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NATIONAL DEFENSE RESEARCH INSTITUTE

Overseas Basing of U.S. Military Forces

An Assessment of Relative Costs and Strategic Benefits

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Summary

The United States is at an inflection point in its defense planning due to a number of factors: the end of the Iraq War, the planned end of U.S. combat operations in Afghanistan in 2014, increased emphasis on security commitments and threats in the Pacific, and fiscal constraints. The 2012 Defense Strategic Guidance sets the course for this shift and has significant implications for overseas military posture, which needs to be designed to effectively and efficiently support the strategy as an integral component of overall defense capabilities. To that end, the National Defense Authorization Act for Fiscal Year (FY) 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 carry out that independent analysis.[1]

Overseas posture should be designed as part of an integrated set of capabilities to execute the U.S. defense strategy. The starting point for this analysis was the strategy contained in the 2012 Defense Strategic Guidance and the development of an understanding of the capabilities that posture brings to bear. These capabilities—the benefits produced by overseas presence—include improving operational responsiveness to contingencies, deterring adversaries and assuring allies, and facilitating security cooperation with partner militaries. Posture also incurs risks associated with overseas facilities, including uncertainty of access in time of need and the vulnerability of such bases to attack from hostile states and nonstate actors, and costs. Basing U.S. forces abroad increases costs even in countries that provide financial and other support, with the amount varying by region and military service. To inform the assessment of overseas forces, we examined how overseas posture translates to benefits, the risks it poses, the cost of maintaining it, and how these costs would likely change were U.S. overseas presence to be modified in different ways, for example, by changing from permanent to rotational presence.

[1] The complete list of specific tasks Congress requested is provided in Chapter One.

This examination revealed some aspects of U.S. posture that are fundamental to carrying out the U.S. national security strategy. It also indicated that, beyond these enduring posture needs, there are posture changes involving both increases and reductions in overseas presence that could be advisable to consider, and these are identified in this report. Additionally, by identifying the benefits, risks, and costs associated with overseas posture, this report should inform more general deliberations about the U.S. posture now and in the future.

Strategic Benefits of Overseas Posture

Contingency Responsiveness

In-place forces provide the immediate capabilities needed to counter major acts of aggression by countries that the United States has identified as posing a substantial military threat to U.S. interests. Forward-based U.S. forces should be configured to provide the initial response necessary to prevent quick defeat while awaiting the arrival of aerial, maritime, and ground reinforcements—the last of which travel mostly by sealift. Initial response forces could be ground forces, such as those stationed in South Korea, or air or maritime forces. However, if ground forces must deploy even for short distances, the advantage gained from forward basing erodes or disappears if such forces do not have collocated, dedicated lift. This is especially true for heavy forces, which cannot deploy rapidly by air. In critical situations, lighter ground forces can deploy by air from the United States almost as quickly as they can from within a region. Additional aircraft can self-deploy, assuming they have access, and their support equipment can be airlifted or prepositioned in the region. Only when equipment has been prepositioned can heavy forces provide rapid reinforcement.

For smaller-scale contingencies, the starting location of lighter ground forces does not meaningfully influence deployment responsiveness, provided en route air bases with adequate throughput capacity are available. Overall response time, however, often hinges on the throughput capacity of the destination airfield, especially in more austere areas. Exceptions would be when multiple simultaneous events occur or other ongoing operations limit aircraft availability for a new mission. Over the long term, purchasing large fleets of intertheater cargo aircraft and forward basing overseas present alternative paths for enabling rapid deployment in small-scale contingency situations. That is, large lift fleets sized for major wars can support rapid response to globally distributed smaller-scale contingencies. Maritime forces that establish presence in new areas where events threaten U.S. interests can provide additional flexibility. These maritime forces also complement land-based presence in regions of enduring concern, when tensions rise. Forward, land-based presence does make a difference, however, for special operations forces performing missions in which mere hours can make a difference.

The U.S. strategy calls for global capabilities, so posture decisions should maintain an effective global en route infrastructure—facilities, access agreements, fuel storage, and other assets. This infrastructure must include multiple routes to key regions to ensure resiliency, to overcome the risks of natural and man-made disruptions, and to increase overall capacity. The United States can maintain global expeditionary capabilities and relatively rapid response capabilities as long as this infrastructure and a robust fleet of strategic lift assets are maintained. Broadly distributed maritime presence also strongly contributes to flexible rapid-response capabilities. A strategy that calls for protection against identified threats that could lead to major, high-intensity conflict must maintain some forces in place, supported by prepositioned equipment. In general, after the initial phase of operations to stabilize or even resolve a situation, the response by the U.S. military to a contingency of any substantial size will come primarily from forces deployed from bases in the United States.

