



# Cato Institute Foreign Policy Briefing No. 35: The Misleading Military "Readiness Crisis"

July 25, 1995

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## Executive Summary

The recent, much publicized military readiness crisis is as dubious and politically motivated as were the Cold War era bomber and missile "gaps." Most of the so-called readiness deficiencies in late 1994 and early 1995 were confined to a few military units that had already been earmarked for demobilization. The remaining problems largely reflected temporary cash-flow difficulties arising from unanticipated missions in Kuwait, Rwanda, and the Persian Gulf. Nevertheless, the Pentagon and its supporters in Congress successfully fanned public concerns about a nonexistent crisis and obtained a \$3.04 billion supplemental appropriation for the Department of Defense.

Contrary to the prevailing mythology, the Pentagon is not underfunded; the risk of returning to the "hollow forces" of the 1970s is overstated. The United States spends far more on the military than does any other nation, and its military forces have unmatched capabilities. Any legitimate concerns about readiness can be addressed by more efficient use of existing funds and by developing a more realistic security strategy. Indeed, adopting a less interventionist foreign policy could lead to additional reductions in the military budget without undermining readiness.

## Introduction

The war the Generals always get ready for is the previous one. -- H. M. Tomlinson, 1873

After the November 1994 congressional elections there was a flurry of reports about a "readiness crisis" in the U.S. military. High-profile news stories cited the alleged-ly perilous state of American combat forces. The public was treated to accounts of Navy crews on extended deployments, canceled training exercises, and grounded aircraft. Critics of the Clinton administration charged that American military forces were increasingly unready to carry out the national military strategy.[1] Sen. John McCain (R-Ariz.), a leading member of the Senate Armed Services Committee, typified the attitude of many of his colleagues when he reported hearing "stories from unit commanders in all branches of the service who talk about how their readiness is deteriorating. The service chiefs and the CINCs [Commanders in Chief] continue to testify that unless something changes . . . they are going to be near the edge of serious problems in readiness." [2]

Headlines in major newspapers proclaimed precipitous drops in the readiness ratings of combat units.[3] Members of Congress, mostly but not exclusively Republicans, asserted that American military forces were on the verge of a return to the so-called hollow forces of the late 1970s.[4] For example, Rep. Floyd Spence of South Carolina, the new chairman of the House National Security Committee (formerly the Armed Services Committee), warned in a hearing on February 22, 1995, that "the future readiness of the force is unquestionably in jeopardy." [5] Military officials testifying before Congress concurred with that assessment.

The criticism continued even after it had achieved its desired effect: On December 1, 1994, President Clinton had

announced that over the next six years he would seek an additional \$25 billion in military spending, up to \$11 billion of which could be earmarked for readiness, and requested a \$2.6 billion supplemental appropriation to pay for unbudgeted operations that the U.S. military had participated in during 1994, most notably those in Haiti, Rwanda, and the Persian Gulf. Congress increased the proposed amount to \$3.04 billion and approved the additional funding in April 1995.

When the administration presented its \$257.8 fiscal year 1996 defense budget to Congress, Pentagon officials made it clear that military readiness was the number-one priority. Testifying before the Senate Armed Services Committee on February 9, Secretary of Defense William Perry stated, "Today, the department, the Joint Chiefs, the CINCs, and I are watching readiness more closely and in more ways than at any time that I can remember." [6] Secretary Perry devotes an entire chapter of his latest annual report to readiness, including a lengthy list of organizational measures to enhance and protect it. [7]

That money and attention were the result of trying to close a highly political "readiness gap." President Clinton acted as had his predecessors who were politically vulnerable to charges of allowing bomber and missile gaps to develop. History subsequently showed that those "gaps" were artificially created or manipulated. But in an age of attack politics, defenders of the status quo military establishment have decided that the best defense is a vitriolic offense.

