

U.S. Overseas Military Posture

Relative Costs and Strategic Benefits

The United States is at an inflection point in its defense planning due to several factors, including the end of the Iraq War, the approaching end of U.S. combat operations in Afghanistan, increased emphasis on the Pacific, and fiscal constraints. The 2012 Defense Strategic Guidance set the course for this shift and has significant implications for overseas military posture—that is, those forces rotationally deployed as well as permanently garrisoned abroad, together with the facilities and supporting infrastructure that make up the U.S. military footprint and the agreements that enable this presence. It stresses the needs to maintain global presence, the ability to respond globally, and the wherewithal to protect global “freedom of access,” while calling for a “rebalance toward the Asia-Pacific region,” continuing to “place a premium” on presence in the Middle East, and evolving posture with the changing security environment—notably in Europe—while still maintaining commitments. The guidance emphasizes “building partnership capacity” throughout, while calling for new ideas about how this can be efficiently achieved, such as with rotations, and the need to “make thoughtful choices” in light of strategic shifts and constrained resources.¹

With these types of considerations in mind, Congress, through the National Defense Authorization Act of 2012, directed the Department of Defense (DoD) to commission an independent assessment of the overseas basing presence of U.S. forces. The legislation specifically asked for an assessment of the location and number of forces needed overseas to execute the national military strategy, the advisability of changes to overseas basing in light of potential fiscal constraints and the changing strategic environment, and the cost of maintaining overseas presence. DoD asked the RAND National Defense Research Institute to conduct that assessment. To do so, the RAND team examined how overseas posture translates into benefits; the risks that different potential postures pose and the cost of maintaining these postures; how these benefits, risks, and costs would likely change if U.S. overseas presence were to be modified in different ways; and what this means for the advisability of changes.

Key findings:

- Overseas presence contributes to the ability of U.S. forces to deter adversaries, to respond to aggression, to assure allies regarding U.S. commitments, and to engage in security cooperation activities with partners and allies.
- Basing involves fixed and variable costs; variable costs per person (and overall costs) are higher overseas, even when taking host-nation support into account.
- The costs of rotational presence can be more or less than permanent overseas stationing, depending on rotation frequencies, lengths, unit types, and locations.
- Some posture changes could be advisable, depending on judgments about national security priorities and about the relationships between posture and strategic benefits.

Strategic Benefits of Overseas Posture

Overseas presence contributes to contingency responsiveness, deterrence of adversaries and assurance of allies, and security cooperation with partners. These benefits should be taken into account when making decisions about posture.

Contingency Responsiveness

In order to provide immediate response to thwart major attacks, ground forces need to be in place, such as in South Korea, while air and maritime forces should be able to provide such response on a more regional basis. If, instead, ground forces have to deploy from elsewhere by sea or air, even for relatively short distances, the advantage of forward presence will often be limited—unless they have dedicated lift capabilities. Beyond giving attention to specific major threats, the U.S. defense strategy calls for a global response capability, so posture decisions should maintain an effective global en route infrastructure. The United States can maintain relatively rapid global response capabilities as long as this infrastructure and strategic lift assets are maintained. Additionally, maritime forces provide response flexibility by augmenting land-based presence in regions of enduring

¹ Department of Defense, *Sustaining U.S. Global Leadership: Priorities for 21st Century Defense*, Washington D.C., January 2012.

concern when tensions rise and by enabling presence in other areas when events threaten U.S. interests.

Deterrence and Assurance

The presence of U.S. forces shows a U.S. commitment to the security of the area. It shows that the United States is willing to involve itself in conflicts to stabilize situations, secure U.S. interests, and protect the global commons. The most important capabilities in this regard are an ability to prevent a quick victory by an adversary that could change the security situation on the ground and an ability to defend allies against missiles. As a physical symbol of U.S. commitment, U.S. presence in a region helps to assure allies and deter potential foes and can be a factor in the strategic calculations of both.

Security Cooperation

Forces based overseas benefit from the interoperability and adaptability skills and the greater cultural awareness gained from more-frequent training with foreign partners. The low marginal cost of security cooperation activity for forces based overseas leads to much greater activity than would otherwise occur. Overseas basing is especially beneficial for security cooperation with more advanced militaries—for example, those in Europe and South Korea, where continual engagement enables greater interoperability.