Deterrence and Assurance

While the U.S. overseas posture does contribute to deterring potential adversaries and assuring friends and allies, it does not mean that all overseas facilities and forward capabilities can be justified on this basis; they are not all equally important in this regard. Deterrence relies on perceptions of the will of a nation and its abilities relevant to a particular conflict. The overseas posture contributes to both these aspects. The presence of U.S. forces in a region shows a commitment and U.S. interest in the security of the area, which speaks to the willingness of the United States to become involved in future conflicts to stabilize situations, secure U.S. interests, and protect the global commons. The forces there also help by providing relevant capabilities. In our assessment, the most important capability in this regard is an ability to prevent a quick victory by an adversary that could change the security situation on the ground.

The U.S. military presence in a region also helps to assure allies. It is a physical symbol of U.S. commitment to the security of a region, and in that sense, it can become a factor in the strategic calculations of allies. Without that assurance, they might make different choices that could influence a wide range of their strategic decisions: security policy choices, including formal and informal alliances; diplomatic positions; force structure choices; and budgetary decisions. While countries are no longer faced with the binary choice of the Cold War—between aligning for or against the Soviet Union—the United States still has an interest in harmonizing the security outlook and choices of allies. A U.S. military presence in or near an ally's territory can be an important factor in building and sustaining alliance relationships.

Certain types of capabilities are more likely to contribute to deterrence than others, particularly forces that can respond to prevent a quick victory and missile-defense capabilities to defend allies from coercive attacks. In some areas, like South Korea, this leads the United States to maintain continuous presence. In other areas, the United States may not have a permanent presence but does seek to maintain an ability

to respond in times of crisis. Forces that can respond quickly include several different types of units—carrier strike groups (CSGs) and amphibious ready groups (ARGs)/marine expeditionary units (MEUs)—give the United States presence in a number of potentially unstable regions, a variety of combat aircraft can quickly deploy to areas at risk, and Army airborne and some other units are configured to deploy quickly. For some crises, these quickly deployable forces will be sufficient. In others, they will play a role as an initial entry force, to be supported by larger deployments that take more time to deploy. In either case, the en route mobility infrastructure allows the United States to project substantial combat power around the globe, contributing to deterrence and assurance.

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. These skills are also important for U.S.-based forces to develop through rotational and temporary deployments. Security cooperation benefits the participating U.S. forces by training them to operate with foreign forces, both technically and culturally. To understand how military force can be used to build coalitions in support of U.S. interests and to influence adversaries takes considerable understanding of the customs and value systems of the foreign forces involved. Living and working on foreign soil offers opportunities for U.S. forces to experience these differences in depth and incorporate them into their skill set.

While the incremental costs of security cooperation activities are lower with U.S. forces based overseas, the savings are not close to sufficient to offset the higher costs of basing forces overseas. But, more important, security cooperation activities comprise a very small fraction of the operating costs of U.S. forces based overseas, in part because they can be combined with basic unit training needs or other activities. This low marginal cost leads to much greater frequency of security cooperation than would otherwise occur. In short, having overseas presence significantly increases the frequency and range of security cooperation activities.

While U.S.-based forces are capable of building partner-nation security capabilities, overseas basing is especially beneficial when conducting security cooperation activities with more advanced militaries, for example, those in Europe and South Korea. Forward basing helps strengthen personal and unit relationships, which are especially important for coalition interoperability. Most important, it provides frequent opportunities for intensive bilateral and multinational training, including specialized military capabilities. For other types of training in many parts of the world (e.g., foreign internal defense, peacekeeping, counterterrorism), use of rotational or temporary deployments is likely to be more cost-effective.

Given that forward-based forces appear to get the greatest security cooperation benefit from large-scale, multinational training, maintaining training facilities in

Europe and enhancing those in the Pacific could be valuable. In Europe, while rotational forces are planned to play a greater role in security cooperation, some level of forward-based forces and facilities to house, support, and train rotational units are important enablers. Substituting rotational forces for permanently stationed forces could increase flexibility to conduct security cooperation globally and provide opportunities for the benefits of security cooperation to accrue to a broader range of U.S. and foreign forces. On the other hand, it would risk reducing the depth of relationships and expertise that develop from more frequent security cooperation interactions engendered by close, continuous proximity. The Army's recent implementation of regionally focused units could help reduce some of the disadvantage in this area.

