

Guidance and Terms of Reference

for the

2001 Quadrennial Defense Review



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Secretary of Defense

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Classified Contents Removed

I. Introduction

A. Purpose

(U) This document provides guidance and promulgates terms of reference for the conduct of the Quadrennial Defense Review (QDR), pursuant to Title 10, U.S. Code, section 118, Quadrennial Defense Review (National Defense Authorization Act for FY 2000).

(U) The QDR shall be based on the guidance and terms of reference contained in this document. This review should lay the groundwork to ensure that the Nation has the right capabilities, concepts, and resources to protect and advance U.S. national interests now and into the future.

B. Premises of the 2001 Quadrennial Defense Review

(U) The 2001 QDR will reflect the President's direction to transform U.S. military capabilities, operational concepts, and organizations to meet the security challenges of the 21st century and thereby help to extend peace into the future. Today the U.S. faces a rare opportunity to transform its defense posture to meet emerging threats, maintain stability in critical regions, and preserve America's leadership and freedom of action for the future. The U.S. needs to act now to meet longer-term security challenges.

(U) This review is based on the premise that, in combination with other instruments of national power, the foundation of a peaceful world for ourselves and for our posterity rests on the ability of the U.S. Armed Forces to maintain a substantial margin of national military advantage relative to others. The U.S. uses this advantage not to dominate others, but through cooperation with its friends and allies around the world to dissuade new functional or geographic military competitions from emerging and to manage them if they do. The U.S. is committed to expanding its network of friendships and alliances with the aim that eventually all of the world's great powers will willingly cooperate with it to safeguard freedom and preserve peace. The aim is to extend the conditions favorable to peace and the U.S. geo-strategic position far into the future.

(U) Over the past 60 years, we have spent an average of 8% of the Gross Domestic Product on defense and had to fight one world war and several large conflicts. Had we made prudent peacetime defense investments, it is possible that we could have averted war and saved the Nation's blood and treasure. A failure to invest in such an insurance policy would greatly increase the likelihood that the

next generation of Americans will confront a higher risk of war and be forced to spend far more of our national wealth on defense.

(U) U.S. forces overall remain unrivalled, but are largely a downsized legacy of Cold War investment and therefore may not be optimized for the future. DoD must improve morale, reverse the decline in readiness, **replace or retire worn out equipment**, purchase necessary spare parts, and **manage the frequency of deployments**. Looking toward the future, the U.S. requires forces that are more capable of information operations and effective in all critical areas of the world (Europe, Northeast Asia, the Asian littoral, Middle East/Southwest Asia). These forces must be capable of deploying into and sustaining forces in anti-access environments, and operating under the threat of covert or overt attack from nuclear, biological and chemical (NBC) weapons and their means of delivery, including ballistic and cruise missiles of all ranges. The U.S. must maintain the capability to deal with threats to Europe and its territory, which while largely at peace today remains one of the world's **greatest economic-military-technological-industrial centers** and therefore a critical economic and security interest.

(U) Given this context, the QDR will focus on the task of transforming the U.S. defense posture to stay ahead of and hedge against the uncertain eventualities of the future while continuing to meet current U.S. security responsibilities. The current period of U.S. military preeminence is the best time to transform for the challenges of the future. An overriding objective of these transformation efforts is to maximize the operational effectiveness of the most valuable but most scarce resource: the men and women in uniform. New combinations of technologies, combined with innovative concepts of operations and organizational arrangements will serve as the multipliers of future U.S. forces, both active and Reserve. DoD must leverage information technology to create a network centric operational force. U.S. forces must transform, in a manner that outpaces competitors by pursuing new technologies, concepts and organizational arrangements that:

- Speed U.S. forces' decisions and actions;
- Extend their reach;
- Enhance their employability and deployability;
- Enhance the forces' ability to operate with stealth;
- Allow forces to strike with precision;

- Increase the lethality of forces and their ability to achieve strategic effects through non-kinetic means of attack; and
- Increase their situational knowledge and ability to locate and track targets;
- Capitalize on robotics and unmanned systems;
- Improve training and experiment with selected forces and capabilities to determine the best combinations of capabilities and methods of employment;
- Minimize the "footprint," including the logistics footprint, of U.S. forces;
- Provide defenses against similar capabilities in the hands of adversaries, including asymmetric threats; and
- Enable forces to rapidly adapt to emerging threats and exploit technological or operational breakthroughs through continuous research, development and experimentation.

