LESSONS from the National Defense Panel

By JOHN G. McGINN

Since the next round of defense reviews is scheduled to commence in early 2001, it is time to review the Quadrennial Defense Review (QDR) and the National Defense Panel (NDP) of 1997. This is particularly critical in the case of the latter effort because, unlike other reviews, it is focused on the long term rather than politically charged short term issues. Although the final version of the Defense Authorization Act for Fiscal Year 2000 did not contain provisions for the establishment of a permanent NDP review, a similar effort is expected to be commissioned in the near future.[1]

The NDP Effort

The NDP initiative arose on Capitol Hill. As DOD planners prepared for the QDR process, the panel was meant to radically rethink the roles, composition, and strength of the Armed Forces. Congress wanted an independent, parallel, and complementary effort to the QDR process.

Congress created NDP as an advisory commission. This decision reflected recognition of the inherent difficulties that any large organization encounters in reforming itself. The concern was that the nature of DOD made real change improbable because of bureaucratic politics inside the Pentagon. It was believed that an independent panel would have the critical distance to make tough decisions and provide defense reformers with the political cover to spark real reorganization.

Approved as part of the Defense Authorization Act for Fiscal Year 1997, the Military Force Structure Review Act codified the NDP and QDR processes. The legislation required the former to perform two functions. First, Congress directed it to provide the Secretary of Defense with an in-progress review and a comprehensive assessment on completion of the QDR effort. This reporting was designed in part to energize the NDP process in real time. In the words of one congressional staffer, the legislature wanted drafters of the QDR report to keep in mind that "we have to talk about X so that the NDP won't kill us."

Congress also wanted the panel to assess "alternative force structures for the Armed Forces . . . to provide the Secretary and Congress recommendations regarding the optimal force structure to meet anticipated threats to the national security. . . ." The legislation called for the NDP

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Marines disembarking in Mediterranean, Dynamic Mix.

U.S. Navy (Phil Pruitt)

DOD (Eric C. Tausch)

Secretary Cohen discussing QDR.

process to propose an above-the-line structure which was defined as an Army division, Navy carrier battle group, air wing, or Marine expeditionary force. This level of detail reflected a congressional desire for an alternative to the QDR process which, in the event, proved to be beyond the reach of the panel. With a small staff and brief life span, the NDP effort could not provide such detailed force structure analysis. The panel convinced various constituencies on Capitol Hill that a more general view—focused over the horizon—was preferable to specific force structure options. Thus the panel began to focus on *transforming* the military.

Assessing the QDR Process

Tackling the first task, evaluating the QDR effort, the panel immediately undertook a broad examination of national security. In its in-progress letter to Secretary of Defense William Cohen on March 14, 1997, it expressed concern over the draft review. It argued, for example, that "the overall strategic direction [of the process] may not give sufficient emphasis to addressing longer term challenges, which may be very different in scale and form from those we will confront over the near term." Although the panel generally approved of the draft QDR strategy, it contended that the review was not adequately addressing the relationship of the defense strategy to other security issues such as foreign assistance, overseas diplomatic presence, and national intelligence.

The panel made similar comments in its formal response to the QDR final report. Although the panel agreed with many of the study's findings and recommendations, it found the report often lacking. For instance, it stated that there was "insufficient connectivity between strategy on the one hand, and force structure, operational concepts, and procurement decisions on the other." Furthermore, it observed that "greater attention needs to be given to the important role played by other elements of the national security establishment, as well as the critical support provided by our allies." While the last comment was not solely directed at DOD, it did indicate the panel's broad interpretation of its own mandate.

The Final Report

The panel released its final report, entitled *Transforming Defense: National Security in the 21st Century*, in December 1997. It recommended launching a transformation strategy immediately

USS Dwight D. Eisenhower (David E. Carter III)

***USNS Kanawha* refueling *USS Dwight D. Eisenhower*.**

because "current force structures and information architectures extrapolated to the future may not suffice [for] future battle." In addition, it argued that the Nation must transform the way it conducts foreign affairs, fosters regional stability, and enables projection of military power.[2]

The panel chairman, Philip Odeen, stated in transmitting the NDP report to the Secretary of Defense that the effort had been successful in stimulating "a wider debate on our defense priorities and the need for a transformation to meet the challenges of 2020" rather than providing a laundry list of specific measures. As a result, the report called for a broad approach, to include adapting alliances to the new security environment and examining the entire security structure to better anticipate and shape changes in that environment.

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There were no specific recommendations. For example, the panel urged an increase in joint operations and joint experimentation to institutionalize innovation. It argued for an annual wedge of $5–10 billion for transformation. Although it did not develop a clear plan for achieving this wedge, the report did expect savings from base closings and acquisition reform. Additionally, it singled out a few currently planned purchases as the kinds of weapons systems that may become unnecessary.

