



## **National Commission on the Future of the Army**

2530 Crystal Drive, Zachary Taylor Building, Suite 5000  
Arlington, VA 22202

## **National Commission on the Future of the Army**

**Open Meeting, October 22, 2015**

Present:

Chairman – GEN Carter F. Ham (USA, Ret)  
Vice Chairman – HON. Thomas R. Lamont (ARNGUS, Ret)  
Member – GEN Larry R. Ellis (USA, Ret)  
Member – LTG Jack C. Stultz (USA, Ret)  
Member – HON. Robert F. Hale (Former USD Comptroller)  
Member – SMA Raymond F. Chandler (USA, Ret)

Designated Federal Officer – Mr. Don Tison (DFO)

Not Present:

Member – GEN (R) James D. Thurman  
Member – HON. (Dr.) Kathleen H. Hicks

Attendees: In accordance with the provisions of Public Law 92-463, the meeting was open to the public from 9:00 A.M. to 12:04 P.M. There were approximately 40 members of the public present for this event.

### **Documents received by the Commission:**

1. "QUESTIONS FOR NCFA CONSIDERATION 21 OCT 15"
2. GEN Grass, Chief, National Guard Bureau written statement
3. LTG Murray, Deputy Chief of Staff, G-8 written statement
4. MG Ostrowski, Deputy for Acquisition Systems Management, Assistant Secretary of the Army, Acquisition, Logistics, and Technology written statement
5. Dr. Goure, written statement, "The Two Questions the Commission Needs to Answer".

Documents and an audio recording for the entire meeting is available at [www.ncfa.ncr.gov](http://www.ncfa.ncr.gov)

**The DFO called the meeting called to order at 0900 hours.**

Procedures for speakers – DFO discussed FACA requirements and procedures for the open meeting.

Chairman's update – Chair provided an update on Commission activities over past month. Commissioners and staff then discussed recent site visits and staff activities.

- Mr. Rickey Smith, NCFA Staff Director, noted a 22 September 2015 meeting between LTG Tim Kadavy, Director, Army National Guard, and NCFA Chairman. Also attending were MG (R) Raymond Carpenter, NCFA Executive Director, DFO, and Mr. Smith. The meeting was part of continuing dialogue with elements across the Army. Major points were Brigade Combat Team (BCT) progression through the training cycle and suitability of ARNG formations to perform planned, predictable missions like KFOR and MFO.
- Chairman Ham discussed a meeting with several Army 4-star General Officers on September 22, 2015. Accompanied by the DFO, the Chair met with 4-star Army General Officers from the operational and institutional forces. The Chair provided them a synopsis of Commission activities to date and shared several emerging observations. The Chair asked for their continued input to the Commission, where they saw fit.
- Mr. Smith provided a short synopsis from the September 24, 2015 meeting between GEN (R) Charles H. Jacoby, Jr., Commissioner Hicks, Commissioner Thurman, DFO, and Smith. General Jacoby, former US Northern Command (NORTHCOM) and Multi-National Corp Iraq Commander, discussed his perspectives on the future operational environment, homeland defense operations, and how the Army meets operational requirements.
- Commissioner Hale explained a September 24, 2015, meeting with U.S. Forces Korea, U.S. Forces Japan, and 2<sup>nd</sup> Infantry Division Commanders. Commissioners Ham, Hale, Hicks, and Thurman were accompanied by the DFO, NCFA Staff Director, and selected NCFA staff. In addition to classified topics, these Commanders addressed key aspects of rotating U.S. forces into the Republic of Korea and the adverse impacts of budget uncertainty, especially difficult for the civilian workforce, who provide critical capabilities, but feel poorly treated with recent furlough and efforts to further reduce civilian manning.
- COL Kurt Weinand provided information from the NCFA Staff visit to Fort Bliss, TX, September 28 – 29, 2015. The NCFA Executive Director led members of the staff on a site visit to the Army's Network Integration Evaluation and Army Warfighting Assessment. The exercise included 14 partner nations, Joint partners, and Army formations to experiment with potential future technologies and operational concepts. On the second day, the NCFA staff met with the 32nd Army Air and Missile Defense Command to discuss one of the Army's significant high demand low density capabilities. Their formations are deploying at a high tempo due to increased demand and limited supply. The staff then moved to Camp McGregor to meet with 5th AR BDE from First Army to gather information on mobilization activities. There were 4 National Guard units going through various stages of mobilization: 3-116 IN BN (VA ARNG); 554 MP Co (PR ARNG); 1010 EN CO (PR

ARNG); and 155 EN CO (SD ARNG). All reported high morale and satisfactory progress through their post mobilization training.

