in the sky and actually do some training, using forces in Iraq, in Saudi Arabia, Kuwait, other places in the Gulf the way we use forces in Korea in peacetime. We could train for rapid response in the event of war, be ready to handle that sort of invasion possibility should it ever transpire, but not necessarily make ourselves feel like we're doing something to box Saddam in by dropping bombs on his surface-to-air missile sites. To my mind this has nothing to do with his hold on power or his weapons of mass destruction and is a huge strain on the Air Force.

Unfortunately, it's hard to talk about this politically because it sounds like you're being soft on Saddam. But we ought to keep our eye on the eight ball. The key issues are Saddam Hussein's weapons of mass destruction and whether we could ever find a way to unseat him. Those are the two concerns. The no-fly zone does nothing about either one that I can see.

One last point on readiness might be better left in past debates rather than constantly revived. I think that the Marine Corps presence on Okinawa does no great service to our ability to respond to war in Korea. While there are 20,000 Marines on Okinawa, only three amphibious ships are based in Japan to move them around. It's not really a good match, yet the Marine Corps is constantly deploying its forces to Okinawa.

The Okinawa deployment is the biggest strain on the Marine Corps, and in practical strategic terms isn't really even a deployment. It makes us feel symbolically that we're maintaining the commitment to the East Asia region, but I think we have other ways of doing that: our carrier presence, our Air Force presence, and the troops on the ground in Korea, all of which I strongly support. I would consider looking at these specific missions as ways to alleviate some of the readiness strain.

Let me speak briefly about the issue of the coming budget crunch. Chuck Spinney and I agree, I think, that it's a big problem, but we may have different

ways of looking at how to handle it. Let me sketch out what I think is the basic problem.

Today, we're spending about \$50 billion a year on weapons procurement. If you look at the Pentagon's actual plans and then at Congressional Budget Office calculations, or Chuck's calculations, or even back-of-the-envelope calculations, that number would need to be \$70 billion and \$90 billion a year. And it would have to be sustained at that level indefinitely to keep the weapons modernization agenda the military now has and to keep a 1.4 million active duty force. There's just no way we're going to find that kind of money out of defense economies. Even if we do close bases, even if the Congress stops adding on, even if we reduce the number of deployments slightly, we're not going to fund that \$30 or \$40 billion procurement increase out of defense economies. So we have to hope it can come from an increased defense budget. This has become the defense community's new assumption.

At the same time, in the Quadrennial Defense Review, the defense community had an underlying consensus, as did many people on the street, that the defense budget would not go up. We had a balanced budget environment. People thought they had better assume that defense spending would be about \$250 billion a year in constant terms indefinitely.

But two years later, with good news about surpluses and great rhetoric from President Clinton and Congress about increasing defense spending, the services are now pinning their hopes on the idea that defense spending will go up considerably. If you really believe the Congress and President will fund what the services want to buy, the spending would then amount to one-half as big a build-up in budget terms as the Reagan build-up. But this is not plausible politically.

You can see the implausibility of such an increase if you look at the Republican budget proposal for the next ten years. This is the most under-studied document in Washington. The Republicans are calling for a defense cut that would leave our defense budget in 2009 below where it is today. The same party that wants to claim to be to the right of Clinton on defense has a tax cut proposal and a budget plan that would lock in cuts. Now I'm actually finding myself for the first time in a long time to the right of the Republican Party on this issue.

I think the weapons modernization agenda is excessive, but there's no way to avoid some kind of increase in the procurement budget because things are wearing out. Consequently, we should modernize certain capabilities, and we

should deal with some new threats, which implies an increase beyond the \$50 billion for procurement, just to keep current. That is just to hold the line in real terms even if you radically rethink tactical fighter modernization, and even if you radically rethink destroyer and submarine and other modernization. And now the Republicans are saying we can actually increase the budget a little bit for the next five years, and then cut it precipitously thereafter.

Now you might say, well, these budgets don't mean anything anyway. They are always subject to change. That's usually a good counter-argument to worrying about out-year projections except when they're locked in by a tax cut. Granted, a tax cut is less likely than it was a month ago, but it's something that George Bush of Texas still supports and may, therefore, be revived in a big way in about 16 months. If you believe that tax cut proposal could have a life beyond that point, you're going to have a major budget problem.

I think the Republicans will rethink that tax cut a little bit. Nonetheless, for anyone who believes that the Republicans are so much in favor of defense that they will fund this procurement build-up, I think politically there's a strong case against that position.

As for Bill Clinton, he talked about \$112 billion increase over six years last January when he made the big unveiling of his new proposal. He only provided \$4 billion of that, however, for the actual Year 2000 debate that he was about to have with the Congress. And that \$4 billion would not actually have been quite enough to prevent a real decline in spending in 2000 to begin with, because he had already scheduled a cut. All he was doing was softening the magnitude of the cut and advertising it as a big defense spending increase. He's obviously trying to have his cake and eat it, too, politically.

Anybody who thinks that this town has come around to the idea that we are going to increase defense spending, in my judgment should look a little bit deeper than the rhetoric. The answer is going to be that we will do very well to hold the line. And if we hold the line, we're going to have to drastically rethink the weapons modernization agenda.

I'll conclude here. My sound bite for how to modernize is keep the platforms healthy, keep them reliable, keep them young enough to be dependable, but do most modernization through the things that the platforms carry, as in Admiral Owens' systems-of-systems concept. For munitions and communications, take advantage of advances in electronics and computers, and

modernize in those ways. Modernize in a more limited way with big weapons platforms. Even that agenda is going to require some increases in the procurement account. But if you keep saving a little bit of money here and there, in base closures and other things, you may be able to hold the line in real defense-spending dollar terms, and that is perhaps a politically plausible scenario for the future.

An Alternative Defense Budget

Eugene Carroll, Jr.

ECAAR/CDI Seminar on

Kosovo: New Paradigm or Object Lesson

Panel II: U.S. Military Buildup and Rational Readiness

If you examine the Fiscal Year 2000 budget, you may well conclude that Congress is bent upon spending too much on the military and too little on many critically under-funded non-military programs. That conclusion must be resisted, however, until you consider the justification for the added spending. It is unwise to advocate cutting military spending purely to free up money that seems to be more needed elsewhere.

First, you must consider the missions of the U.S. military forces. Just what threats exist to America's security and what is the strategy to address those threats? Then you can begin to determine the size and military capabilities of the armed forces needed to execute the strategy in order to meet the threats at an acceptable level of risk. I stress *acceptable* level of risk because, if permitted, the military would opt for zero risk, which would require buying everything at infinite cost.

Once force levels, readiness standards and modernization schedules needed to provide an adequate defense are established, then the cost can be calculated and the savings (if any) made available for other purposes. But remember one important point. Any transition from the present plan must be made in a thoughtful, prudent manner. The armed services are a huge bureaucratic establishment beset with built-in inertia and composed of 1,400,000 human beings whose legitimate rights must be considered each step of the way. No meat axe treatment is possible or warranted.

With these precepts in mind, let me in the short time available outline the key issues and identify an alternative concept of national defense. First, the threat. We are at a moment in history when there are no peer powers or alliances which pose any significant military threat to the United States or our allies today, nor will there be one for the next 15 to 20 years at the earliest. The single exception to that statement is Russia's strategic nuclear weapons, which I will

address shortly.

We do face global violence in the form of civil wars, ethnic and religious violence, political terrorists, irredentist movements and occasional trans-border wars such as Eritrea-Ethiopia (or much worse, India-Pakistan), but no place do we face a threat of direct land, air or naval attacks against U.S. forces or territory. World War III is not on the foreseeable horizon.