Risks of Overseas Posture

Political Risks

While the U.S. forward presence provides strategic benefits, it also carries with it a number of risks. U.S. peacetime military presence on foreign soil comes only with the acquiescence of the host nation. Therefore, if a host nation revokes U.S. access, DoD may be evicted from or prohibited from using bases where it has made significant investments. During a crisis, for example, the host nation might restrict the use of its facilities and territory. Access in a crisis should not be considered as binary (i.e., either providing full access or nothing at all). In practice, it tends to be granted by degrees. Some access limitations can be quite restrictive—for instance, limiting cooperation to overflight rights or limiting the number of landings allowed. Others may allow for some types of combat operations but not others, such as combat strike missions. Such restrictions can have operational effects, hindering the effectiveness of U.S. operations.

Political access cannot be guaranteed in advance, even when formal agreements exist, but there are factors that are likely to influence access decisions, such as the level of overlapping threat perception and interest, host-nation domestic public opinion about the conflict and the U.S. role in the conflict, and the perceived likelihood of reprisals. Moreover, some of these negative factors are more likely to influence the decisionmaking of unstable host nations. For example, if a host government faces significant internal instability, this could lead to a politically constrained view of acceptable U.S. access. While these access risks will endure, the United States can hedge against them by having diversity in its global presence. Relationships and facilities in several countries can provide alternatives if any one country chooses not to provide access during a future crisis. Still, this diversity of access locations comes at a cost, so carefully selecting the partners and the investments the United States makes in those partner nations will be an important part of a successful implementation strategy. This cost can be limited while mitigating some risk through the pursuit of access bases in

some regions. Investments in these minimally manned access sites to enable future U.S. operations could be thought of as a form of war reserve.

Operational Risks

In recent years, the advent of long-range precision-guided weapons has put at risk a number of U.S. forces and facilities that previously enjoyed sanctuary, with further increases in the accuracy of such threats on the horizon. Some adversaries will have capabilities to inflict substantial damage on forward bases and forward-deployed forces, such as CSGs. Several current U.S. overseas facilities already face a substantial threat from these weapons—for instance, the accuracy and number of precision-guided weapons China currently fields are highly advanced. As a result, of particular concern is the large percentage of U.S. facilities that sit within high-threat areas, with over 90 percent of U.S. air facilities in Northeast Asia within heavy-threat areas from systems that China currently fields. While their capabilities are not currently as numerous or accurate, Iran and North Korea are investing in building such capabilities, and others could follow suit.

The impact of these weapons could be profound, potentially necessitating changes to U.S. military concepts of operations and force structure, as well as adjustments to basing and forward presence practices. If the United States is going to operate military forces within range of large numbers of such systems, it may need to employ a diverse strategy of active defenses, passive defenses, and either hardening or, when feasible, dispersal to reduce the effectiveness of such weapons. Essentially, a strategy would be for the United States to take away the easy and highly efficient use of such weapons, especially considering their limited supply.

Violent Extremism Risks

The U.S. military has suffered attacks from a number of different violent extremist groups. In considering risks to forward-deployed forces from violent extremist groups, the security of the facilities is not the only consideration. In many cases, U.S. military personnel will be most at risk when they are traveling outside of their work facility. In many instances, assessments of previous violent extremist activity in the area will be quite informative; however, such an assessment may miss the wider reach of some groups that have a capability to conduct operations far away from their traditional base of support.

Costs of Overseas Posture

In considering future posture changes, the condition of current facilities could influence those decisions, if conditions are poor enough that closure avoids large, future infrastructure reinvestments. Although the data on installation conditions are weak,

when analyzed in combination with other qualitative evidence from U.S. military representatives overseas, they suggest that installation conditions overseas are at least as good as those in the United States and U.S. territories—possibly better. This implies that, given the small differences in average conditions, restoration and modernization needs in the United States would be about the same in relative terms for existing overseas facilities.

Despite substantial host-nation financial and in-kind support, we found that stationing forces and maintaining bases overseas does entail measurably higher direct financial costs to DoD. Host-nation support—substantial from Japan and South Korea (in terms of both in-kind support and cash payments) and from NATO allies (mostly through indirect in-kind support)—offsets some, but not all, of the higher costs of overseas basing, as well as the higher costs of having a more distributed basing structure. If the U.S. overseas posture were to shift toward less-developed areas of the world where resources are less plentiful, U.S. contributions could increase and those of host nations could decline, although the lower cost of living in some such areas could have a countervailing effect.