The major focus of the NDP report was on transformation. The panel emphasized general strategic issues rather than specific line items in a budget. It recognized that it could not establish alternative force structures. The more the process was projected twenty-five years into the future, the more doubt was cast on the ability to develop above-the-line force structure recommendations. With technology changing so rapidly, the NDP report concluded that forecasting force structures was a dubious proposition, especially given the panel's staffing, scheduling, and other constraints. Furthermore, as a participant recalled, the last thing the panel wanted was to have contractors lined up outside its doors lobbying for programs. Fundamentally, the object was to keep the NDP process above the budgetary fray and rely on initiatives like joint experimentation to suggest more specific force structure development in the future.

Getting Out the Message

The importance of the NDP effort was its relevance to debate in the policy arena. Initially its message was almost drowned out by a combination of bad timing, bureaucratic shortfalls, and unreceptive media. The crisis over Iraq in late 1997 and early 1998 overshadowed the release of the final report. In addition, the fact that the NDP staff immediately disbanded in December 1997 hampered its ability to get out the message. Congressional testimony by the panel in January 1998 was well received, but the NDP report did not receive much notice in the defense establishment. The lack of immediate attention did not surprise panel members. Odeen noted that the QDR and NDP processes were unlikely to stimulate real change within DOD until after the turn of the century because of the difficulty in reversing the course of the bureaucracy. The real impact would be seen in 2001, when the Pentagon would conduct another strategy review.[3]

Despite an apparent lack of attention, ideas contained in the NDP report began to percolate within defense circles. The emphasis on transformation led the Pentagon to support several panel recommendations. The responsibility for joint experimentation, for instance, was assigned to U.S. Atlantic Command (ACOM) in 1998. The prominence of jointness, at least rhetorically, was also enhanced when ACOM was redesignated as U.S. Joint Forces Command (JFCOM) in 1999. The new command has both a geographic area of responsibility, overseeing U.S. forces in the Atlantic, and a functional one, fostering jointness.

Its commander, however, must rely largely on the power of persuasion to fulfill the joint role because he has no enforcement authority or even a full-fledged seat on DOD procurement councils. Thus the impact of JFCOM is far from clear.

Yet recommendations of the NDP report continue to surface in the defense establishment. Another congressionally mandated effort, the Hart-Rudman Commission (also known as the U.S. Commission on National Security/21st Century), is attempting to determine how to meet the range of challenges that will confront us in the first quarter of the next century. The NDP effort is likely to inform the work of this commission. Transformation has become a buzzword for change.

The Task Ahead

As the Nation prepares for the next round of defense reviews, it is crucial to draw lessons from the first NDP effort and assess its implications for future reviews and long-range planning. Although the following comments focus on the NDP process, the QDR effort is also integral to any larger planning effort.

NDP encouraged the defense establishment to grapple with a variety of policy issues. They included asymmetric budget cuts across services, reassigning responsibilities across agencies, and exploring international concerns that are too sensitive for the government itself to air publicly.

An important aspect of such an analysis is properly bounding the process. If it remains too narrow, key issues can go unaddressed. If the process is too broad, it can loose relevance because it lacks focus or a clear place in the bureaucratic framework. Striking a balance between focus and context was indeed a concern expressed by many during the NDP effort.

Some observers held that the NDP process ought to exert pressure on DOD and thereby serve as a direct counterpart to the QDR effort. The contention was that the Pentagon, by virtue of its special role in national security, requirement for comprehensive cross-service planning, long lead times to investment in future capabilities, and dominant claim on resources, has unique needs that demand its own long-term review process. Moreover, both the panel's focus on defense and link to the Office of the Secretary of Defense make it a logical institutional home for long-term review. DOD should therefore support this effort and respond to its findings.

Others argue that the first panel, with its emphasis on military-related threats and alternative force structures, was too narrowly defined. They contend that future NDP efforts should be recast as national security panels. These would address the full spectrum of threats without an emphasis on a predetermined set of issues, military or otherwise. By necessity, they would also address all relevant governmental agencies in depth, including mandates, operations, and relationships.

C–17s taxiing, Charleston Air Force Base.

1st Combat Camera Squadron (Cary Humphries)

AH–64D during gunnery exercise at Fort Hood.

DOD (Christopher J. Varville)

For its part, the NDP legislation clearly stressed military-related threats (including threats of a nontraditional nature such as information warfare) and alternative force structures but provided the latitude to examine issues identified as germane to long-term security, whatever the source.

As the process unfolded the panel took a middle course, focusing on military-related issues while stressing that DOD must consider the fuller national security picture in its longer-range plans. It observed that the threats and tools to counter them are growing more diverse and less military-dependent. The role of the Armed Forces is unclear in cases such as cyber attacks on nonmilitary U.S. assets.