Nevertheless, the current U.S. strategy dictates that we will maintain combat ready forces capable of fighting and winning two major regional conflicts nearly simultaneously, without help from friends or allies. To implement this strategy we will sustain a high level of forward military presence, keeping nearly one quarter of a million combat ready forces continuously deployed on foreign soil and seas. We will act multilaterally when possible or unilaterally when necessary in what is essentially a world policeman's role.

The Center for Defense Information proposes major changes in this horribly expensive strategy, which will permit significant reductions in forward presence, force levels and weapons costs.

Given the absence of any existing or foreseeable significant military threat, we would greatly reduce the levels of U.S. force deployments in Europe and Asia. There is no justification or need to keep 100,000 troops in Europe to face non-existent enemies and even less to keep 50,000 troops in Japan. South Korea (ROK) is fully capable of defending its own territory with 600,000 well-equipped and trained personnel. In 1988 then Chairman of the Joint Chiefs, Admiral William Crowe, testified to Congress that our troops could be withdrawn safely, and the North-South Korea balance is now even more favorable to the ROK.

Small liaison units would remain in Europe for planning purposes and to supervise regular combined exercises in order to maintain the capability to support our allies there. Regular air and naval exercises with Japanese and ROK forces would provide the same capability in Asia.

With almost all U.S. forces based in the United States, selected units would be maintained at the highest level of combat readiness, ready for rapid deployment. Remaining active units and strengthened Guard and Reserve forces would be available for build-up and follow-on deployments if and when needed.

Finally, force modernization plans would be revised to end the present emphasis on preparing for World War III with legacy weapons designed to fight force-on-force battles against a peer power. The real world dictates lighter, more

mobile U.S. forces armed with transportable weapons capable of engaging and defeating guerrilla, paramilitary and third world forces that are equipped with the firepower and weapons typical of Iraq, North Korea and Serbia today. All U.S. Army and Marine units ashore would be directly supported by Air Force and Naval units capable of delivering substantial firepower against fixed enemy installations and any armored forces they might field.

No pretense that it might be necessary to fight two major regional conflicts simultaneously would be used to justify excessive force levels because this is a wholly implausible scenario in the words of then Secretary of Defense William Perry. Neither would imaginary threats be used to justify unaffordable and unneeded legacy weapons such as 339 F-22 fighters, 30 new nuclear powered attack submarines, 1100 45-ton Crusader howitzers and 600 Osprey tilt rotor aircraft, to cite only a few of the more flagrant examples in current plans.

Nowhere is there greater need for change and opportunity for savings than in U.S. nuclear strategy and forces. Today we spend approximately \$30 billion per year to maintain and enhance a nuclear war fighting capability that is utterly useless and wasteful. The President calls nuclear weapons the cornerstone of U.S. security and proclaims the right to make first use of nuclear weapons against even non-nuclear armed states. Instead of this confrontational posture, the U.S. should lead the way down the nuclear ladder until no nation maintains more than an absolute minimum deterrent force with fewer than 1,000 warheads. The U.S. nuclear capability would be limited to 10 Trident submarines, which would provide a credible and invulnerable retaliatory force. All other tactical and strategic systems would be eliminated.

Because this radical change would require a cooperative response by Russia it is impossible to predict how rapidly we could reach the pure retaliatory posture, but clearly we can begin now to effect deep reductions on a mutual, reciprocal basis; and to take all strategic forces in both nations off hair trigger alert status. Savings at the end of five years of \$20 billion per year could be possible, given the political will and leadership to act to reduce the only genuine threat to U.S. security.

The product of this reassessment of the threat and changes in strategy would be a much leaner, more effective and appropriate defense structure. The resulting CDI proposal is intended to be just one of an infinite number of possible proposals. It is plausible and based on reasonable military concepts. It definitely

does not reflect the current political mood of Congress where the desire to increase military spending is all too obvious.

Let me summarize the major difference between the CDI plan and the political plan. CDI calls for adequate defenses while Congress supports a plan to project U.S. military power around the globe in order to direct and control events to our advantage as the world's only superpower. I submit that no nation is wealthy enough to sustain the role of world policeman indefinitely, even if the rest of the world were willing to accord us that role indefinitely.

The Coming Collapse of Defense Policy

Franklyn Spinney

ECAAR/CDI Seminar on

Kosovo: New Paradigm or Object Lesson

Panel II: U.S. Military Buildup and Rational Readiness

Before I start I want to emphasize that I am speaking for myself, not for anyone in the Department of Defense.

The Defense Department has some very serious problems. Kori Shake spoke about the mismatch between commitments and resources. There is no question that this mismatch exists. In my opinion, it is unrealistic to consider we could satisfy the two Major Regional Conflicts (MRC) requirement right now. I think most knowledgeable observers would agree with that. I submit however, that the mismatch between commitments and resources has nothing to do with money or budget reductions, nor does it imply a need to increase future budgets.

Readiness is deteriorating rapidly, and not because of money. I will show that there are problems with modernization, with a program that cannot buy enough new weapons to modernize the force on a timely basis. But I am not here to tell you that we need more money, or that money would fix that problem. In fact, I think the only way to fix things is to cut the budget, forcing decision makers to come to grips with the hard decisions that are now necessary.

There is no question that people recognize hard decisions are necessary, but they refuse to make them. In early September 1998, for example, Jacques Gansler, the Under-Secretary for Acquisition, said "If we don't break out soon from this death spiral, it will be impossible to do so later. I believe we have no choice." I agree with him. My problem with Gansler's statement is that he made it right after he helped to supervise a program review in June and July in which no hard decisions were even attempted, let alone made. Staff told the Senate Armed Services Committee that "America's undersupplied and over-worked military will go into 'a [readiness] and nosedive' and suffer irreparable damage," if Congress does not increase the defense expenditures. These problems have been building up for years, but only nine months earlier, the Joint Chiefs, when presenting their new budgets to Congress, said nothing about the seriousness of these problems.

America's forces are overworked and readiness is declining, but that does not necessarily mean that the Pentagon needs more money. Most of these problems are self-inflicted wounds.

Obviously, we need to have forces to perform America's military duties in the world. But consideration of strategy, threats and forces do not really have a lot to do with what happens inside the Pentagon. The proof of this can be seen in a history of constantly changing strategy and adjusting forces downward in response to economic pressures which have more to do with the self-injury of cost growth than with budget reductions.

In the 1950s we prepared a strategy for two and a half wars. We reduced this strategy to one and a half wars in the sixties, seventies and eighties, even though we said the Cold War threat was increasing. Now our strategy is down to what would have been two "half wars" during the Cold War but have now been dignified by the phrase "Major Theater Wars." My guess is that we will reduce strategy again sometime in the next few years after the election, maybe to one "half war" and one "quarter war."

This evolution to our diminished strategic planning scenarios is being driven by internal economic forces independent of the external threats. At the heart of this problem is a set of economic relations and causal factors wherein costs always grow faster than budget, even when budgets increase rapidly, as they did during the Reagan era.

Consequently, we have a perpetual modernization crisis. We cannot buy enough new weapons on a timely basis. And our forces age, which drives up operating costs. So this is what I call the rising cost of low readiness, which is driven by the combined effects of the increasing complexity of weapons and the aging inventories. In theory, increasing the budget might alleviate these pressures in the short term, but as long as cost growth is greater than budget growth, the budget increase actually sets the stage for worse problems over the long term. Even during the unprecedented spending boom of the Reagan administration, there was pressure to reduce readiness and force size.