We found that there are annual recurring fixed costs to having a base open, ranging from an estimated $50 million to about $200 million per year, depending on service and region, with additional variable recurring costs depending on base size. This is important because it means that, if forces were to be consolidated on fewer, larger bases, whether in the United States or overseas, the fixed-cost portions of the closed bases would be saved. There are efficiencies to be gained from using fewer, larger bases rather than a more distributed posture. This effect, by itself, would be a significant contributor to cost reductions were forces realigned from overseas or inactivated in place. The fixed costs per base do not appear to be systematically higher overseas, with the exception of the Air Force bases, compared with facilities in the United States.

In contrast, the recurring variable costs per person are systematically higher overseas in Europe and the Asia-Pacific region due to higher allowances related to the cost of living, higher permanent-change-of-station move costs, and the need to provide schools more comprehensively, with the incremental overseas cost per person varying widely from about $10,000 to close to $40,000 per year. The variation depends on service and location, with factors such as dependent ratios, local cost of living, and housing type driving these differences. Thus, the cost effects of posture changes depend greatly on the service and region under consideration.

Combining analysis of variable costs with the fixed cost findings indicates that consolidating forces at fewer bases would provide more savings when the forces move to the United States and the overseas base closes, compared with consolidating two overseas facilities. The fixed costs would be saved whether consolidating in the United States or overseas, but closing an overseas base and consolidating in the United States also reduces variable costs due to the incremental overseas personnel-related costs. However, the United States cannot repurpose overseas bases like it can in the United

States, and repurposing U.S. bases could produce non-DoD economic benefits. We did not examine the benefits gained by the broader economy as the result of U.S. base closures.

The One-Time Costs from Closing Bases and Restationing Forces

By far, the largest one-time transition cost for closing bases and restationing forces to the United States would be the cost of construction when capacity limitations in the United States result in the need for new facilities. These costs are not incurred, however, if the units at the closed bases are inactivated as part of force reductions. These costs are also avoided if the units returning to the United States can use facilities that are vacated due to the inactivations of other units. Since the Army is planning to reduce its overall force by 80,000 troops, and posture options contemplate only a fraction of that number being realigned to the United States, we estimate lower and upper bounds for the construction costs of realigning Army units to the United States. While the Marine Corps is downsizing as well, the information we garnered indicates that any realignments would require new facilities. We assume that the Air Force and Navy would also have to expand their U.S. facilities if forces were realigned to the United States.

The Costs of Rotational Presence

As pressure has risen to consider reducing the permanent stationing of U.S. forces overseas, rotational presence is being increasingly considered to provide for some of the same benefits, because it is believed to be more efficient or at least less expensive. Our analysis indicates that whether this hypothesis is correct and the degree of the cost difference depends heavily on the rotational design (frequency and duration of rotations) and the type of permanent presence change.

Generally, we found that the savings produced by only realigning forces from an installation while keeping it open is not sufficient to offset the cost of providing full presence through rotational deployments. In most cases, realignments of permanent forces can underwrite only partial-year rotational presence in the same location. If an installation is closed as well, this will usually provide some net savings, albeit limited in some cases, even if the realigned unit is replaced with full-year rotational presence to the region. The net savings depend greatly on the service, unit type, location, and rotational design; for ground forces, sealift to move equipment or available equipment for prepositioning is necessary for savings. Furthermore, if a base were to be closed and its forces realigned, another permanent base in that country or region must be maintained to support the rotating forces, or a host nation must agree to provide access to one of its bases.

Note that our cost assessments of rotational presence include only the costs associated with supporting and moving units and people, assuming no additions in force structure would be needed to enable the rotations. Sustaining rotational presence in a location requires a "rotation" base in the force structure to enable personnel tempo

goals, such as time at home between deployments, to be met. This report does not examine the associated constraints on increasing rotational presence by unit type and service. If additional units had to be added to the force structure to support rotations, this would add substantially to the rotational presence costs presented in this report and would likely make rotational presence more expensive than permanent basing in a location when the latter is an option.