The truth, however, is that charges of unreadiness are vastly exaggerated. They are the result of a combination of factors, including misunderstanding of what actually constitutes readiness, tardy congressional appropriation of funds, insistence on maintaining an excessively large and costly force, funding unneeded Cold War era weapons systems such as the B-2 bomber and the Seawolf submarine, refusal to acknowledge that some organizational turbulence during the downsizing of a military force is normal, and an unsound U.S. military strategy.

Now that critics of the administration have succeeded in pressuring the president to propose more money for the military, readiness has largely faded from public view. Nevertheless, it is still important to examine the issue because similar arguments are now being used to justify spending more money for weapons modernization programs. [8] And, most troubling, allowing readiness to assume the status of an unquestioned good obscures the critical question, ready to do what? A meaningful study of the readiness "crisis" requires examining what military readiness is, how it is measured, how much readiness is enough, and what the United States should be ready for.

### **Readiness Crisis? What Readiness Crisis?**

Some observers have recognized all along that charges of military unreadiness have been false. Rep. Ronald Dellums (D-Calif.), former chairman of the House Armed Services Committee, insists that "there is no short-term readiness problem." Dellums believes the debate is largely driven by politics. "This is the 'readiness dance,' where everybody's trying to out-ready the other person. Because if that's the political issue on the table, one side says 'readiness,' the other side says 'more readiness,' and so it's like armament escalation, where everybody wants to pour more money in." [9]

Skeptics can also be found in the largely overlooked trade press. [10] Perhaps the most revealing admission came from Secretary Perry during testimony before the Senate Armed Services Committee in early 1995. Perry conceded that "the forces which are forward deployed overseas [or] are standing in readiness for early deployment--are at historically high rates of readiness. And that history goes back more than 10 years, and it is staying at essentially a constant and a very high level." [11]

Other experts have reached similar conclusions. A report released by the Congressional Budget Office in March 1994 found that "overall, the readiness of deployable units is high now relative to historical levels." [12] Just three months later, the Pentagon's Defense Science Board, chaired by retired Army chief of staff Gen. Edward Meyer, who coined the term "hollow forces" in 1980, released a study on military readiness. That study found that "the general readiness posture of today's conventional and unconventional forces is acceptable in most measurable areas." [13] Ironically, later that year, after critics started charging Clinton with allowing military readiness to decline, General Meyer complained that the continuing emphasis on maintaining peak readiness was hollowing out the force of the future. "It is a near-term, get-through-the-next-couple-of-years [approach], without taking time to look at the future," Meyer warned. "You can't continue to go this route aimlessly. You'll just wind up with a less and less ready force." [14]

## **Defining Readiness**

Those who contend that the U.S. military confronts a readiness crisis rarely explain what they mean by readiness. Yet defining that term with clarity is essential. After all, if one does not know what readiness is, how can one measure it, let alone assess its condition?

The Department of Defense notes that readiness, which is defined as "the ability of forces, units, weapon systems, or equipments to deliver the outputs for which they were designed (includes the ability to deploy and employ without unacceptable delays)," is just one component of overall military capability. It is overall capability, defined as "the ability to achieve a specified wartime objective," that wins battles and wars.[15] The other equally important components of overall military capability are force structure, modernization, and sustainability.

There are always tradeoffs among the components of overall military capability--for example, between the size of a force and how ready it can be. Furthermore, the definition of readiness differs depending on whether one is thinking of the short or the long term. That causes Pentagon officials to emphasize different things on different occasions. Thus, over time, they have tended to include almost everything under the rubric of military readiness.