These problems in the Pentagon have been building up for years. In fact, they go back to the 1950's, and they are fundamentally economic in nature. My aim is to describe how these fundamental problems interact to create what I call the Defense Death Spiral.

A Doomed Modernization Program

The first problem is a modernization program that cannot modernize the force even if it is executed perfectly. The long-range modernization program will not produce enough new weapons to modernize the smaller forces of the post-Cold War era. Although this conundrum has led to repeated calls for sharp increases in the modernization budget, the real cause of the production/inventory mismatch is that the unit costs of buying and operating the new weapons will continue to increase much faster than the budgets for those weapons, even if budgets exceed Cold War levels early in the new century.

Let us use the case of Air Force tactical fighter aviation. The number of fighters the Air Force bought between 1953 and 1999 and the number it plans to buy between 2000 and 2017 is declining. Even if the budget returns to Cold War levels in the near future, production will remain low. Costs increased between 1953 and 1999 by a factor of seven, while there was no comparable growth in the budget. In the near future, costs will go through the roof, even though unit costs are predicted to decline as production increases. Experience has shown that when costs decline they do not decline as fast or as far as the early pre-production estimates. However, even if costs were to decline as predicted, the end result would be a total market basket that is considerably more expensive than the market basket replaced.

Even if plans were executed perfectly with no cost overruns or budget cutbacks, this production program will mean that the fleet will grow older over time. The program will not modernize the inventory on a timely basis. By 1999, the average age of fighters was 13 years, the highest since the dawn of combat aviation in 1914. This is the case even though the average age declined at the end of the Cold War when older airplanes were retired without replacement.

The age of fighters is projected to grow steadily as the F-22 and Joint Strike Fighter come into the inventory over the next 15 years. By 2010, even without overruns, the average age will rise to about 20 years. Once one accounts for the need to replace crashed airplanes, an average age of 20 years implies a retirement age of 42 to 44 years at the current rate of aircraft attrition. This is like buying a Spad World War I French fighter aircraft in 1918 and retiring it 1960. Thus we have a modernization plan that cannot modernize the force. While this may be the worst case in the Defense Department, virtually every category of modernization project suffers from increasing age in the future.

The Rising Cost of Low Readiness

Following the end of the Cold War, the U.S. defense budget went down by 34 percent in constant dollars from the Reagan peak. This is comparable to the reduction that occurred after the Vietnam war. And if you consider combat forces, they have declined by a much larger percentage, between 40 and 50 percent, depending on the mission category.

During the Cold War, we used to like to compare our spending to that of our adversaries. We don't like to do that anymore, because the United States is now spending more than China and Russia and the seven so-called rogue states all combined. In fact the U.S. defense budget is larger than the arms expenditures of all these countries plus those of our NATO allies.

It is important to get a sense of how this spending relates to our combat forces because everything else supports them. While the Operations and Maintenance budget has generally risen over time, the budget for the forces has generally declined over time. Today, our combat forces are much smaller than they were in earlier years, but there has been no corresponding decline in the O & M budget. In other words, on a per unit basis, we are paying more today than we have ever spent on our forces. Nevertheless, we have a rapidly deteriorating readiness posture. This is the outward manifestation of the rising cost of low readiness. (For graphs and full details of cost issues as well as a more extensive article by the author, see www.belisarius.com and also www.d-n-i.net.)

There is simply no question but that troops at the pointy end of the spear are hurting. The best way to assess this is through the great readiness monitoring system called e-mail. Several of us in the Pentagon have evolved an extensive e-mail network over the last four years or so. We are in constant communication with the field, and I can say confidently that troops are not abusing this new capability by raising trivial complaints. My colleagues and I have obtained much better data through email than was coming through the formal reporting system, where the numbers are cooked by agendas and command influence. Our people are presenting comprehensive lists of problems.

The troops speak of shortages of spare parts and engines, aging equipment, rising rates of cannibalization, morale-busting “workarounds,” increased workloads, longer hours, decreased opportunities for realistic training, under-strength units, decaying infrastructure (one colonel described how he uses crack sealant to keep his disintegrating airport parking ramp from washing away in

thunder storms), excessive deployments, and more frequent family separations than during the Cold War. The Army, always the first service to feel the pinch, has had to reduce standards and bribe people with bonuses to join up. Many older officers are retiring after their squadron or battalion command tours, leaving a growing gap in the ranks of experienced post-command colonels and Navy captains. The best and the brightest of our junior officers and enlisted men are turning down promotions, refusing assignments to prestigious schools, and leaving the military in droves.

Most alarming, in my view, is a growing breakdown of trust between senior and junior officers. The seniors say readiness and people are the Defense Department's top priority, yet they spend billions to buy unneeded Cold War weapons, while basic needs in the field go unmet. Not surprisingly, a growing number of junior officers now believe their seniors will sell them out rather than risk their careers by stepping up to the hard decisions – and they are voting with their feet. The J.O.s view attempts to retain them with lucrative bonuses as bribes. The fact that companies are hiring makes it easier to leave, but it is not the central cause of the exodus.

Increasing retention problems are leading to decreasing experience levels, which is increasing workloads further. The Air Force just announced, for example, that it is going to increase the percentage of sergeants in the force and accelerate promotion rates. That means that people with less experience are going to have more responsible jobs.

At the heart of this problem are the economic consequences of ever increasing technical complexity and an incentive structure that rewards cost growth. Costs are growing faster than budgets in both the modernization and the readiness accounts, but no one wants to acknowledge this part of the problem.

The Broken Accounting System

The refusal to face the future consequences of current decisions brings me to the third factor driving the Defense Death Spiral – the broken accounting system. A major reason the problem persists is that our accounting system is in an absolute shambles.

This is a national disgrace, an insult to the principle of a representative government that purports to be accountable to the people. There are literally stacks of GAO reports and Defense Department Inspector General Reports

documenting this central fact. I have produced a series of reports over the last 25 years describing the unremitting programmatic chaos. Some of the more recent ones and Comment #169, available at http://www.d-n-i.net/FCS_Folder/qdr.htm, will help to demonstrate the magnitude of this problem.

We have to clean up the bookkeeping system in order to fix the other modernization and readiness problems. We are not going to perfect them very soon, but we could make them better than they are. It would have to be done by the services; the Office of the Secretary of Defense does not have the resources or the skills.

What will happen if the Pentagon does not bite the bullet and make the hard decisions needed to extricate itself from the Defense Death Spiral?

Possible Effects of the "Death Spiral" on the Future

Although no one can predict the details of future events, our current plans are setting the stage for an unfolding welter of conflicting decision-making pressures that will almost certainly reduce the combat strength of the military as it moves into the real world of the twenty-first century. For example,

1. Decision makers may have to shrink forces again, if the cost of operating the oldest weapons becomes prohibitive.
2. Cost overruns and/or budget cutbacks might cause production stretch outs and force decision makers to lower replacement rates even further, thereby magnifying the rate of age growth and increasing the pressure to cut back force size.
3. Planners may have to cut back training rates to contain the growth of operating costs, which is a consequence of the increasing age of equipment and of assigning a smaller number of older weapons to combat units and bases.
4. Retention rates for skilled maintenance personnel could decline if higher workloads and morale-busting workarounds are needed to support aging, depot-intensive, hi-tech equipment.
5. Morale problems could increase and training opportunities decrease if a shortage of weapons makes it necessary to increase the proportion of forward-deployed units in support of foreign policy commitments.