- Mr. Smith explained NCFA Staff discussion on October 6, 2015, with Will Goodman, Vice President for Policy, National Defense Industrial Association, and Brian Collins, Director for Policy, Business Executives for National Security. Two key points from the discussion: (1) in a resource constrained environment, it is natural, but unhealthy, to allow research and development funding to become the bill payer for operations and maintenance funding shortfalls; and (2) the dynamics of defense industrial base have fundamentally changed and you can no longer assume that U.S. Government buying power in the hundreds of billions will attract suppliers focused on global commercial activity in the tens of trillions.
- Mr. Smith noted the NCFA Staff engagement with members of the House National Guard and Reserve Components Caucus, on October 8, 2015, at the Cannon Office Building. Members of the NCFA Staff held a listening session with the membership of the House National Guard and Reserve Components Caucus (NGRCC) at the invitation of the caucus. NCFA attendees were the Executive Director, Staff Director, NCFA Director of Communications, and the DFO. Seven members of the Caucus provided brief verbal comments along with their written statements. A total of twenty statements were received from Representatives and Senators. All statements were provided to Commissioners and posted to the Commission website.
- Chairman Ham offered a review of the Commission's Comprehensive Analytical Review (CAR). On October 15 and 16, 2015, the Institute for Defense Analyses (IDA) hosted and moderated the classified event. The CAR was designed to provide an environment in which the Commissioners could expand their understanding of classified topics. All eight Commissioners, as well as most members of the NCFA staff, attended the event. In addition, representatives from several analytical organizations: Center for Army Analysis, TRADOC Analysis Center, RAND, and IDA were invited to provide analytic support. Questions addressed included force organization, mix, and stationing. The general consensus regarding the CAR was the analysis and discussion helped to crystallize issues affecting the Commission's recommendations. Another, subsequent classified review is planned for November.

Before hearing from invited speakers, the Chair called on Mr. Smith to present a table of questions used in determining adequacy of analysis. Smith explained that in September, the Commission shifted the process of gathering information to a more rigorous assessment and analysis of that information. Each Commissioner received the list of questions under consideration by the Commission to ensure all elements with the Commission's mandate (provided by the National Defense Authorization Act) are considered. The questions list was developed with input from individual Commissioners, Subcommittees, and NCFA staff. The questions under consideration are not intended to prescribe final report items, but rather are a means to ensure there are no gaps and that due diligence occurs across all specified and implied tasks.

Speakers from:

National Guard Bureau

Army G-8

ASAALT

Lexington Institute

Chairman closing remarks; DFO closing remarks

## **National Guard Bureau**

General Frank J. Grass, Chief, Chief National Guard Bureau

GEN Grass opened his remarks by thanking the Commissioners for their diligence and quality of work. He quoted GEN Gordon Sullivan regarding the complexity and the dangerous environment of the world today in light of a shrinking force. He reminded the Commissioners that 50 Governors signed a letter addressed to the President in opposition to shrinking the size of the National Guard which will limit their ability to support the people in their states. He asked: what does the Nation need from its dominant land force? Is the Nation ready to accept a smaller land force? Is the Nation aware that the Army is getting smaller amidst this time of global instability?

GEN Grass focused his remarks on four key areas: accessibility, operational utilization, and full-time support of the Army National Guard, in addition to the relationships among the three components of the Army. He stated that there was a desire for Army National Guard Soldiers to continue to be utilized. He explained that much of the demand is being satisfied by active forces, but there are many ongoing missions ideally suited for readiness levels produced by the Army National Guard and the Army Reserve. He further noted this change in paradigm would enhance the overall readiness of the total Army.