## **Measuring Readiness**

Defining readiness, however, is far easier than measuring it. One of the little-noticed outcomes of the readiness debate is the acknowledgement that measuring readiness is an inherently subjective process. One study by the Army noted, "The Army has traditionally assessed the training readiness or proficiency of its ground forces by having unit commanders subjectively rate their unit's capabilities and estimate the additional training necessary to be prepared for combat." [16] David Evans, a retired Marine Corps lieutenant colonel and director of national defense programs at Business Executives for National Security, noted that "the readiness rating system is not only subjective, it's highly capricious, even in the areas where you're using fairly hard metrics, such as the mission capable rate. . . . [Take] mission-essential equipment, for example. You can change that list in terms of the kinds of mission-essential equipment you need in a unit, what's required to be on that list, and the readiness ratings can go up or down." He concluded that the measurement of military readiness "is very imprecise," so much so that it is "a metaphysical swamp." [17]

Evans is not alone in emphasizing the limitations of the readiness concept. Last year the CBO reported that its analysis "reaffirms a discovery made by DoD analysts in the mid-1980s: namely, that the readiness indicators used within DoD are not well suited to identifying trends in readiness over time." [18] Similarly, the General Accounting Office informed Congress that "DoD's system for measuring readiness provides valuable data, but it is not comprehensive and it cannot signal an impending change in readiness." [19] On another occasion the GAO stated that the indicators for measuring readiness produce information that "is limited, is not always objective, and was never intended to provide the comprehensive assessment of readiness that has becoming increasingly important in today's national security environment." [20]

The CBO in its assessment of the Clinton administration's military program found that "measuring readiness is an inexact science and today's indicators send ambiguous signals." The CBO went on to state that, given the ambiguous nature of reporting on readiness, "perhaps what is needed is a public debate about whether the Congress is willing to accept lower levels of readiness for certain units and thus a higher degree of risk. In other words, how much readiness is enough?" [21]

## **Readiness Disinformation**

The debate over readiness escalated last November when the Pentagon revealed that three of the Army's divisions had supposedly dropped from C-1 to C-3 ("marginally unready") in their readiness ratings. [22] That purportedly was the worst rating in 12 years. C-ratings are readiness indicators based on comparison of the resources that units have with the levels prescribed for wartime. The lower the number, the higher the state of readiness. For many years a C-3 rating meant that a unit was "marginally ready." But in 1986 the Joint Chiefs of Staff changed the wording used to describe C-ratings in a way that emphasized their dependence on resource levels and deemphasized their potential as an indicator of readiness. [23]

Nearly two months after the initial disclosure of the C-3 ratings, the Army quietly acknowledged that it had misstated the historical significance of those low ratings. It turned out that the three divisions about which all the fuss had been made--along with other units--had scored well below peak status for several years in the mid-1980s, during the height of President Reagan's military buildup.[24] Subsequently, it was revealed that as many as 10 Army divisions had received C-3 rating or worse--some during the Reagan military buildup when there was certainly no shortage of funds for the Pentagon.[25]

Still later it was revealed that two of the three high-lighted divisions were considered likely candidates for deactivation as part of the downsizing contemplated in the Pentagon's "Bottom-Up Review" (BUR) and were, therefore, low on the priority list for funds, equipment, and troops. That point was confirmed in an exchange between Sen. Sam Nunn (D- Ga.) and Chairman of the Joint Chiefs of Staff Gen. John Shalikashvili during a hearing of the Senate Armed Services Committee.

Sen. Nunn: It is my understanding that the three later deploying army divisions that had the readiness problems last year, and continue to I suppose now to some degree--two of them are going to be removed from the force this year? Is that right?

Gen. Shalikashvili: That's correct, Senator Nunn. Two of them have been--are scheduled for inactivation. So they are now going to what is termed C-5 status, which is disestablishment. And the other one is, we believe now, around April will be back up to [its] original status.[26]

Few people noticed at the time that the three divisions that were the subject of the controversy were reinforcing divisions. Historically, the U.S. forces designated to deploy and fight first have always had first call on personnel, training, new equipment, and spare parts. Units scheduled to deploy later as reinforcements strove to be fully ready, but the fact that they would not be the first to go gave them additional time to bring their readiness levels up. The readiness ratings of the three divisions reflected, at least in part, their status as reinforcement units.