6. Planners or politicians might reduce readiness even further by robbing the operations and maintenance budget to bail out the collapsing modernization program.
7. Politicians might cave in to the pork-barreling pressures of the defense industry and adjust the national strategy to conform to the reality of a shrinking force structure made inevitable by out-of-control costs in the procurement program.
8. And if the past is prologue, technologists and defense intellectuals will probably declare that further force reductions are not only necessary, but *desirable*, because the revolution in new technologies makes it possible to replace manned aircraft with a variety of un-manned, higher-cost, remote-controlled, surveillance and reconnaissance sensors, as well as computerized command and control systems, and precision-guided weapons. The fact that these technologies failed utterly to destroy or damage significantly mobile Serb forces in Kosovo will be conveniently forgotten in the cloud of marketing hype and think-tank tomes.

The Role of the United States in Global Security

Michael D. Intriligator
ECAAR/CDI Seminar on
“Kosovo: New Paradigm or Object Lesson?”
Panel III: America’s Global Role

The concept of global security must be redefined to view security from a *global* rather than a *national* perspective. This redefinition can guide us in addressing the following questions: What should be the content and the substance of a global security program? What are the institutions and mechanisms that could be used to achieve that program? What lessons does the conflict in Kosovo have for the role of the United States in global security? And, finally, what should constitute a global security action agenda that will deal with the most serious challenges we face today? Because of the increasing interdependence of all nations in every domain, including political, economic, and environmental interdependence, and also because of the risks to nations and to the planet that we have never seen before, we must think in terms of global security as the essential basis of national security. We must broaden our traditional approaches to security to make them more relevant to the current situation. In short, we need to view security from a global rather than a national perspective.

Global security, defined as the absence of threats to the vital interests of the planet, should replace the more traditional concept of national security. Global security, as a broadening of the old concept of international collective security, must extend well beyond the traditional military field. One cannot look only at the military side, the military budget, or military readiness. Instead one has to look at the whole spectrum of threats and the whole spectrum of responses to those threats. The military dimension itself can be viewed under a broader definition that includes the prevention of military threats to vital interests, the prevention of regional conflicts, ethnic conflicts, civil war, and all types of potential armed conflicts. The most serious threat of all, of course, is a world war involving the intentional or accidental or inadvertent use of nuclear weapons or other weapons of mass destruction. These are the issues on which we should be

focusing instead of being blindsided by regional conflicts. When our leadership is engrossed in Kosovo, or East Timor, or Somalia, they are not looking at the broader set of issues that are much more threatening. This is the greatest danger.

Now what are the mechanisms we can use to achieve this concept of global security? I would argue for the increasing importance of international cooperation. That is the basic mechanism for dealing with these global problems, replacing earlier approaches. The focus now must be on cooperative solutions and collective security. We must give collective security the chance it did not have during the Cold War.

There are many examples of successful multinational cooperation. One is the nuclear non-proliferation regime, where the NPT has provided a much more successful restraint on the spread of nuclear weapons than any likely alternative approach. Similarly, the Missile Technology Control Regime fills an important role in stopping the spread of missile technology. The comprehensive test ban regime, now in the process of being established, is another example.

We must keep in mind, as we think about multinational cooperation, that United States military spending is greater than that of all of its NATO allies together plus Russia and China. The only two countries in that equation that are not organized into our alliance are Russia and China. We should be focusing on cooperation with Russia and China, not on conflicts in East Timor, or Somalia, or Bosnia, or Kosovo. In my view, we made a crucial mistake at the end of the Cold War in not doing what we did at the end of World War II: creating a whole new international structure of institutions that would, among other things, bring old enemies into these new structures. Dean Acheson, in his memoir *Present at the Creation*, discussed the creation of a whole new world in the aftermath of World War II. This included establishing the United Nations, the General Agreement on Tariffs and Trade (GATT), the International Monetary Fund, the World Bank, NATO, and the Marshall Plan, to mention only some of the most important postwar initiatives. These initiatives meant that the defeated axis powers of Germany, Italy and Japan could come back into the international system as full partners. The idea that we would give aid to a former enemy was new. Instead of the old way of demanding reparations, we gave recovery assistance through the Marshall Plan. After the Cold War, we didn't do anything comparable to that. There was no effort to create new institutions in the post Cold War world.

We need to have new international institutions with global perspectives and global responses to issues. When we focus on regional conflicts, instead of global security issues, we do so at great cost. It is not just the cost to our defense budget or even the cost of our losses. It is the cost of being blindsided by not looking at a more important, broader set of problems. By concentrating the efforts of our military, political, and diplomatic leadership on a very specific regional problem, such as Kosovo, instead of looking at the whole set of global problems, the United States and its allies are taking great risks, in my judgment.

Here are the lessons I draw from Kosovo. The United States can play an active organizing role. We were very effective in doing that, for instance, by organizing our allies in NATO. Although I did not approve of what we were doing, it was impressive that we could organize and initiate, and it was better to use a multinational force rather than just the United States as the sole policeman of the world. We are bound to get involved in these regional situations and conflicts. We are expected to exert leadership, and one lesson of Kosovo is that we can.

But another lesson is that we should become involved in such conflict situations with more diligent respect for international law and the humanitarian interests of the people in whose name an action is taken. The United States should respect and enforce the United Nations system that we helped create through our wartime alliance system and through our post-war agreements with Germany and Japan. The fundamental premise of the U.N. system is that the sovereignty of the member states must be respected. We did not observe that principle in Yugoslavia. We violated it. Just as Saddam Hussein violated the principle of sovereignty in Kuwait, we violated the principle of sovereignty by bombing Yugoslavia. The United States should undertake military action, but only as a last resort. We did not carry out proper negotiations regarding Kosovo. Rambouillet was not a real negotiation, but rather an ultimatum, contrary to the law of treaties to which we have subscribed. According to this you must not negotiate treaties by holding a gun to the head of the other party or by threats of violence. I believe we should have undertaken serious negotiations, with diplomatic initiatives by other states, including Russia. Ultimately, it was Russia and Finland that made it possible to resolve the situation. I don't think that they get enough credit. People forget too quickly that the war was going on and on for 78 days until the Russians and Finns were able to resolve the problem and work

out an agreement. Clearly we did not work within the United Nations system in the situation that arose in Kosovo. We essentially said it would be nice to have Security Council approval of our actions in Yugoslavia, but we knew the Russians and the Chinese would veto such action. That is not good enough. It is not good enough to say you subscribe to a system, but when it does not work the way you want it to then you ignore it. That is not the way systems are built to work. It sets exactly the wrong precedent, exactly the wrong example to the rest of the world. A U.N. mandate is required for military action under the United Nations system.

The United States as the sole remaining superpower should play a central role in facilitating and fostering international cooperation for global security, not undermining it as we did in Kosovo. The United States should focus on a specific set of global threats, rather than react to regional conflicts on an ad hoc basis as we have done in the recent past. The United States must develop this role through bilateral and multilateral relationships with Russia, China, Japan, and also with India and Pakistan, Brazil and other countries. Cooperative relationships will ensure global security.

That leads directly to my last point, to outline a global security action agenda, which has to involve global cooperation between the United States and many other countries. If we try to do it alone, we cannot do it well. That is the lesson I think has emerged most recently. But we can do what is needed cooperatively with other states, not just our allies in NATO, but also with Russia, China, India, Pakistan, and other nations throughout the world.