(U) Fundamentally, results from the QDR must establish and maintain a balance among force, resource, and modernization requirements measured against four dimensions of risk:

- **Force management:** DoD will manage people and equipment (including OPTEMPO) such that it can attract, retain and motivate a first-rate, well-trained, and appropriately equipped force ready for assigned missions. Failure to do so risks losing the single most critical component of the U.S. defense establishment.
- **Operational:** DoD will assure mission success at acceptable cost across a wider range of geographically and functionally distinct contingencies and provide more effective crisis management tools. Failure to do so puts at risk the peace and stability that underlies prosperity, economic opportunity, individual freedom, and sovereignty.
- **Future challenges:** DoD will transform U.S. forces so that in the future they can defeat adversaries that are more capable than today, and do so at acceptable cost. DoD efforts will focus on appropriate research and development, organizational and operational concept innovation,

experimentation, and modernized logistics, so that forces will be able to meet future, less certain security challenges, thereby mitigating longer-term risks.

- **Efficiency: DoD will seek support from Congress to streamline infrastructure, outsource and privatize where appropriate, improve its business practices, fashion incentives for cost savings and efficiencies, and reform its acquisition and financial systems.** Success will reduce the risks from continuing to squander scarce resources and mismanagement, both of which erode public support for defense and reduce U.S. military capabilities.

(U) Achieving a balance among force, resource, and modernization requirements measured against these dimensions of risks will require a new approach to defense planning. This approach combines elements of both threat-based and capabilities-based planning, as well as the establishment of performance standards. Threat-based planning should be employed to identify near-term force management and operational risks. Capabilities-based planning will be required to mitigate risks associated with long-term challenges and hedge against strategic surprise in the mid-term. Capabilities-based planning recognizes that it is impossible to describe future threats with precision, although it is possible to describe certain desirable future capabilities. Finally, the approach to risk mitigation must include the use of activity-based costing and identification of output-based metrics and standards to reduce inefficiencies throughout the Department.

B. Issues for Consideration in the QDR Process

(U) Work over recent months has provided the foundations for a new defense strategy. These efforts also identified six outstanding issues in particular the QDR should address to develop the U.S. military posture and launch the FY 2003-07 programmatic and budgetary process:

- Given ongoing changes in the security environment described below, **identify a wider range of mid-term and long-term contingencies and options for employing U.S. military forces, including for pre-conflict operations.**
- **Provide recommendations on force organization to enhance effective joint operations, possibly through strengthening joint command and control and the potential establishment of standing joint task forces and/or headquarters.**

- Provide recommendations to determine the shape, size, and structure of the armed forces, consistent with the guidance contained in this document.
- Develop program options consistent with the desired characteristics of priority conventional capabilities to guide defense investment and modernization efforts.
- **Develop plans and programs that take full account of the transition of information operations, intelligence, and space assets from enablers of current U.S. forces to core capabilities of future forces.**
- Develop standards and recommendations to ensure the health of DoD's personnel base and that DoD's **infrastructure aligns with its force structure.**

II. Assessments and Guidance

(U) In addressing these issues, analysis and the development of recommendations will be informed by a common understanding of: the security environment, U.S. national security interests and objectives, defense strategy, considerations for force planning, required missions, criteria for assessing risk, and priorities for investment.