Readiness hawks also neglected to mention that unit commanders score readiness according to three criteria-- troop numbers, training, and equipment. The lowest score in any category becomes a unit's overall rating. The divisions had deferred training because of the fiscal demands posed by overseas deployments of other units and thus were rated C-3 on training. The overall rating was, therefore, C-3.

Senator Nunn obtained a further admission from General Shalikashvili.

Sen. Nunn: It is my understanding that those--they went to C-3, and the whole implication of all the coverage was it went from C-1 to C-3. But it's my understanding all three of those divisions were never supposed to be beyond C-2.

Gen. Shalikashvili: That's correct.

Sen. Nunn: C-2 readiness.

Gen. Shalikashvili: That's correct.

Sen. Nunn: So the drop was from C-2 to C-3, not from C-1 to C-3?

Gen. Shalikashvili: That's correct, Senator.[27]

Evans concludes that lower readiness ratings were appropriate for those units in any case, since they were on the verge of deactivation. Spending money to maintain them at the high level of readiness required for an immediate "go to war" capability, he contends, would make no sense. Indeed, "it would be like taking your car to the detail shop before you take it to the junk yard." [28]

## **Financing Readiness**

Much of the debate over readiness is really a partisan debate about spending. Opponents of the administration have

been using the readiness issue to raise military spending or, at the very least, freeze it at its current bloated Cold War level. Readiness, however, is not being underfunded. As Representative Dellums, who is skeptical about the readiness crisis, points out, "Ten years ago, readiness was approximately 25, 26 percent of the total [military] budget. As we sit today, readiness is now 35 percent of the budget, so readiness is on its way up." [29]

It should be kept in mind that readiness usually refers to "operational or short-term readiness," meaning the ability to keep ships steaming at sea, planes flying in the air, and troops training on the ground. That readiness is funded through the operations and maintenance, or O&M, accounts. According to a December 1994 analysis by the Congressional Research Service, over six years the Clinton program would reduce O&M funding by only \$2.8 billion from the funding levels projected by the Bush administration. Moreover, the Bush "Base Force" had 115,000 more active duty personnel than do the forces called for by the Clinton BUR. Clinton's planned O&M funding over the 1994-99 period is \$535.9 billion--hardly a trivial amount. [30]

The CBO found that in 1994 total DoD spending on O&M divided by the number of active-duty personnel was approximately \$48,000. "Even after adjusting for inflation, that figure is above the peak levels reached in the 1980s." [31] Earlier this year, Lawrence Korb, an assistant secretary of defense in the Reagan administration, emphasized the same point. "The Pentagon now spends more on readiness . . . than it did in the Reagan and Bush administrations (when readiness hit all-time highs) and 50 percent more than during the Carter years." [32]

### **Readiness and the New World Disorder**

Questions about readiness stem in large part from U.S. participation in unexpected contingency operations such as those involving Rwanda, Haiti, Cuba, and Kuwait. Those missions caused the Pentagon to have some cash-flow difficulties in the fourth quarter of FY94. The drop in readiness because of unanticipated overseas deployments is in one sense merely a cash-flow problem, something for Pentagon accountants to work on. But in a larger sense it reflects one tangible cost of a highly activist U.S. foreign policy.

Although policymakers pay lip service to the reality that the United States can no longer be the world's policeman, U.S. actions seem to belie such statements of restraint. The comments of Gen. Colin Powell, former chairman of the Joint Chiefs of Staff, in 1992 are still taken as gospel.

America is still the last best hope of earth and we still hold the power and bear the responsibility for its remaining so. . . America must shoulder the responsibility of its power. The last best hope of earth has no other choice. We must lead. [33]

The problem with Powell's approach--and that of the Clinton administration--is that the post-Cold War world is a very disorderly place. There are a large number of potential Somalias, Rwandas, Kuwaits, and Haitis. If the United States maintains a highly interventionist policy in the name of promoting global order, the cash-flow problems experienced in the fourth quarter of 1994 are certain to recur; indeed, they may become the norm.