Here is my proposed action agenda in order of importance. To me, the most important problem is the future of Russia. Russia is a special state. It has the world's largest stockpile of nuclear weapons and there remains the danger of their being used by accident or inadvertent action. Similarly, the Russian stockpile of chemical weapons is the largest in the world, equaling the rest of the chemical weapons on the planet. The interesting thing about the chemical weapons in Russia is that the Russians have agreed to destroy them. Both the United States and Russia are parties to the Chemical Weapons Convention. Thus the Russians are on record as wanting to get rid of all their chemical weapons. We started to get rid of the U.S. chemical weapons by building incinerators to destroy them at the sites where they are stored. Thus we are in the process of implementing our commitments under the Chemical Weapons Convention. The

Russians are not doing their part, and the main reason is simply that they cannot afford to build the incinerators that would be needed. For something like eight billion dollars we could provide seven incinerators, seven facilities that Russia would be able to use to destroy their chemical weapons. This would be good for them, good for us, and good for the world. In fact, the best investment we could make for our security and for global security at the same time would be to provide incinerators to Russia so they could destroy their chemical weapons.

The future of Russia is not clear at all. Its current constitution gives enormous power to the president and almost no recognition to the possibility of regional conflicts. However there are regional conflicts, and what is happening in Chechnya is of broad concern. It is the issue that gets the attention of our political, security, and diplomatic leaders. At the same time, however, it may not really be as important as the problems relating to weapons of mass destruction. I have discussed nuclear weapons and chemical weapons. Biological and bacteriological weapons are also enormously important. There have been many accidents involving these weapons, as well as nuclear and chemical weapons. The international arms trade is another problem that does not get enough attention. Controlling the flow of arms into areas of actual and potential conflict would provide one way to reduce the number and intensity of regional conflicts.

Another problem, the fragility of the international financial economic system, is more than a military problem. It is a global problem that affects economies worldwide. We have a very fragile system that could collapse, much as it did in the 1930's. If the world trade system breaks down in some way, our economy, which is part of this fragile global system, would be greatly injured. There is an enormous gap between the haves and the have-nots, which is growing. Some economists have been talking about convergence as the poorer countries are growing faster than the richer ones, leading to a kind of convergence between their incomes. I do not see it that way at all, however. Rather than convergence, I see a growing global polarization in increased differentials between the rich and the poor countries. And finally, there are things like natural disasters, environment problems, pandemics, and famines, representing enormous threats to all the people of the planet. My overall point is that by being distracted by regional conflicts we are losing sight of some broader challenges to global security.

Thoughts on Future U.S. Military and Foreign Policy

Gary Hart

ECAAR/CDI Seminar on

Kosovo: New Paradigm or Object Lesson

Panel III: America's Global Role

I want to thank Senator Schumer, the Center for Defense Information, and ECAAR for organizing this day and for the invitation to join you. Like Franklyn Spinney, I have to issue a disclaimer. I am here in my own capacity as a concerned citizen, not representing the U.S. Commission on National Security, although I will have a few words to say about its work.

I'd like to do three things informally and briefly. I will talk about the Commission because it is important, particularly in the context of your deliberations here today. Second, I will add some thoughts of my own about new conditions and trends in the world of the 21st Century, and third, I will offer some factors in what might be called a new grand strategy, but certainly not trying, on this occasion at least, to outline fully what that strategy should be.

About a year ago, through a combination of forces, the Secretary of Defense, with the approval and cooperation of the White House and the congressional leadership, created what was then called the National Security Study Group, since renamed the U.S. Commission on National Security/21st Century. I had previously, on my own, sent a letter to the President pointing out what seemed to me to be pretty obvious. The foundational structure of our national security had been laid down in the 1946-47 period, culminating in the National Security Act of 1947. To grossly over-simplify, this Act reduced the thrust of our foreign policy and defense policy to a three-word phrase "containment of communism." That was spelled out, as I recall, in National Security Directive 68, which became the central organizing principle of our defense policy for the next half-century.

The conditions under which that foundation was created have since disappeared, as others have pointed out. This would seem to be painfully obvious, except to our national policymakers. Communism, for all practical

purposes, and the threat of the expansion of communism, disappeared in a 72-hour period at the end of August 1991. Since then, the United States has had two national elections, and the beginning of a third. None of these has featured a full-scale debate or even a proposal about the threats to U.S. security and to world security, and what we ought to do about them.

I think history will treat the 1990's with some confusion regarding this political silence because it is very unclear what both political parties want on this issue. Frankly, I suspect that both parties found it convenient to just coast along on Cold War energy and the national security structures laid down in the Cold War rather than do the hard work of thinking about the next century and redefining threats to our security and our responses to these threats.

Our Commission includes 14 people: former members of Congress, former flag officers of the three services, former ambassadors, former secretaries of defense, and about 50 or 75 expert advisors and staff. Our mandate is threefold. First, we have delivered a report to the Secretary of Defense on the world of the 21st Century as far into that century as we can look. We arbitrarily picked the year 2025 as about the farthest horizon that any meaningful view could encompass.

Second, in April, 2000 there will be a second report to the Secretary of Defense outlining a new national security strategy to adapt to the new world defined in the first report. Third, and finally, and perhaps most importantly, we will deliver to the next president of the United States in February 2001 a set of recommendations on how our national security structures, including armed services, intelligence, economic structures and so forth, should be restructured or reformed to achieve that new national security strategy. So, it's a daunting task.

One has to go back 52 years to find a precedent. This is not another national defense panel or any kind of interim snapshot of the kind that has been taken over the past number of years. This is a view from 60,000 feet or more. I would encourage you all to visit our website. [www.nssg.gov]. All the reports are made public. Some sections are classified, for obvious reasons, but unlike the exercises in 1946 and 1957 which was largely conducted behind closed doors, this is out in the open, and intended for broad based public debate.

Now let me give you some of my own thoughts concerning the new conditions and trends of the next quarter-century. We all have reflected on and read about the changing nature of the nation-state, the basic political building

block of the world. This is an important phenomenon. And it is important to recognize that the nation-state is a fairly recent invention in human history. It is some 300 or 350 years old.

Many people believe the concept of the nation-state sprang from the fertile mind of Machiavelli and there's a good argument to be made for that. Certainly, the idea of organizing nation-states began to spring up full-blown after the Peace of Westphalia in the mid-17th Century. So, in the grand scheme of things, the building blocks we now use are fairly recent.

Now these building blocks are under stress from the top and from the bottom. From the top, there is the globalization of finance, finance's fast travel and instant communications. What is resulting from these trends is the formation of what I would call transnational elites. That is to say, lawyers in Denver quite often have as much or more in common with lawyers in Delhi, or Tokyo, or even Moscow than they do with poor people in their own respective communities.

My law firm has 26 offices around the world. Through e-mail and all kinds of other devices, our six or seven hundred lawyers are in virtually constant contact with each other. Many of those lawyers are not U.S. nationals. They are Russians, Chinese, Indonesians, many different nationalities. It is the same in business, in academics; transnational elites are being formed.

If you have had the experience of walking through some of the software companies in Silicon Valley, it sounds like the United Nations. You hear all kinds of dialects and a wide range of languages being spoken in the heart of the U.S. economy. There are 15,000 probably now 25,000 Russians in Denver, Colorado. It's amazing how these things are happening.

But on the other hand, the pressure on the nation-state is also coming from the bottom tribes, clans and gangs. Yugoslavia, the subject that brings us here today, is a classic case in point, but not the only one. Nation-states are dissolving with the relaxation of the pressure from the Cold War bipolar world that tended to keep people in line. It is not accidental that when pressure was relieved artificial nations started fragmenting.