Risks of Overseas Posture

While the U.S. forward presence provides strategic benefits, it also carries risks. U.S. peacetime military presence on foreign soil comes only with the acquiescence of the host nation. A host nation may revoke U.S. access or limit the use of a base and its forces in some conflicts. The United States can hedge against such risks by establishing and maintaining diversity in its global presence, but that comes with additional costs.

The advent of long-range, precision-guided weapons has put at risk a number of U.S. forces and facilities that previously enjoyed sanctuary, and increases in the accuracy of such threats are on the horizon. The impact could be profound, particularly in northeast Asia, where changes to concepts of operations and force structure may be required, as well as adjustments to basing. To counter this threat, the United States may need to employ a diverse strategy of active and passive defenses, including hardening or dispersal.

Costs of Overseas Posture

With budgetary pressures forcing a close look at the value of all defense resources, the relative costs of overseas presence are important to understand and consider along with the benefits. Despite substantial host-nation financial and in-kind support, stationing forces and maintaining bases overseas produces higher direct financial costs than basing

forces in the United States. Each additional base brings with it recurring fixed costs (see Figure 1), and overseas basing incurs higher variable recurring costs per person than U.S. basing (see Figure 2). Thus, if forces were to be consolidated on fewer, larger bases—whether in the United States or overseas—the fixed costs of the closed bases would be saved. Greater savings would accrue when an overseas base closes and forces are transferred to the United States, because of the higher overseas variable costs. For the same reason, some savings from force transfers to the United States would accrue even without base closures. A major one-time transition cost for closing bases and restationing forces to the United States would be incurred from having to construct new facilities when the total capacity of current facilities is insufficient. These costs are not incurred if the unit is inactivated as part of force reductions, or if it replaces another unit in the United States that is inactivated.

Figure 1. Estimated Annual Fixed Cost per Base (Bases with Operational Forces)

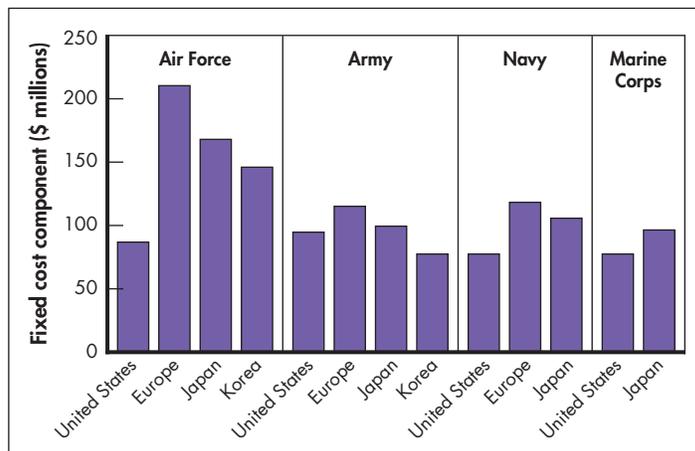
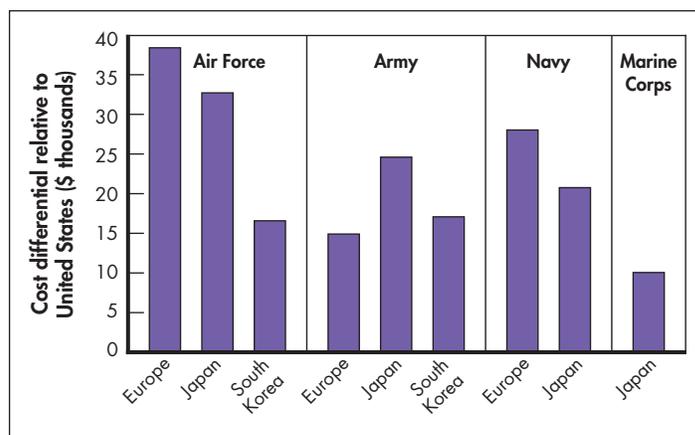


Figure 2. Estimated Additional Annual Variable Cost per Person Compared with U.S. Basing



As pressure has risen to consider reducing the permanent stationing of U.S. forces overseas, rotational presence is being increasingly considered as an alternative. This is because it is believed to provide some of the same benefits as permanent presence, but at lower costs. The RAND team found, however, that this is not always the case: The cost difference—either higher or lower—depends heavily on the rotational design (e.g., the frequency and duration of rotations) and the type of permanent presence it is intended to replace. Generally, we found that the savings produced by realigning forces to the United States without closing a base is not sufficient to offset the cost of providing presence through rotational deployments. Additionally, if more units had to be added to the force structure to support rotational deployments, costs would increase substantially.