The cost of those operations, taken from O&M accounts, caused various units to cancel training exercises and postpone maintenance of equipment, thus causing lowered readiness ratings. However, the proposed remedy, billions of dollars more for readiness, is not the answer for at least two reasons. First, the new money being appropriated is far in excess of what is needed. General Shalikashvili, during the February 9 hearing of the Senate Armed Services Committee, conceded that the funding shortfall was quite modest. "I can put it in perspective. Last year, we saw the readiness problems resulting from approximately 400 million dollars underfunding because of these contingencies." [34] That amount was far less than the \$3.04 billion the Pentagon received in its supplemental appropriation for responding to those contingencies.

Second, the ability to fund unexpected operations out of O&M accounts is limited because DoD has little or no flexibility to divert funds from other programs in those accounts. According to Under Secretary of Defense (comptroller) John Hamre,

In FY 1995 nearly half of the O&M budget is practically off limits as far as contingency costs are concerned--because it funds civilian pay, health programs, utilities, and other activities in which we have little flexibility. Another

20 percent of O&M accounts is potentially available, but only if Congress authorizes a transfer of funds. Practically speaking it would take months to tap those funds because of reprogramming limitations, and so they have often been of limited value in shoring up readiness.[35]

Because of such statutory restrictions, the Pentagon is seeking approval of a readiness preservation authority that would allow DoD to provide funding for readiness, in addition to already approved appropriations, under certain conditions. Those conditions include limiting the authority to only the last two quarters of the fiscal year, requiring approval of the Office of Management and Budget, using the funds only for activities related directly to readiness, and requiring that any funds used be reimbursed in a supplemental appropriation accompanied by offsetting rescission proposals.

Although such a plan raises constitutional issues, including Congress's power of the purse, it does reflect a tacit acknowledgement that better cash management, not more money, is the solution.[36] That point was reaffirmed in a recent GAO report that found that since 1993 the Army had shifted one-third of its war-fighting training dollars to noncombat activities because outdated computer models "significantly" overstated readiness needs.[37]

### **Readiness for What?**

One crucial question that the readiness hawks habitually ignore is, readiness to do what? Readiness cannot be discussed in a meaningful way without addressing that point. Any readiness problems are due primarily to the fact that policy has not been adjusted to reflect the end of the Cold War.

The United States no longer faces a global enemy that has extensive military capabilities. As Columbia University professor Richard K. Betts points out,

The worst we have to worry about at present are countries like North Korea, Iran, or Iraq. Now those are not trivial problems, but they're a far cry from facing a large, rich, highly developed great power like the old Soviet Union was.[38]

Yet U.S. security strategy does not reflect that dramatic change for the better in the global threat environment. According to the BUR released by the Pentagon in 1993, U.S. military strategy calls for having forces ready to win two major regional conflicts (MRCs), similar in scope to the 1991 war against Iraq, nearly simultaneously (approximately 45 days apart), without allies, as well as maintain substantial military forces overseas to fulfill ongoing commitments.

Because the BUR is not based on specific threats that can be measured and planned for and ignores potential contributions of allies, its planned forces will always be inadequate, given the number of possible opponents that can be dreamed up.

Although conservative critics harp on the gaps between the requirements for fighting two wars and the forces currently available, very few have questioned the realism of that scenario, which is totally unrealistic.[39] David Evans speculates that the two-war requirement has little to do with rational security calculations.

I think the whole two-war scenario is really a stretch. It may be a self-serving artifice that conjures up an enormous demand for a large standing peacetime army that has to have the equivalent levels of readiness that we sustained during the Cold War.[40]

Similar views are expressed by defense analyst Jeffrey Record. In a recent commentary in *Defense Week*, he wrote,

That [two-MRC] prospect has been a bugaboo of U.S. force planners since before World War II--the only conflict in which the U.S. military was in fact called upon to wage simultaneously what amounted to two separate wars. Chances for another world war, however, disappeared with the Soviet Union's demise. . . . More to the point, our enemies have without exception refused to take advantage of our involvement in one war to start another one. Not during the three years of the Korean War, the 10 years of the Vietnam War, or the eight months of the Persian Gulf crisis of 1990-91.[41]

Even the recent report of the congressionally mandated Roles and Missions Commission acknowledged the improbability of the BUR scenario. "While we are still charged with providing capabilities to fight two major conflicts, our attention is increasingly drawn to smaller contingencies." [42] Critics may justifiably ask how many of those smaller contingencies warrant U.S. military action.