Once the welding pressure of the struggle between communism and democracy was gone, some of these nations dissolved into tribes, clans and gangs. Most of the conflicts of the last decade have been between and among sub-national groups. I am persuaded by Martin Van Creveld's argument in his important book, *The Transformation of War* (1991), that we are now in an era of

low-intensity urban conflict of this kind. Incidentally, Van Creveld has a new book out on the disintegration of the nation-state.

So now we are seeing the basic political building blocks of three and a half centuries dissolving under pressures from the top, the formation of transnational elites, global corporations who owe no particular political allegiance to anyone, except maybe where their corporate headquarters is, or where they pay taxes. And then at the bottom, there is the rise of tribes and other sub-national entities.

We have also seen the rise of the need for international protection for agreed norms of basic human rights, but not so much international peacekeeping as international peacemaking. This is a very important distinction, particularly to those of you who have a military background. Peacekeeping is by definition a defensive operation. People who defend are equipped and trained differently from people who attack. Peacemaking is an offensive undertaking. And people who make the peace are equipped and trained differently from those who keep the peace.

Critics who attack the U.N. for failing to keep the peace fail to recognize that difference, because the U.N. isn't equipped to make the peace. You cannot put lightly armed blue-helmeted soldiers into a conflict environment and expect them to make the peace. Before you can keep the peace, you have to make the peace. I will come back to that distinction because it is part of what I would call an element in a new grand strategy.

We are confronted with this dilemma in the age of CNN. When you can instantaneously see women and children, non-combatant civilians, being slaughtered, the first thing that a civilized human being does is say, "Why don't we do something?" Which is a more common variation on Secretary Albright's famous statement, "Why do we have this army if we're not going to use it?" or her famous statement to General Powell. "What do we have these troops for if we're not going to use them?"

Americans, as they did in Somalia, and Haiti, and various other places say, "Why don't we stop this?" Well, we found out in Somalia. Because when you try to stop it unilaterally, you lose lives, and the American people thought we would be able to stop the conflict without losing lives — hence the Kosovo operation. But we can't do that forever, as many of you have pointed out. Jamie Galbraith has pointed out the limitations of a bombing campaign and how little good it ultimately really does.

So, the United States has three options, it seems to me. One is, when we see on CNN non-combatants being killed, do nothing — hence, Rwanda. The second is intervening unilaterally. That's Somalia or Haiti. The third is to intervene multilaterally, cooperatively. That's easier to do in the NATO arena because there are agreed practices and patterns of consultation. In the Gulf War, we cobbled together a coalition. It wasn't quite NATO, but it involved NATO. It was basically a U.S. operation. With all due respect to the French and the British, it was basically a U.S. operation.

The tragedy to me of the Gulf War and I think it's much more instructive, frankly, than Kosovo is that for the first time in American history, the U.S. Army became a mercenary army. The Secretary of State went around the world with a tin cup collecting money from the Japanese and others, at least \$30 billion, to pay for that operation.

Part of the reason he did that was that neither he nor the President were willing to tell the American people the truth that this wasn't a war about democracy in Kuwait because Kuwait didn't have democracy, this was about oil. And because that administration had pursued a conscious policy of oil dependence, we had no choice but to go fight for it, so we went and fought for it. But we not only fought for it for ourselves, we fought for it for our allies and we converted our troops into mercenary troops.

This is an important factor. After the oil crisis of the late seventies, in 1980, we went back to a policy of oil dependency. This is the most dangerous thing the United States is involved in today. We're back to 50 percent dependency on imported oil from a very, very unstable region.

Now ask yourself this question: What happens if you wake up in the morning, turn on the TV and the Saudi royal family's been overthrown by a highly nationalistic, fundamentalist group of people who turn off the tap and chase all of the American oil companies out of Saudi Arabia? Well, the argument is they aren't going to do that because they need the revenues. Maybe they do, maybe they don't. If they were crazy enough, maybe they would think they don't. What do we do? We invade Saudi Arabia.

And that leads to what some of us feared the Gulf War would lead to: Vietnam in the desert. How do you maintain hundreds if not thousands of miles of pipelines in the desert against terrorists' attacks on their own soil? And finally, that isn't our oil anyway. It doesn't belong to us.

I think the number one foreign policy issue of the next century is sovereignty. It's already been discussed here. It's the question of who has authority to do what. It is the reason we will have to have what I am calling an international security agency, either under the U.N. or under some new international body a full time, multinational peacemaking force, an offensive force to protect non-combatants and intervene when people are being slaughtered. The United States should participate, but it won't.

And the reason is that my former colleague Jesse Helms, as a metaphor for a state of mind, is never going to let U.S. citizens serve under foreign officers. We should have an international peacemaking force, but it's not going to happen because of the word "sovereignty." This, by the way, also gets into economics.

Who's regulating the international banking system? The answer is no one. Should there be an international Security Exchange Commission? Of course. Should there be an international federal reserve board? Of course. Should there be the kinds of international economic and financial regulatory institutions that we created in this country in the thirties? Of course. Why isn't it happening? Because of the word "sovereignty."

What are the elements of a new grand strategy? I think the United States should take the lead in internationalizing the peacemaking, policing function. And here, all the high-performance, expensive, crew-operated weapons in the world are not going to solve the problem. In the last decade, more people have been killed by machetes than by high-performance weapons. If the threat to our security is, as our Commission on National Security said in its first report, an attack on the United States homeland, the Trident submarine, the B-2 bomber, high-precision munitions and all the rest are not going to stop that threat. The whole issue of homeland defense now has to be raised in the United States.

I know that people earlier minimized the terrorist threat. There is a terrorist threat. Our Commission said flatly that sometime in the next 25 years, probably sooner rather than later, Americans will lose their lives on American soil to a foreign attack for the first time since 1812. Now if that threat is embodied, for example, in the form of Osama bin Laden, that threat cannot be responded to by the 82nd Airborne Division or the First Marine Division. First, you have all kinds of civil liberties issues if you are stationing active duty military troops in the streets of Denver. So, who's going to defend against that threat? That is really what my book, *The Minuteman*, is about.

We've had two armies in this country for 225 years. The other army is what used to be called the militia, and honorably so. It is based on Thomas Jefferson's argument. The National Guard and Reserve, basically the National Guard, are the result of Jefferson's opposition to a large standing army in peacetime. We do now have a large standing army, but the defense against the threat of terrorism is not going to come from the active duty standing forces, it is going to have to come from the National Guard in Colorado, and in each state, in my judgment.

I think another part of our strategy ought to be to go back to energy independence. Through conservation measures, taxes on energy, and development of alternative supplies, the United States can become sufficiently independent of foreign oil that we won't have to fight for it for economic reasons. We could still choose to fight for it for political reasons. We can rent our army out to the Japanese again and go fight for it for the Japanese. All these options are possible for people with leaders who will tell us the truth and, of course, face up to consequences. But the United States of America does not need to fight for somebody else's oil.

The United States is an island nation and our defenses ought to be much more reliant on a maritime defense. We are not a continental force. We don't particularly need ten active duty combat divisions in Europe. We need to focus on the homeland defense. I think those are the Reserve the Guard and Reserve.

If I had to provide a summary of what our foreign policy should be, it would be this: Resist hegemony without seeking hegemony.

Finally, I agree wholeheartedly that the highest foreign policy objective of this country today is what it should have been for the last ten years, to integrate Russia into the West as fully as we can. The dumbest thing this country has done in ten years, in my judgment, has been to expand NATO to the Russian borders.

Comments on America's Global Role

John Steinbruner

ECAAR/CDI Seminar on

Kosovo: New Paradigm or Object Lesson

Panel III: America's Global Role

While not trying to summarize the entire discussion, I will say some things that implicitly respond to the earlier presentations. I will present large arguments in highly summary form. If there's a danger of confusion being perpetrated, I apologize in advance.