A. Security Environment

(U) The U.S. cannot expect to foresee what countries or actors will threaten it or what wars it may have to fight decades from now. Contending with uncertainty must be a centerpiece of U.S. defense planning. While facing a wide range of uncertainties about the future, the U.S. should attempt to preclude those eventualities that would be most detrimental to America's security position, such as the emergence of a hostile coalition of large military powers. The U.S. must enhance the science and technology base and the **resilience** of its defense posture to adapt to surprise when it occurs. Meanwhile, the U.S. must remain attentive to ongoing trends and phenomena that characterize the security environment.

(U) One of the current circumstances that contributes to favorable conditions for U.S. security is the existence of regional security arrangements. U.S. alliances with nations around the world coupled with a wide range of bilateral security relationships are a formidable combination of actual and potential power and contribute to keeping peace. Through them the U.S. makes common cause with

countries to shape the strategic landscape, protect shared interests, and promote stability.

(U) Information operations and space are new dimensions of conflict. They are becoming the new backbone of networked, highly distributed capabilities. U.S. defense planning must recognize new opportunities and address vulnerabilities in both information and space.

(U) Given the growing concentration of populations in cities around the world, the U.S. military will require certain capabilities and forces capable of operating in urban environments, as well as other complex terrains and varied climatic conditions

B. National Interests and Objectives

(U) The purpose of the U.S. Armed Forces is to protect and advance U.S. national interests, and if deterrence fails, to decisively defeat threats to those interests. Thus, U.S. national security interests and objectives guide the new approach to defense.

(U) The U.S. is a global power with interests, responsibilities, and commitments that span the world. As an open society, the U.S. can be affected by trends, events, and influences that occur or emanate from beyond its borders.

C. Defense Strategy

(U) Taking account of the strategic environment, national security interests and objectives described above, U.S. defense strategy specifies four defense policy goals:

- **Assure** allies and friends by demonstrating the U.S.'s steadiness of purpose, national resolve, and military capability to defend and advance common interests.
- **Dissuade**, to the extent possible, potential adversaries from developing threatening forces or ambitions.
- **Deter** threats and counter coercion against the U.S., its forces, friends and allies.

- **Decisively defeat an adversary at the time, place, and in the manner of our choosing.**

(U) A strategy to serve these goals requires maintaining favorable military balances in key regions (e.g., Europe, East Asia, and the Middle East) and across key functional areas of military competition (e.g., power projection, space and information operations).

- (U) Preserve, strengthen and expand U.S. alliances and security relations as a united bulwark to deter aggression and dissuade others from attempting to compete with the U.S. and its allies militarily. This will require enhancing interoperability and peacetime preparations for coalition operations, as well as increasing allied participation in activities such as joint training and experimentation.
- (U) Select, develop and sustain a portfolio of key military capabilities to prevail over current challenges and to hedge against and dissuade future threats, focusing particularly on information operations, countering anti-access strategies, and defending against threats to U.S. and allied territory and assets in space. Maximize the effectiveness of the men and women in the U.S. Armed Forces by leveraging superior technology.
- (U) Exploit U.S. advantages in superior technological innovation; its unmatched space and intelligence capabilities; its sophisticated military training; and its ability to integrate highly complex military systems in synergistic combinations for distributed and networked military operations.

D. Force Planning Considerations

(U) As directed by the President, DoD's top priority must be to recruit and retain the finest personnel available to conduct current and future required missions. In particular, U.S. forces should have the capabilities and concepts to meet the uncertain challenges of the future. The path to a transformed force must be guided by priorities, while remaining adaptable to new developments both in the strategic environment and in the capacities inherent in U.S. forces, active and Reserve.