### **Menaces or Pests?**

The Pentagon has identified six so-called rogue nations as current security threats: Iran, Iraq, Syria, Libya, Cuba, and North Korea. Yet the collective military spending of those six countries is \$15 billion--about 6 percent of the U.S. military budget. The idea that the United States has to maintain military spending at approximately 85 percent of Cold War levels and extremely ready large standing military forces to be able to fight one of those nations is far-fetched. Iran is still recovering from its bloody, nearly decade-long war with Iraq. Iraq, in turn, is still reeling from the damage it suffered in the Gulf War. Syria has lost its Soviet patron, and its military capabilities, never first class, have declined to even lower levels. Libya is an insignificant military power. Cuba is on the verge of internal collapse. North Korea does have significant military capabilities, but those could be easily matched by South Korea, which has enormous advantages of population and economic resources.

It is implausible to argue that the United States must continue spending more money on the military than all other major powers combined--much less that it needs to increase spending for greater readiness--to deal with such meager threats. Indeed, that thesis confuses annoyances with serious security problems.

The misguided policy of preparing to wage future Desert Storms in service of a continued interventionist policy has been dubbed the "Rogue Doctrine" by Professor Michael Klare of Hampshire College. In a new book he writes,

The adoption of the Rogue Doctrine and its incorporation into formal strategic doctrine (via the Bottom-Up Review) represent a stunning victory for the U.S. military establishment. Constructed in haste during the fateful months following the Berlin Wall's collapse, the doctrine assures the military steady funding at near-Cold War levels for an indefinite future. It also provides a rationale for the retention of a large proportion of the high-tech forces once deployed for combat with the Warsaw Pact--forces that many Pentagon officials had feared would be deemed superfluous in the post-Cold War era. Indeed, no outcome could have been more gratifying to the Rogue Doctrine's creators than its current status as the governing rationale of U.S. military policy. [43]

### **One-War Alternative**

The United States does not need and cannot afford to keep its vast military forces fully ready "just in case" they are needed. Creative national security functionaries can envision too many potential rogues, as well as peace-keeping or peacemaking and humanitarian operations. Rather than throw more money at the military in pursuit of some mythical readiness grail, policymakers should reexamine the commitment to maintain the large standing forces called for by the BUR. The dissolution of the Soviet Union, the lack of other credible large-scale military threats, and increased warning time all give the United States the opportunity to further downsize its forces while maintaining unmatched military capabilities.

Preparing to fight two wars sequentially rather than nearly simultaneously would achieve significant savings. But a more realistic strategy would be to plan for only one big regional war--itself a fairly remote possibility. Such a plan has been endorsed by former Air Force chief of staff Gen. Merrill McPeak. [44] A recent analysis by the Center for Defense Information found that the force structure called for under such a strategy would have 5 fewer active Army and Marine divisions, 8 fewer active Air Force wings, 104 fewer long-range bombers, 2 fewer aircraft carriers, 136 fewer surface ships, and 508,000 fewer active duty personnel than called for by the BUR. [45] In 1999 the CDI force would cost an estimated \$175 billion, as opposed to \$265 billion for the BUR force. [46] Considering that the average annual Cold War defense budget was \$250 billion (1994 dollars) it strains credulity for defenders of the status quo to assert that the envisioned \$265 billion BUR force is underfunded, especially given the radically different international environment.