We all have a sense that international relationships are undergoing seminal changes even though there is no consensus on the nature of those changes. We usually have the end of the Cold War in mind or the process of globalization. But despite all the talk about these things, I don't think we've fully absorbed the implications of either event. Some of the central features are reasonably evident, however, in particular two determining circumstances that are historically unprecedented.

The first of these is the remarkable advance in information technology. Over the past half-century, the costs of storing a unit of information, processing it in some useful application, and transmitting it over long distance have declined truly dramatically. For some important applications the efficiency of handling information has improved by a factor of 100 million over that period of time. As a result we can move information around and handle it vastly more efficiently than we could 50 years ago.

The second important phenomenon is a surge in the total human population that also began around 1950. Since that year there has been a net increase of a billion people every twelve to fourteen years, and that process will continue until 2025 at least. 97 percent of this increase is occurring in the poorest segments of the world's population, the bottom 20 percent in terms of income and wealth. The combination of information technology and population dynamics is changing many major aspects of human society, including the principal security problems. I do not believe the implications have been fully absorbed.

One of the most important consequences of population growth has to do with the global environment. For the first time in history aggregate human activity has reached levels that in principle are capable of affecting vital global processes such as atmospheric composition, ocean current patterns and basic weather patterns. That much we know with some confidence even though we cannot yet determine the exact character, the magnitude, or the probability of the risk involved. The human species as a whole is being decisively warned, however, that it will soon have to manage its aggregate behavior much more consequentially than ever before or risk monumental catastrophe, or possibly even extinction. That is still too inconvenient a thought to be widely acknowledged but it is relentlessly imposing itself. We do not yet know the timing of this imperative, but we do know that it is looming as a predominant determinant of global relationships.

I will not try to argue that point at greater length but simply say that there is good reason to believe the implications will eventually restructure international politics as we have known it, including especially the relationship between the United States and Russia.

With that in mind, let me mention a few numbers. The Russian economy, by various estimates, is somewhere between two percent and seven percent of the American economy. That is a very small economic base for a society of some 147 million people populating the world's largest and most exposed national territory. In addition, that small economy has deep structural problems, which make it very unlikely that productive economic growth can be sustained. Those structural problems have to do a great deal with the history of the Soviet Union's ultimately unsuccessful effort to run a competitive military operation against an alliance of all the industrial democracies. That effort created a predominant industrial sector operating so far from market conditions that no one yet knows how to undertake a realistic adjustment. The Russians do not yet have a reform program that will solve this problem and neither does anyone else know how to do it.

In order to work around their structural problems, the Russians have evolved barter-trade arrangements that enable them to preserve the traditional industrial structure and the social welfare mechanisms that are embedded in it. That has enabled them to preserve basic social cohesion, but it leads them away from productive economic growth and eventual market adaptation. Thus there is

a tremendous dilemma that neither they nor we know yet how to resolve. The arrangement basically taxes the productive part of their economy – largely oil, gas, and other minerals that can be marketed internationally for a profit – in order to deliver social welfare benefits through the traditional employment structure. In terms of social equity, that is a sensible thing to do. In terms of longer-term economic adjustment, it is disastrous.

The Russian government initially used international debt to increase the social welfare subsidy, a practice that incurred more debt than could be repaid. That, of course, was not sustainable and effectively ended with the 1998 currency devaluation, forcing Russia to rely almost entirely on its own resources. That leaves the government with a woefully inadequate financial base. Total cash tax receipts in the wake of the 1998 devaluation were running at the equivalent of \$12 billion annually. By virtue of an increase in world oil prices and some resurgence of internal production following the devaluation, the tax base has increased from that low figure, but not enough to finance inherent government obligations for a society of that size. In particular, Russia cannot run their 1.2 million-person military establishment with the financial assets at their disposal, but that nonetheless is what they are attempting to do.

Embedded in the Russian military establishment is a standard Cold War deterrent operation that as we speak is keeping on the order of 3,000 warheads on rapid reaction alert, ready to respond to warning within ten minutes and to begin executing missions against the United States within 20 minutes. Now why do they do that? Because we do that. With the meager resources at their disposal, they cannot maintain that operation safely indefinitely. That is by far the largest physical threat to the United States, not because of any residual inclination to indulge in deliberate aggression but rather because of the danger of a managerial breakdown. At the moment, United States policy is on balance worsening this problem.

The constructive effects of the Nunn-Lugar program and other similar provisions to offer assistance are simply too small to make a difference. Those efforts are far overshadowed by the weight of our deployed deterrent capability, which is far larger and far more capable than theirs. They are running a deterrent operation under tenuous financial arrangements at a tremendous disadvantage compared with us.

This problem has been compounded by the NATO expansion process, which inexorably intensifies the burden on the Russian military establishment. It has been further compounded by the Kosovo precedent, in which we demonstrated the ability and willingness to initiate attack for reasons that have nothing to do with direct attack on our alliance — a seemingly frightening precedent from their perspective. And this outlook is being compounded by the National Missile Defense deployment the United States threatens to initiate. That is potentially the decisive element in making them feel vulnerable. If we add to our repertoire the very robust national missile defense that the principal advocates envisage, it could put the Russian deterrent force out of business.

At the moment the United States is basically oblivious to the implications of this situation. The internal deterioration within the Russian military establishment that is an unavoidable result of underfinancing threatens the managerial coherence on which we most assuredly depend. It seems evident that at very least we will have to make a strong positive contribution to the managerial coherence of the Russian nuclear force on behalf of our own security interest. The most decisive measure would be to terminate all alert operations, and in fact it is difficult to have any truly meaningful effect short of such a provision. But that is a radical transformation of established practice requiring intimate forms of collaboration and very extensive measures of reassurance. Since Russian conventional forces are in even worse shape than their nuclear weapons units, they are telling themselves that they have to rely on nuclear weapons to assure all major security objectives. If their nuclear weapons are to be taken off alert and put into a safer configuration, Russia will have to be provided with credible reassurance covering their legitimate missions.

Russia cannot currently assure reliable air surveillance of its own territory. In particular they could not stand up to a NATO tactical air penetration. They do not have coverage of ballistic missile attack corridors that is comprehensive either in space or in time. Russia could not defend Siberia against the ground incursion that China in principle would be capable of mounting. In general they cannot defend themselves to the standards of traditional contingency planning against the combined capabilities of the United States alliance system and China. The effort to carry this burden with inadequate financial resources virtually assures continuing internal deterioration within the Russian military

establishment and that process represents what is physically at least the greatest danger to the United States.

Obviously we would be in very deep trouble if Russia began to disintegrate in the violent manner that Yugoslavia did and that possibility cannot be lightly dismissed. In order to assure that we do not encounter that problem we will need a much more extensive program of engagement than we have yet devised. In addition to the security assurances necessary to enable them to reduce the overall size and alert status of their forces to levels that would be financially tractable, such a program would undoubtedly have to offer substantial debt relief as well as facilitated market access for those products that can be economically produced and at least the serious possibility of new credit. Russia in turn would have to accept the penetrating transparency requirements that would have to accompany arrangements of this sort. Clearly the American political system is not yet willing to contemplate such an effort, but I believe it is prudent to assume that eventually we will have to come to that realization.