Opportunities for Efficiencies and Reducing Costs

These cost considerations do suggest opportunities for efficiency, through two paths. The first is increased centralization, which is already being implemented in South Korea and Europe. The second is achieving presence through one or two long rotations per year to a location, accompanied by base closures while retaining at least one base with operating support in a region. Both of these should be considered in light of any negative effects and other objectives. In particular, more distributed forces can provide strategic advantages, long rotations could negatively affect quality of life, and consolidation could be detrimental in areas under high threat of precision-guided missiles.

Foundational Elements of Overseas Posture

The examination of strategic benefits made it clear that there are several elements of overseas posture that are vital for successful execution of the strategic guidance. A robust global en route infrastructure, in conjunction with substantial lift fleets and other global enablers, such as communications capabilities, provides the foundation for a global response capability that can leverage the entire force. This is complemented by the Navy and Marine Corps' at-sea deployments. In-place forces where major attacks are considered possible threats to U.S. security interests or allies are essential to deter high-end threats and prevent quick defeats in the event of aggression. The United States has also made commitments to some key allies to provide them with air and missile defense, necessitating forward ground and maritime forces to provide these capabilities. The combination of mandates to uphold commitments, preserve relationships with allies, and be able to counter major threats to national and global security requires at least some forces in Europe, the Middle East, and Asia—but how much in each is less clear and, thus, the subject of our discussion of options.

Analysis of Illustrative Postures for Insights on the Trade-offs Among Strategic Benefits, Risks, and Costs

To understand the consequences of changing the United States' current overseas posture, we developed three illustrative postures and applied our qualitative findings and

quantitative models to determine how they would affect strategic benefits, risks, and cost. All of the postures share some foundational elements. Beyond these common aspects, each posture emphasizes a different goal—cost-reduction, global responsiveness and engagement, or major contingencies (see Table S.1). These alternative postures are not meant to be policy options, but rather are analytic tools that enabled us to evaluate the range of strategic benefits and costs that follow from revising U.S. overseas military presence. Because each illustrative posture prioritizes a particular objective, the analyses allow us to estimate the scope and type of effects that pursuing each objective would have in its purest form.

The illustrative cost-reduction posture (CRP) aims to minimize the cost of the U.S. global posture while simultaneously maintaining enough forward presence to achieve national security goals, including enabling global power projection and protecting the global commons. This posture rests on the notion that closing bases and bringing forces back to the United States would yield significant cost savings and on the assumption that the United States could meet its national security objectives with a smaller overseas presence in selected regions and through new means for maintaining alliances and pursuing security cooperation. This posture closes/realigns a substantial portion, but still a minority, of overseas facilities and forces. It represents the minimum forward military presence that the United States would need to remain a globally responsive military power.

The global responsiveness and engagement posture (GREP) aims to create an overseas military presence that maximizes the United States' ability to rapidly respond to smaller-scale contingencies and, to increase military burden sharing, to build the

Table S.1
Illustrative Postures

Illustrative Posture Type	Priority	Characteristics
Cost-reduction	Save money but retain ability to project power globally	• Fewer bases and forces overseas • Larger bases • Preserve key mobility infrastructure, expansible bases, multi-purpose facilities
Global responsiveness and engagement	Maximize U.S. ability to respond rapidly to small-scale contingencies and enhance partner capacity	• A hub with a number of access sites (spokes) in each region • Mixture of forces, especially those that are versatile • Distributed forces—permanent and rotational
Major contingency	Secure access to bases and position forces to deter and, if necessary, respond to Iran, North Korea, and China	• Additional primary bases with combat forces • Large number of dispersed expansible bases that forces frequently rotate to • Hardened bases • Concentrated in high-threat regions • Dispersal across threat rings • Increased rotations to reinforce high-threat zones

military capabilities of allies and partners and their willingness to participate in global security efforts. U.S. force posture would resemble a regional hub-and-spoke network in which permanently stationed U.S. forces consolidate at regional hubs (i.e., one or more primary bases) that can support rotational forces that periodically deploy to the spokes (i.e., access bases) for operations or exercises. The United States would station a mixture of forces at each hub to provide a wide range of capabilities for rapid response and engagement activities.

The illustrative major contingency posture (MCP) positions U.S. forces overseas so that they would be situated to deter or engage in large-scale operations against specific potential adversaries: Iran, North Korea, and China. The United States would place greater forces forward capable of conducting major operations against these potential adversaries. Conversely, the United States would divest itself of overseas bases and forces that would not be useful against one of these three adversaries. Consequently, the United States would retain only those bases in Africa and Europe that provide critical enabling capabilities for intertheater operations or that could be used for operations in the Middle East.