The whole controversy over military readiness has largely been an exercise in scaremongering. But from the viewpoint of the Pentagon, it has been successful. Not only has DoD succeed in obtaining a significant infusion of funds at a

time when the budgets of other executive branch departments are being cut, but the readiness scare has succeeded in cowering anti-deficit hawks in the new Republican majority in Congress, such as Rep. John Kasich (R-Ohio), chairman of the House Budget Committee. Now that the readiness "crisis" has served its purpose, it has been left to languish on the back burner. The Pentagon is looking to new issues, such as weapons modernization, as justification for maintaining huge budgets and forces. But the arguments DoD officials and their congressional allies will trot out to justify continuing production of B-2 bombers, F-22 fighters, Seawolf submarines, and C-17 transport planes are likely to be as unsound as the arguments for restoring readiness.

Some say that one can never be too rich or too thin. But given the costs involved, it is possible to be too ready. The contingencies the Pentagon wants to be ready for are extremely unlikely, and the country cannot afford to pay the premiums necessary to insure against their occurrence. The Clinton administration was taken in by the supposed readiness crisis. It should resolve to avoid being gulled by the impending, equally dubious modernization crisis.

## Notes

[1] Dov Zakheim, "Our Unready Military," *New York Times*, December 30, 1994; and Baker Spring, "Additional Clinton Defense Reductions," *Washington Times*, April 28, 1995, p. A21.

[2] John McCain, interview with the author, March 2, 1995.

[3] See, for example, Bradley Graham and John F. Harris, "Army's Combat Readiness Overstated, Perry Admits," *Washington Post*, November 16, 1994.

[4] See John McCain, "Going Hollow: The Warnings of the Chiefs of Staff: An Update," September 1994; Office of Sen. John McCain, "Are Our Military Forces Going Hollow?" October 1994; "Defense Readiness and the 'Razor's Edge': The Views of the Chief of Staff of the U.S. Army, the Chief of Naval Operations, the Commandant of the U.S. Marine Corps, and the Chief of Staff of the U.S. Air Force," December 1994; and "A Report on Military Capabilities and Readiness for United States Senator John S. McCain," prepared by Gen. Charles A. Gabriel (USAF, ret.), Gen. Alfred M. Gray (USMC, ret.), Adm. Carlisle A. H. Trost (USN, ret.), and Gen. Robert W. Ris-Cassi (USA, ret.), February 7, 1995. Typescripts from McCain's office.

[5] U.S. House National Security Committee, "Hearing on FY 1996 National Defense Authorization," 104th Cong., 1st sess., February 22, 1995, Federal News Service transcript, p. 5. See also Republican staff of the House Armed Services Committee, "Military Readiness: The View from the Field," December 1994.

[6] U.S. Senate Armed Services Committee, "Hearing on Defense Department Authorization Requests for FY '96," 104th Cong., 1st sess., February 9, 1995, Reuter Transcript.

[7] William J. Perry, secretary of defense, Annual Report to the President and the Congress, February 1995, pp. 37-50.

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[9] Ronald Dellums, interview with the author, March 2, 1995.