Insights on Trade-Offs Among Benefits and Costs

The examination of strategic benefits made it clear that there are several foundational elements of overseas posture that underpin the 2012 Defense Strategic Guidance: a robust global en route infrastructure, at-sea deployments, in-place forces in locations with major threats, and air and missile defenses to protect allies. Beyond these, there are choices involving trade-offs of benefits, risks, and costs. To understand the consequences of changing the U.S. overseas posture, we developed three illustrative postures and applied our findings to assess how they would affect these trade-offs. All three illustrative postures maintained the foundational elements of posture, but each emphasized a different priority: cost reduction, global responsiveness and engagement, or major contingency deterrence and responsiveness.

Analysis of the illustrative postures led to several general insights. Only by emphasizing cost reduction, thereby substantially reducing forces and bases in one or more regions and limiting replacement by rotations, would posture changes yield meaningful savings. The limit of such savings would be about \$3 billion per year, the majority of which would come from reductions to U.S. presence in Europe. Any such reductions would force trade-offs in strategic benefits, such as reduced security cooperation activities and potentially reduced assurance of European allies. Conversely, it appears infeasible to substantially increase engagement with new partners while also significantly reducing overall costs. Realigning forces from one region back to the United States to produce operating-cost savings—to be reinvested elsewhere, whether for rotational or permanent presence—is likely to require investment in U.S. facilities for the returning forces. Similarly, increasing overseas presence for specific major threats could require substantial investments. The contrasts among the three illustrative postures suggest that implications for security cooperation, deterrence, and assur-

ance are likely to be greater than those for responsiveness and access risk when considering posture options.

Potential Changes to Current Posture: Regional Considerations

From the analyses, the RAND team distilled important considerations for making posture decisions in key regions. Based on these considerations, the researchers described posture changes that could be advisable, depending on judgments about national security priorities and the relationships between posture and strategic benefits.

Europe

Further base and force reductions could be considered in Europe, but this could have negative repercussions for alliance cohesion, assurance of partners, and interoperability. The forces that remain in Europe focus on security cooperation, so further reductions would limit those activities. If substantial reductions were made—if continuing presence were limited to the maintenance of capabilities for global power projection, bases for operations around the European periphery, and forces for formal commitments—the United States could save up to \$2 billion per year. Some of the negative effects of reductions might be mitigated by using rotational forces with more specialized capabilities (e.g., Special Operations Forces, missile defense) to replace some of the lost presence, but this would offset a meaningful portion of the potential savings.

Asia-Pacific

In Asia, the United States faces competing demands. For example, the United States aims to deter North Korea and other major threats in Northeast Asia. Accordingly, U.S. forces are concentrated in South Korea and Japan, but those forces face the greatest threat from precision-guided weapons. If the United States wishes to maintain a forward presence at these locations to deter and assure, these facilities could be hardened and protected with missile defenses. Alternatively, some aircraft and ships could be restationed elsewhere in the Pacific or in the United States to reduce exposure to these threats, though potentially at costs to deterrence and assurance.

The United States also has an interest in increasing security engagement with partners in South and Southeast Asia. Through rotational presence, the United States is trying to increase the level and sophistication of activities with countries throughout the region. Whether policymakers view current levels as sufficient has implications for the overseas posture. Related to this rotational presence and broader efforts at engagement, the Marine Corps posture in the Pacific is in transition. If Marine Corps forces scheduled to be distributed in the Pacific do not gain the dedicated lift capability that would enable them to take advantage of their

positioning, it may be advisable to consider shifting some of them to the continental United States, given the lower costs there compared with those in Pacific island locations.