The following summarizes the analysis of the postures:

- The CRP is the only illustrative option that would reduce overall costs, illustrating a rough limit from posture changes of about $3 billion per year in savings, with a majority coming from Europe, after an initial investment with a 1.5- to 3-year payback. This would come at the expense of reduced levels of security cooperation activities and potentially assurance of allies.
- The GREP would expand security cooperation opportunities and create the potential for more robust access to bases for broadly distributed contingencies. Annual recurring costs would not change, but there would be meaningful transition costs to realign a small number of forces to provide the recurring savings to reinvest in rotations in new areas.
- The MCP would provide the highest level of deterrence and assurance of allies and partners for the three principal state-based security threats of concern. This would come at the expense of reduced security cooperation in Europe, where assurance of allies and partners could also decline. The MCP also risks increased exposure of forward-stationed forces to anti-access threats, and it would add annual recurring costs as well as require significant investment.

Analysis of the illustrative postures led to several insights. Only by substantially reducing forces and bases in one or more regions and limiting the level of replacement by rotations would posture changes yield meaningful savings. This would force one or more trade-offs in strategic benefits. Conversely, it appears to be infeasible to increase engagement substantially with new partners while also significantly reducing overall costs. Realigning forces from one region to the United States to produce operating

cost savings to be reinvested elsewhere, whether for rotational or permanent presence, for operating-cost neutrality is likely to require some investment. Similarly, increasing presence for specific major threats could require substantial investments. The contrasts between the CRP and the other two postures suggest that implications for security cooperation, deterrence, and assurance are likely to be greater than for global responsiveness and access risk when considering posture options, as long as the options protect global en route infrastructure, emphasize maintenance of geographically distributed access to bases, and maintain maritime capabilities.

Posture Options to Consider Depending Upon Strategic Judgments

Europe

Further posture reduction could be considered in Europe, but this could have negative repercussions for alliance cohesion, assurance of partners, and interoperability. Europe has long hosted the bulk of U.S. overseas forces, but that presence has been reduced substantially over the last 20 years. The forces that remain in Europe focus particularly on security cooperation, so further reductions would limit those activities, with air bases also enabling direct operational support around the European periphery. Further reductions could be made as part of overall defense-resource trade-offs to reduce costs or to meet needs in other regions, but may be detrimental to the NATO alliance.

If substantial reductions were made, limiting continuing presence to the maintenance of capabilities for global power projection, bases for operations around the periphery, and forces for formal commitments, the United States could save up to $2 billion per year. This would diminish security cooperation activities, with impact greatest in three categories of security cooperation: (1) multinational training capacity, for example, through the closure of the Joint Multinational Training Command (JMTC); (2) forces that focus on the strategic and operational level of engagement, such as headquarters units; and (3) enabling units that build specialized capabilities, such as logistics, medical, air-ground operations, and intelligence units.

Some of the negative effects of reductions in permanent presence might be mitigated by using rotational forces and more specialized capabilities (e.g., Special Operations Forces, missile defense) to replace some of the lost presence. If training with European allies remains a priority, then JMTC would likely need to be retained. However, retaining JMTC and achieving the same level of tactically oriented security cooperation from the United States through rotations would consume about half the potential savings. Higher, strategic-level engagement could be hindered without keeping major commands in Europe with high-ranking flag officers and their staffs. This could be done without high levels of assigned forces, though major force reductions could result in the loss of U.S.-held senior leadership positions within NATO.

Pacific

In Asia, the United States faces competing demands. The United States aims to deter North Korea and other major conflicts in Northeast Asia, but the concentration of U.S. forces in South Korea and Japan keeps those forces under threat from numerous precision-guided missiles. In the meantime, the United States has an interest in increasing security engagement with partners in South and Southeast Asia, where the United States has a much smaller presence consisting of rotational forces.

The majority of the U.S. facilities in South Korea and Japan sit in the heaviest threat zones and face potential long-range threats from China's precision-guided weapons. If the United States wishes to maintain a forward presence at these locations to deter and assure, there are divergent options that could reduce vulnerabilities to attack. These facilities could be hardened and protected with missile defenses, or the number and mix of aircraft and ships could be reduced and restationed elsewhere in the Pacific—basing availability permitting—or in the United States. Such protections would not make these bases invulnerable to attack, but they can be valuable if they take away fairly easy and efficient ways to disable bases and destroy forces.