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It is worth noting that the NDP effort did not go much beyond identifying the wider context and signaling the need for the fuller integration of military and nonmilitary dimensions of national security strategy. Future reviews should adopt the same approach and provide substantive analytic content to these critical nonmilitary aspects and integrate them more fully into longer-term strategy.

Future reviews must formally address specific needs of planners. These tasks could be strictly military-related or address other security dimensions. An assignment could be as narrow as reviewing long-term missile defense plans or as broad as recommending revisions to the National Security Act of 1947. There should be latitude in identifying and addressing priority issues.

To the degree that reviews address nonmilitary issues, relevant executive branch agencies need to be more engaged. Though panelists and staff met with representatives of most appropriate agencies, the NDP report did not provide much concrete guidance for them. Among other things, it could have identified interagency recommendations or taskings to the Department of Defense, the Departments of State and Justice, and Defense Intelligence Agency. It would also be useful for the Departments of State, Justice, Treasury, and Energy to formally respond to recommendations that bear directly on their policies, plans, and operations.

Sequencing and Scheduling

Many observers believe that Congress should conduct both the QDR and NDP processes but reverse their order. The argument is that the NDP effort, with its broader mandate and longer timeline, would provide the most effective context for the QDR report, which is a more resource constrained policy document. This is sound logic. Moreover, although the QDR process need not agree with or adopt the contextual parameters of the NDP effort, it must at least acknowledge them and explain deviations. If it is deemed helpful for the NDP process to grade QDR effort, the panelists could do it later.

Scheduling the work of a panel prior to a review effort would change the overall process. The review would not enjoy the same real-time input from the QDR team as the first NDP. This supports the recommendation that it should look at the big picture. The panel can identify the tough questions, focus on strategic issues, and contribute a sound foundation to review plans. Its value will be in its treatment of strategic choices and tradeoffs, identifying emerging threats, and raising questions too sensitive for DOD or the government at large to raise.

Panelists should be nominated by the Secretary of Defense and approved by Congress in the summer prior to a presidential election year. A skeleton staff should be formed by late summer to handle start-up responsibilities. The NDP effort must be fully functioning by the next January. After the election, it should present its report to

U.S. Air Force (Joe Cupido)

F–16C during Allied Force.

Congress and the incoming administration, which would initiate the QDR process at the Pentagon in short order. For continuity, select members of the panel staff (many of whom are military detailees) could participate in the review on returning to their service assignments. They might then make themselves available for an extended time to take part in congressional hearings and the QDR effort. However, the panel must be independent while the review is conducted as an in-house exercise. The respective staffs should be overlapped with care so that the advantages of neither effort are compromised.

Some have argued for maintaining a permanent staff between NDP efforts. This would help avoid a cold start every four years and the sort of delays that vexed the first panel. It could lead to a more coherent process in time and facilitate access to the NDP report and related material. While these considerations have merit, they fall short of making the case for institutionalizing yet another permanent blue ribbon panel at public expense. If future panels follow the above schedule, the problems associated with start up can be avoided and the process can be made less costly. Also, each NDP must produce a fresh review of long-term security and planning issues, and even a small permanent staff would risk that because of ties to past efforts. The key is having a permanent requirement for the NDP process but not a permanent bureaucracy.

Public access to relevant NDP documents is vital. Congress should examine maintaining panel sources and records between cycles. Reliable and neutral sites to house this material include the Congressional Research Service and the National Archives.

Planning for the next round of defense reviews is underway. But only provisions for the QDR process are found in the Defense Authorization Bill for Fiscal Year 2000, which is regrettable. The NDP effort was an important innovation for long-term defense planning. As an independent panel comprised of senior experts with a specific mandate and timeline, it proved to be an efficient and effective tool and should receive continued support by Congress. The relationship between the NDP and QDR processes is critical. Leaders in Congress and the Pentagon and other members of the national security community must focus on getting that relationship right. The two efforts can be complementary. It is unfortunate that the panel was not codified in the Defense Authorization Bill and that it will not precede the next QDR effort. The strategic issues raised by the panel are worthy of debate, and any resources devoted to this dialogue are well spent. **JFQ**

NOTES

[1] The National Defense Authorization Act for Fiscal Year 2000 stipulated a requirement for the Quadrennial Defense Review, but the need for a National Defense Panel was omitted from the final bill. See http://www.thomas.loc.gov for the various versions of S.1059.

[2] See http://www.dtic.mil/ndp for the final report of the National Defense Panel.

[3] "NDP Chairman Sees Little Change in Defense Strategy in Near Term," *Defense Daily*, January 16, 1998, p. 1.