With all that as background, let me then provide some comments on what has been the main topic of the day — the Kosovo situation and the class of problems to which it belongs. I would say that the central problem in Kosovo has been a breakdown of basic standards of legal order radical enough and extensive enough that the indigenous society cannot be counted on to restore those standards, not because the population does not want to do so but rather because they are organizationally incapable of doing it without outside assistance. This problem is not unique to Kosovo and there are in fact reasons to be concerned that the general process of globalization may subject many societies to corrosive pressures capable of undermining basic legal order. To the extent this proves to be true, then the defense of legal order is very likely to emerge as a major security interest for the United States and for the international community generally. There is not likely to be a single representative government to run the global economy and the intricate coordination it surely will require will certainly have to rest on agreed legal standards, which will have to be defended. When there has been a breakdown of normal legal standards to the extent that occurred in Kosovo and earlier in Rwanda, Somalia, and Bosnia, conditions are created that are not only exceedingly dangerous to the local population but also to the wider world. Basically criminal organizations form and they begin to operate regionally and even globally. The balance of legal adherence in the global

economy is not automatically assured, and it would be threatened were there to be too many redoubts from which criminal organizations could operate. Although no one yet knows how to measure this threat, it is reasonable to assume that it will be of significant concern in the emerging situation and that assertive measures will have to be developed to prevent radical legal disintegration in the first place and to restore normal order when it does break down. The traditional inclination to leave this responsibility exclusively to the sovereign entity in question will almost certainly have to be amended under the pressures of globalization.

What we are seeing in the Kosovo episode, I believe, are early stages in the development of a doctrine of sovereign responsibility. Such a doctrine would impose the obligation to uphold basic legal standards as a condition on which the exercise of sovereign authority depends. When the condition is violated to the extent that major segments of the local population are at risk, then the international community as a whole would have to assume the sovereign obligation in order to assure basic legal standards. Clearly such a doctrine would have to be reliably protected against the danger of misuse, if it is established at all, but that is a condition for developing the doctrine not a reason for rejecting it.

Unfortunately Kosovo is a relevant instance of this idea but not an acceptable precedent. Previous speakers have noted why the air campaign was inappropriate. I consider it to have been a policy disaster, hopefully never again to be repeated. For that reason it is important to recognize in retrospect that more appropriate options were available. Let us imagine that in December of 1999 the President of the United States had determined that the evident threat to the Kosovo population constituted a threat to legal order generally that the local parties could not manage. Let us also imagine that he had determined that a ground intervention was immediately required to protect the population and to reestablish basic legal order. If he had sought authorization through the U.N. Security Council as an established doctrine of sovereign responsibility would surely require, he would have had to contend with Russian and Chinese concerns, but as the ultimate outcome demonstrated they were not categorically opposed to a ground operation and their concerns were not unreasonable. U.N. Security Council resolution 1244, passed in June of 2000 provides terms that would have been more effective in Kosovo and less provocative to Russia and China had they been advanced earlier instead of the air campaign. That is the one thing that

might have moved Milosevic to an earlier compromise because it would have been a much more serious and more effective expression of will. Even if he had resisted to the extent of actually fighting the intervening force, the effort would have been difficult and would have involved casualties but the displacement of hundreds of thousands of people could have been prevented and many more lives would have been saved than were put at risk. That would have been a better outcome and a much better precedent. It clearly was feasible both politically and operationally.

Admittedly there are many places in the world where the preservation of basic legal standards appears to be in question. We cannot forcefully intervene in all of them. So, part of the art here is to work out a much more refined capacity for intervention in the extreme cases in order to set up the disciplined practice of much more systematic prevention. Preventive action is needed before it comes to circumstances of the sort that developed in Kosovo. In Bosnia and in all of Yugoslavia, we had more than a decade's worth of warning about dangerous deterioration leading to the point where emergency intervention might be required. The violence that eventually occurred probably could have been headed off by a systematic effort involving serious political-economic engagement. That is the real lesson to be extracted. We have to think more about the process of economic investment and the implications for political integrity in the less advantaged parts of the world. That is a topic on which there is much wisdom yet to be achieved. It is a central part of the emerging national security agenda.

Contributors

Senator Charles E. Schumer, D-NY, served nine terms in the House of Representatives prior to his election to the Senate in 1998. He currently serves as a member on the Committee on Banking, Housing and Urban Affairs, the Judiciary Committee and the Rules Committee. He is particularly interested in crime control; his legislation includes the Brady Bill and the Violence Against Woman Act.

Richard Kaufman, a Vice Chair of ECAAR and Director of the Bethesda Research Institute, is the former General Counsel to the Joint Economic Committee of the U.S. Congress, and a former fellow at the Woodrow Wilson Center for International Scholars. He has written extensively on the economic causes of the break-up of Yugoslavia.

Andrew Cockburn is a contributing editor to *Vanity Fair* and the author of "The Threat: Inside the Soviet Military Machine," "One Point Safe," also about U.S./Soviet confrontation, and "Out of the Ashes," about the U.S. and Iraq.

James K. Galbraith is Chair of ECAAR and Professor at the Lyndon B. Johnson School of Public Affairs at the University of Texas at Austin. He is the former Director of the Joint Economic Committee of the U.S. Congress and the former Chief Advisor to the Government of China on macroeconomic policy. Among his most recent publications is *Created Unequal: The Crisis in American Pay*.

Colonel Edward L. King, U.S. Army (Ret.) worked for many years on Capitol Hill as the senior military advisor to Senate Majority Leaders George Mitchell and Tom Daschle. He is the author of the book *The Death of the Army*.

Kori Schake is Senior Research Professor at the National Defense University and Assistant Professor in the School of Public Affairs at the University of Maryland. Previously she was Special Assistant to the Assistant Secretary of Defense for Strategy and Requirements, and a NATO Desk Officer in the Strategic Plans and Policy Directorate of the Joint Staff.

Michael O'Hanlon is an analyst on civil warfare, U.S. defense strategy, and budget and military technology at the Brookings Institute. Previously he served as Defense and Foreign Policy budget analyst in the National Security Division of the Congressional Budget Office. Among his many publications is *How To Be A Cheap Hawk: The 1999 and 2000 Defense Budgets*.

Rear Admiral Eugene Carroll U.S. Navy (Ret.), is the Deputy Director of the Center for Defense Information (CDI). He was the first naval officer to serve as Director of U.S. military operations for all U.S. forces in Europe and the Middle East. His last assignment on active duty was in the Pentagon as Assistant Deputy Chief of Naval Operations for Plans, Policy and Operations. In this capacity he was engaged in U.S. naval planning for conventional and nuclear war.

Franklyn "Chuck" Spinney has been at the Office of the Secretary of Defense since the mid-1970s. Prior to that he served on active duty in the Air Force. He is an expert on issues of military procurement and budgets, and the founder of *Defense and the National Interest*, a web site which fosters debate on the roles of the U.S. armed forces in the post Cold War era and on the resources devoted to them, at <http://www.d-n-i.net/>.

Michael D. Intriligator is a Vice Chair of ECAAR and Professor at the School of Public Policy and Social Research at the University of California at Los Angeles. His publications include *National Security and International Stability* and *Accidental Nuclear War*.

Gary Hart is a former Senator from Colorado who served on the Armed Services Committee. He was a member of the U.S. National Security Commission for the 21st Century, a commission appointed by Secretary of Defense William Cohen. He is a founding member of the Board of the U.S. Russia Investment Fund, and the author of ten books, most recently *The Minuteman*.

John Steinbruner is a Professor in the School of Public Affairs at the University of Maryland, after many years as a Senior Fellow in Foreign Policy Studies at the Brookings Institute. His books include *Revising the Practice of Deterrence* (in press) and *Problems of Predominance: Implications of the U.S. Military Advantage*.