Through rotational presence in Singapore, the Philippines, and Australia, the United States is trying to increase the level and sophistication of activities with those countries and other regional partners. Whether policymakers view this as sufficient could have implications for the overseas posture. Currently, no partner nations in South or Southeast Asia have offered access to their territory for the permanent presence of U.S. forces. Given this reluctance, if greater security cooperation is desired, the Navy or Marine Corps presence in the region may be the first option, because they do not rely on significant levels of host-nation hospitality. Alternatively, additional countries may agree to host rotational presence of U.S. forces to facilitate expanded interactions.

Related to this rotational presence and broader efforts at engagement, the Marine Corps posture in the Pacific is in transition. In accordance with agreements with Japan and Australia, the Marine Corps plans to reduce some forces in Okinawa, maintain a rotational presence in northern Australia, establish a presence in Guam, and increase forces in Hawaii. However, if Marine Corps forces distributed in the Pacific do not gain the dedicated lift 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 Pacific island locations. For humanitarian response and security cooperation, the 31st MEU, with a collocated ARG in the Pacific, provides unique capabilities. The absence of dedicated lift for the other ground and logistics forces in Okinawa or rotary-wing aviation in other parts of the Pacific makes their forward position less of an advantage. Depending on how decisionmakers assess the benefit that additional Marine Corps forces beyond the 31st MEU contribute by being based in Okinawa or elsewhere in the Pacific with respect to assurance, security cooperation, or responsiveness, keeping them there merits weighing against the somewhat higher costs, the potentially limited mobility advantage, the potential

threats to Okinawa from China, and the opposition in some quarters in Okinawa to a continued U.S. presence there. Among these considerations, the biggest is likely to be how a reduction of forces in the region would affect Japanese and other nations' perceptions of U.S. commitments to the region. The broader decision to keep these forces in the Pacific also merits linkage to Navy force structure and positioning considerations with respect to amphibious ships.

Overall, depending on how decisionmakers judge the likely effect of modest force reductions in Asia on regional perceptions of the U.S. commitment to the region, how critical they believe large in-place forces are to deterrence, and the degree to which forces should be kept in higher-threat zones, modest reductions in the Asia-Pacific region, including some of the Marine Corps forces and an Air Force base and wing, could produce some savings—contributing roughly equal amounts of up to $450 million per year—while preserving in-place forces in South Korea and some additional capabilities in Japan for broader regional security. This would reflect the call for pursuing new approaches to defense in the face of resource constraints. Any of these steps, though, might appear incompatible with the U.S. government's stated intention to rebalance toward Asia, even if alternative approaches could provide similar capabilities. Concerted efforts to explain to allies how security could still be provided would have to be made, with some risk of not fully assuring key U.S. allies in the region.

Alternatively, emphasizing different aspects of the 2012 Defense Strategic Guidance could lead to increased presence in Asia and the Pacific. If increased security cooperation in South and Southeast Asia is highly valued and increases in rotational presence are pursued, this would increase costs. However, if done in combination with modest reductions in Northeast Asia, costs in the greater region might be held relatively steady. If such rotations were added while maintaining or increasing presence oriented toward meeting perceived needs to increase assurance and deterrence, then annual recurring costs in the region would increase, potentially substantially. Any costs for hardening of facilities or additional force structure to support rotations would be in addition to the cost estimates in this report. The region presents a complex set of judgments and trade-offs regarding assurance, deterrence, security cooperation, and risks, with a range of options corresponding to different judgments on how different posture choices are likely to affect these factors.

The Middle East

As a result of the wars in Iraq and Afghanistan, the United States currently has substantial forces in the Persian Gulf, but the number and composition of any remaining forces after the drawdown in Afghanistan remains undetermined. As noted in the 2012 Defense Strategic Guidance, the United States intends to "continue to place a premium on" presence in the region. In addition to maintaining capabilities to counter violent extremists and uphold commitments to partner states in the region, the United States has an interest in preventing Iran from disrupting commerce, seeking to politi-

cally pressure or destabilize neighboring states, or developing the capability to threaten regional states through nuclear coercion.

The United States currently has a network of air bases, significant maritime presence, and prepositioned equipment in the Persian Gulf region, with plans for ground-force rotations. U.S. military presence in the region is predominantly rotational, as most host nations prefer that to permanent presence, and infrastructure to host these rotations is maintained. Whether further increases to this presence would improve deterrence and regional stability or would be needed to effectively respond to aggression—were deterrence to fail—is not clear.