Accessibility – ARNG Soldiers desire to be utilized. Few Guardsmen perform 39 days each year, most do more. They expect to be part of the Total Army. This force provides a significant strategic hedge toward expanding the Army's ability to respond to global threats. The ARNG is accessible as demonstrated by the contributions over the last 14 years. During one period in 2005, the ARNG had over 80,000 Soldiers deployed to the war fight. Hurricane Katrina hit the Gulf States at the same time. The ARNG responded by sending over 50,000 Soldiers to support the affected people and municipalities. The National Guard is accessible. Authorities are in place to gain access to the Reserve Components.

Utilization – There needs to be a change in the will and funding to use ARNG forces. Secretary McHugh stated at the AUSA Annual Conference that we are consuming readiness as fast as we build it. However, many global missions do not require immediate responses, but rather are predictable and dispersed. They also don't require the highest levels of collective readiness. The Reserve Component forces are well suited to perform these predictable, rotational missions.

Full Time Manning – During budget constrained periods, full time manning is often the target of budget analysts. What needs to be understood is that full time manning generates and maintains foundational readiness for the Reserve Components. Full time personnel maintain activities and functions similar to an active Army installation. The ARNG has to be ready to respond immediately in the homeland. That is our “fight tonight” mission. The Army needs to resist the urge to reduce full time manning. The growth in full time manning that the ARNG experienced starting in 2003 was a programmed initiative that began well prior to 9/11. It was not growth because of the war. It was simply growth that brings the ARNG full time manning up to 67% of the validated requirements. Anything less than the FY16 full time manning levels presents significant risks to ARNG readiness.

Relationships – There is only one Army. We need a truly integrated Total Army force. The ARNG is wholly committed to being a partner with the active Army and the Army Reserves. The Governors take their role as Commander in Chief very seriously. The relationship of our National Guard through the Governors is how the Army stays connected to the American people. GEN Creighton Abrams recognized the importance of the ARNG in mobilizing the will of the people.<sup>1</sup> The National Guard is that link. Everyday there are 4,000-6,000 ARNG Soldiers on duty in the states supporting the homeland. The overwhelming majority of incidents in the states are handled by the affected state.

During a question and answer period the Commissioners and GEN Grass discussed the following topics: (1) overseas deployment rotation rates, (2) the need for predictable operational use, (3) thoughts on full time manning levels and impacts on readiness, (4) National Guard support to First Army, (5) allocation of training center rotations for ARNG units, (6) Title XI policy, (7) personal thoughts on forward stationing equipment in Europe, (8) feasibility of a TTHS-like account (Trainees, Transients, Holders, and Students) for the ARNG, (9) managing Army personnel to allow cross-component assignments, (10) the mix of ARNG BCTs, and (11) utilization of Regional Training Institutes (RTIs).

Chairman Ham noted that every Combatant Commander the Commission has engaged has spoken about the great benefit of the State Partnership Program (SPP) in their theater of operation.

## **Army G-8**

### Lieutenant General John M. Murray, G-8, U.S. Army

LTG Murray spoke regarding the Army’s new operating concept, strategic environment, fiscal environment, and achieving balance between the three key components of the Army Program: end strength, readiness, and modernization/capital investments. He stated that the Army’s greatest risk was in the modernization account, and as the Army continues to increase near-term readiness the risk in modernization would continue to grow until the Army can balance the funding program. He further spoke regarding the Army’s modernization strategy and how it applied across all of the components of the Army to ensure all three components were modernized at the appropriate time.

## **Office of the Assistant Secretary of the Army, Acquisition Logistics and Technology (ASAALT)**

### **Major General Paul A. Ostrowski, Deputy, Acquisition and Systems Management**

MG Ostrowski submitted a written statement and spoke during question and answer period regarding the declining investment in research and development and modernization accounts. He expressed concern that over time the commercial defense industrial base may begin investing in other sectors which would leave Department of Defense vulnerable in the areas of critical capability and critical talent. He described how to mitigate risk of such shifts through active engagement and stable funding.