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- [12] Congressional Budget Office, "Trends in Selected Indicators of Military Readiness, 1980 through 1993," March 1994, p. x.
- [13] Office of the Under Secretary of Defense for Acquisition and Technology, "Report of the Defense Science Board Task Force on Readiness," June 1994. A succinct rebuttal to "hollow-forces" charges can be found in Military Spending Working Group, "Military Spending Briefing Book," Spring 1995, pp. 12-15.
- [14] Quoted in Thomas A. Ricks, "Analysts Say U.S. Is Paying Dearly for Military Readiness," Wall Street Journal, November 28, 1994, European edition, p. 14.
- [15] U.S. Department of Defense, Department of Defense Dictionary of Military and Associated Terms, Joint Pub. 1-02 (Washington: Government Printing Office, March 23, 1994), p. 237.
- [16] Jack H. Hiller, Howard McFann, and Lawrence Lehowicz, "Does OPTEMPO Increase Unit Readiness?" in Determinants of Effective Unit Performance: Research on Measuring and Managing Unit Training Readiness, ed. Robert F. Holz, Jack H. Hiller, and Howard H. McFann (Alexandria, Va.: U.S. Army Research Institute for the Behavioral and Social Sciences, July 1994), p. 71.
- [17] David Evans, interview with the author, February 24, 1995.
- [18] Congressional Budget Office, p. xi.
- [19] General Accounting Office, "Military Readiness: Current Indicators Need to Be Expanded for a More Comprehensive Assessment," T-NSIAD-94160, April 21, 1995, p. 1. See also General Accounting Office, "Military Readiness: DoD Needs to Develop a More Comprehensive Measurement System," NSIAD-95- 29, October 27, 1994.
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- [21] Quoted in Tony Capaccio, "CBO: Readiness Indicators Are `Ambiguous,'" Defense Week, January 17, 1995, p. 6.
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- [23] Congressional Budget Office, p. 11; "Text of Perry Letter on Defense Readiness," Aerospace Daily, November 21, 1994, p. 226; and Barbara Starr, "Haiti, Rwanda, Kuwait Costs Hit U.S. Readiness," Jane's Defence Weekly, November 26, 1994, p. 6.
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- [26] U.S. Senate Armed Services Committee, p. 39.
- [27] Ibid., p. 40.
- [28] Evans.
- [29] Dellums.
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- [34] U.S. Senate Armed Services Committee, p. 26.
- [35] John J. Hamre, Statement before the House Committee on National Security Subcommittee on Readiness, March 23, 1995, p. 2.
- [36] For a good critique of the proposal for a readiness preservation authority, see Louis Fisher, "Department of Defense Readiness Preservation Authority," Congressional Research Service Report 95-447 S, March 31, 1995. An argument on the need for better financing mechanisms can be found in Caleb Baker, "Fund Contingencies, Save Training," *Defense News*, March 6-12, 1995, p. 19. A recent detailed analysis of the impact of last year's contingency operations on readiness is found in General Accounting Office, "Peace Operations: DoD's Incremental Funding for Fiscal Year 1994," GAO report NSIAD-95-119BR, April 18, 1995.
- [37] Tony Capaccio, "GAO: Flawed Models Overstate Readiness Needs," *Defense Week*, March 13, 1995, pp. 1, 15. See also General Accounting Office, "Army Training: One-Third of 1993 and 1994 Budgeted Funds Were Used for Other Purposes," GAO report NSIAD-95-71, April 7, 1995.
- [38] Richard K. Betts, interview with the author, February 21, 1995.
- [39] In a recent report the General Accounting Office found dubious assumptions in the Pentagon's claim it could execute the two-MRC scenario. See "Bottom-Up Review: Analysis of Key DoD Assumptions," NSIAD-95-56, January 31, 1995. One of the few critical analyses that did question the proposed scenario is David Isenberg, "The Pentagon's Fraudulent Bottom-Up Review," *Cato Institute Policy Analysis* no. 206, April 21, 1994.
- [40] Evans.
- [41] Jeffrey Record, "A Military Ready for What?" *Defense Week*, March 20, 1995, p. 9.
- [42] *Directions for Defense: Report of the Commission on Roles and Missions of the Armed Forces* (Washington: Department of Defense, May 24, 1995), p. 1-7.
- [43] Michael Klare, *Rogue States and Nuclear Outlaws: America's Search for a New Foreign Policy* (New York: Hill and Wang, 1995), p. 204.
- [44] "McPeak's Prescription: Plan for One MRC, Cut Forces to Boost Readiness," *Aerospace Daily*, January 30, 1995, p. 143.
- [45] "A Post-Cold War Military Force," *Defense Monitor* 24, no. 3 (1995): 5.
- [46] Other defense analysts have advocated even deeper cuts in the military budget and force structure based on a less interventionist U.S. security strategy. See, for example, "The Military Budget," in *The Cato Handbook for Congress* (Washington: Cato Institute, 1995), pp. 99-106.