Foreign military presence has long been a sensitive political issue for many Middle Eastern countries. Hard to gauge are the potential political risks of increasing forces in the region, the willingness of regional leaders to accept this presence, or problems that such a sustained, significant presence could pose to partner nations. This could come from domestic sources, where such presence could spur opposition to the regimes in the host nations, from other states, or nonstate actors in the region. If a host-nation government faces the prospect of significant internal unrest, decisionmakers may want to weigh carefully whether they continue to make investments to military facilities in that nation. Political instability could well result in diminished or lost American access, as well as new security concerns. On the other hand, presence could facilitate improvement in partner capabilities and strengthened relationships, in addition to contributing to deterrence of potential adversaries and assurance of partners.

Thus, the central posture question in the region is how responsiveness and deterrence needs in the Persian Gulf should be weighed against the potential for political tensions and risks. Depending on the weight given to these two competing sets of factors, decisionmakers could elect to selectively reduce rotations in the region, maintain the status quo, or seek to increase rotations to the region across the services. To give some sense of the costs that could be avoided or how they would increase as a result of these choices, annual armored brigade combat team (ABCT) rotations to Kuwait would cost roughly $200 million per year, maintaining a composite air expeditionary wing through continuous rotations costs about $300 million per year, and quarterly fighter-squadron rotations would be $50–100 million per year, depending on the aircraft types and how the rotations are executed and not accounting for the possibility of any needed increases in force structure to provide a sufficient rotation base.

Posture Choices

Tables S.2 and S.3 highlight a few of the major posture choices that emerge from a consideration of the strategic benefits, risks, and costs of posture changes. They consider both potential reductions in current posture as well as potential additions. In both

Table S.2
Current Elements of Overseas Posture That Could Be Evaluated for Realignment/Closure

Shift in Priority or Evaluation of Needs	Potential Realignment/Closure
Less security cooperation in Europe	• Most Army units and bases in Europe • Some Air Force units in and bases in Europe (some need to be retained for global mobility and bases from which to execute operations)
High anti-access/area-denial missile threat in Asia	• Some reduction in air units and bases in Japan or South Korea • III MEF HQ and ground forces in the West Pacific (retain MEU)
Limited assurance and deterrence value	• III MEF HQ and ground forces in the West Pacific (retain MEU)
Limited deterrence benefit in the Middle East	• Reduced rotations in the Middle East

Table S.3
New Elements of Overseas Posture That Could Be Considered

Shift in Priority or Evaluation of Needs	Potential Addition
More security cooperation emphasis with new partners	• Increased rotations to Southeast Asia, Africa, and Eastern Europe • Additional ARG in the West Pacific
Increased risk of Iranian aggression	• Increased rotations to the Middle East—all services • Increased air and missile defense assets • Increased armor prepositioning
High anti-access/area-denial missile threat in Asia	• Hardening of bases • Increased access to partner bases across the Asia-Pacific region
Increased need for assurance of Asian partners	• Increased air and naval presence

cases, the purpose is to highlight how changing concerns and priorities might translate into potential posture changes.

Significant savings would require choosing from what we find to be a relatively small set of options. The only substantial ones would be Army and Air Force units and bases in Europe. Smaller opportunities would be some of the Marine Corps and Air Force forces in the Pacific and 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 would have mixed effects. Reductions in Europe would likely affect security cooperation.

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 pivoting to Asia for increased deterrence and assurance of allies. Pursuing the types of options in Table S.3 would increase

recurring costs and would involve additional investments in some cases. They could be pursued independently or in conjunction with some of the reduction options (to reflect shifting priorities) to reduce the cost impacts.

There are some clear limits to how far consolidation in the United States could be pursued, beyond which achieving national security goals and executing the 2012 Defense Strategic Guidance would become untenable. There is a minimum threshold of foreign posture that the United States must retain. Beyond that, there is additional posture that is almost certainly advisable to retain or even add. But there are a number of choices in each region for which different judgments could lead to differing calculations of the advisability of reductions, additions, or changes in the nature of posture. These posture options for potential consideration represent policy choices that do not have any one empirical "answer"—only the cost side of the equation can be determined with some degree of certainty. Instead, decisions will reflect judgments based on the perceived values assigned to the competing goals—i.e., how they are prioritized—and the degree to which overseas posture is perceived to advance strategic goals.