## **Lexington Institute**

### **Dr. Daniel Goure, Vice President Lexington Institute**

Dr. Goure framed his remarks with two thoughts, (1) in the near term Army's modernization is locked in due to long lead defense budget processes, and (2) that the Army is on the horns of a dilemma. Given likely budget scenarios, the Army more than any of the other Services is confronted by the need to choose between capacity and capability...or put another way, people or things. Dr. Goure spoke about Army equipment, modernization, and balancing the requirements across the Army's three components. He stated that even under the best scenarios, resources would only increase slightly. Dr. Goure made a point that the future of Army Modernization has already been largely determined by several factors, such as declining defense budgets, rising cost of research and development, cost of long term acquisition programs, increasing base operating costs of the Army, and the fact that the Army is out of phase with the other Services in terms of major new program procurements. Dr. Goure believes that the DOD science and technology plans contain a basic flaw - the assumption that our ability to exploit advanced technologies will provide the U.S. with an edge measured in years. With the globalization of science and technology, and manufacturing shifting out of western countries, coupled with increasing cyber espionage, the U.S. can no longer assume we can exploit technologies quicker than our adversaries. He further stated that there are scenarios in which defense spending would be declining. He expressed the Army's modernization strategy would make great sense if time were on its side, future contingencies were predictable, budgets were stable, and competitors had not eliminated many U.S. technological advantages. He further expressed the total Army force could not be large, ready, and modern.

The Army is faced with a need to choose between capacity and capability or "How big of an Army do we want and how modern will it be?" Either the Army will be large, modestly ready and saddled with increasingly obsolescent equipment, or it will be smaller, with higher readiness and modern equipment.

The choices have major implications for the structure of the Total Force and the balance between the Active and Reserve Components. Taking the first path means that, the Guard will inevitably return to the role of a strategic reserve. The costs associated with maintaining the manpower and equipment associated with this larger force inevitably means a scarcity of resources for training and modernization. The hard won skills and

experience the Guard earned through two wars will inevitably dissipate over time or simply become irrelevant to the conflicts of the decades to come. This problem will be compounded by a dearth of unit training opportunities. Shrinking procurement budgets mean that improvements and upgrades will be procured in relatively small numbers and inevitably husbanded for use by the Active Component. Finally, demographics will work against the Army on this path. It is likely to be increasingly difficult and expensive to recruit the size cohort required, further negatively impacting training and modernization

The second path, reducing end-strength and “harvesting” manpower, if properly managed, holds out the prospect for the National Guard retaining its hard won role as an operational reserve.<sup>ii</sup> In fact, given the pattern of demands on the Army for deployable forces, it would be all but inevitable that as the Total Force shrinks further, both in the Active and Reserve Components, that there will be demand for the latter to work side-by-side with the former.

## Public Comments

Although time was allocated, no public comments were received at this meeting.

## Chairman closing remarks; DFO closing remarks

The Chairman noted the next public hearing will be held in Arlington, Virginia, on November 19, 2015.

## The DFO adjourned the meeting at 1204 hours.

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<sup>i</sup> “The “Abrams Doctrine” is often used to justify recommendations for Army Total Force policy, such as the proper mix between Regular Army and Reserve Component (RC) force structure. Attributed to General Creighton Abrams, Chief of Staff of the Army between 1972 and 1974, the “Abrams Doctrine” asserts that a significant amount of force structure must be placed in the Army Reserve Components so that if the President decides to send the Army to war he must mobilize the RC and thereby ensure the support of the American people for that war. However the primary record does not show that this was what General Abrams was trying to do when he reorganized the Army between 1972 and 1974. Rather, it shows that General Abrams shifted force structure into the RC to allow the Regular Army to increase from 13 to 16 Divisions while staying within a 785,000 manpower cap authorized by Congress.” *Understanding the Origins of the “Abrams Doctrine”* by Gentile and Mann, RAND Corporation, PE-175-RC September 2015.

<sup>ii</sup> DOD policy (DOD Directive 1200.17, Managing the RC as an Operational Force, October 2008) directed that the Armed Services manage their RCs as an operational force including integrating all components as a total force. The RC plays both an operational and strategic role, e.g., “the RCs provide operational capabilities and strategic depth to meet U.S. defense strategy requirements across the full spectrum of conflict.” This directive does not use or define the terms operational reserve and strategic reserve.