Some savings are possible through modest force reductions in the Asia-Pacific region, including reductions in some Marine Corps and Air Force forces. The wisdom of such reductions depends on how policymakers judge the likely effect of modest force reductions on regional perceptions of U.S. commitment, how critical they believe large in-place forces are to deterrence, and the degree to which they believe forces should be kept in high-threat zones. Conversely, aspects of the 2012 Defense Strategic Guidance could lead to decisions to *increase* presence in the region. If increased security cooperation is highly valued and increases in rotations are pursued, this would increase costs, as would more targeted increases in presence focused on deterrence.

The Middle East

In the Middle East, the United States intends to sustain a strong presence. This includes maintaining capabilities to counter violent extremists and uphold commitments to partner states in the region. The United States also has an interest in preventing Iran from disrupting commerce, pressuring or destabilizing neighboring states, or developing the capability for nuclear coercion.

Traditionally, the United States has maintained a limited-visibility military presence in the Middle East, which consisted almost entirely of prepositioned equipment and contingency access to partner military facilities. It appears as if the exigencies of deterring Iran and assuring U.S. allies in the Persian Gulf is pushing the United States toward a more force-intensive—although still largely rotational—presence. However, given the ability of the United States to maintain a maritime presence in, and deploy forces relatively quickly to, the region, it is not clear whether the United States needs to maintain substantial force levels in the Persian Gulf to meet its objectives. Additionally, foreign military presence has been a sensitive political issue for many Middle Eastern countries. Thus, an important consideration for regional

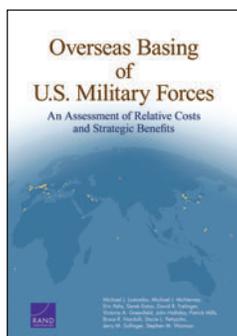
posture is how deterrence and responsiveness needs should be weighed against the potential for political tensions and risks.

Conclusion

DoD is under budgetary pressure to find ways to save money, which is forcing a hard look at all resources and the capabilities they provide. Meaningful savings from posture changes would require choosing from a relatively small set of options, each presenting benefit trade-offs. The only substantial reductions consistent with strategic guidance would be to Army and Air Force units and bases in Europe. Smaller opportunities would be some of the Air Force and Marine Corps forces in the Pacific and some rotational forces in the Middle East. Reductions in Asia are likely to create more deterrence and assurance risk than reductions in Europe, while reductions in the Middle East could have mixed effects. Reductions in Europe would likely affect security cooperation more than any other strategic benefit.

Conversely, a strategic review could conclude that posture increases are necessary. Potential increases revolve around three considerations: the value of increasing security cooperation with new partners to build capacity, posturing to deter and respond to potential Iranian aggression, and achieving complex security goals in Asia while adapting to the threat of precision-guided missiles. Such options would increase recurring costs and would involve additional investments in some cases.

In sum, there is a minimum threshold of foreign posture that the United States must retain to achieve national security goals and execute the 2012 Defense Strategic Guidance. Beyond that, there is additional posture that is almost certainly advisable to retain or even add. But there are also choices in each region where different judgments could lead to different conclusions about the advisability of posture changes. These are policy choices that do not have an empirical “right answer.” Instead, decisions will reflect judgments of the values assigned to competing strategic goals and the degree to which overseas posture is perceived to advance those goals.



This research brief describes work done for the RAND National Defense Research Institute documented in *Overseas Basing of U.S. Military Forces: An Assessment of Relative Costs and Strategic Benefits*, by Michael J. Lostumbo, Michael J. McNerney, Eric Peltz, Derek Eaton, David R. Frelinger, Victoria A. Greenfield, John Halliday, Patrick Mills, Bruce R. Nardulli, Stacie L. Pettyjohn, Jerry M. Sollinger, and Stephen M. Worman, RR-201-OSD, 2013 (available at http://www.rand.org/pubs/research_reports/RR201.html). The RAND Corporation is a nonprofit research institution that helps improve policy and decisionmaking through research and analysis. RAND's publications do not necessarily reflect the opinions of its research clients and sponsors. RAND® is a registered trademark.

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