(U) QDR force and capability assessments to achieve U.S. strategic objectives and develop a transformed military force should yield recommendations to address the following planning phases:

- Near-term (2003-2006)
- Mid-term (2006-2012)

- Longer-term (2012-2020)

(U) Investments will be initiated or increased in the near-term to develop and sustain priority capabilities throughout this planning period. Priorities are as follows:

- (U) The first priority is to maintain select military capabilities to ensure U.S. military forces can meet current challenges, while transforming the effectiveness of the force to meet the evolving, less certain security challenges of the future. Achieving this goal will require continuing and accelerating many of the ongoing transformational efforts as well as initiating new investments in order to field such a force in the longer-term.
- (U) At the same time, initiate and accelerate planning and investments today to field capabilities that will constitute the vanguard of the transformed force in the mid-term. In this regard, the QDR will develop options for the establishment of standing joint task forces, standing joint task force headquarters, joint training, and a joint rotational base.
- (U) Near-term planning and resource allocation should address shortfalls to improve the morale and quality of life of U.S. forces; enhance the readiness of forces needed to meet near-term requirements; and provide resources for priority capabilities that will form the foundation for a transformed force. QDR analysis will identify tradeoffs among these near-term priorities.
- (U) Maintain an appropriate mix of ground, air, naval and space forces and capabilities, with the objective of using the right forces at the right place and at the right time. This means being capable of conducting complex and distributed military operations jointly, in concert with other instruments of national power, and with allies and coalition partners.
- (U) Maximize combat power as the U.S. looks toward an uncertain future by shifting emphasis in U.S. planning from threats toward capabilities. While the U.S. cannot know with certainty who will threaten it, it can anticipate some of the challenges it will face and develop capabilities and forces that shore up vulnerabilities and enhance military advantages to deal with them.
- (U) Reduce support and overhead requirements, while increasing the combat capability of U.S. forces.

- (U) **Give greater priority to experimentation** for force and concept development focused on the challenges described in the security environment, and show greater tolerance of failure during the testing and development of advanced, new systems to address these challenges.
- (U) Prepare forces for and hedge against a wider range of near-term and longer-term contingencies. U.S. forces must be able to counter aggression or coercion and defeat any adversary, and have the wherewithal to repel attacks, destroy military capabilities, conduct sustained combat operations, and restore peace and stability.
- (U) Develop models for organizing by the mid-term (2006-2012) U.S. forces into more rapidly responsive, scalable, modular task-organized units, capable of independent combat action as well as integration into larger joint and combined operations. U.S. forces should aggressively conduct experimentation activities focused on a broad range of future challenges.

(U) To provide the President with a broader range of military options for peacetime, pre-conflict, war, and war termination, U.S. forces must be sized and shaped to do the following concurrently:

- (U) **DEFEND THE UNITED STATES:** Provide strategic deterrence and missile defense; support U.S. civil authorities, as appropriate, in response to NBC events; assure U.S. access to and the ability to operate in, through and from space; assure the critical defense-related information infrastructure; and maintain the training, sustainment and power projection base.
- (U) **DETER FORWARD:** In critical areas of the world (i.e., Europe, Northeast Asia, East Asian littoral, and Middle East/Southwest Asia) advance security cooperation, counter coercion, and deter aggression by maintaining regionally-tailored forward stationed and deployed forces that are capable of swiftly defeating an enemy's effort with minimum reinforcement.
- (U) **WIN DECISIVELY:** When directed by the President, decisively defeat an adversary in any one of these critical areas of the world. This capability must be designed not only against present threats, but should also be able to counter future capabilities focused on anti-access, NBC weapons, information operations, and other asymmetric means of threatening U.S. interests.

- (U) In addition, U.S. forces will be capable of conducting small-scale contingencies of limited duration in other areas of the world, preferably in concert with allies and friends.

E. Required Missions

(U) Within this strategic context, the review should evaluate forces and programs designed as a coherent whole to conduct the following required missions:

- Strategic Deterrence and Defense of the U.S. and Allies
- Forward Presence
- Security Cooperation
- Crisis Response
- Decisive Combat, including Forceful Entry
- Intelligence Collection, Exploitation, and Dissemination
- Information Operations
- Space Control and Operations
- Experimentation to Transform for the Future

F. Risk Assessment Criteria

(U) Consistent with the broad aims of the defense strategy – to assure allies and friends, dissuade future competitors, and defeat an aggressor – refinements to the defense posture developed during the QDR should reduce the aggregate set of risks over the next several decades. The QDR should mitigate this set of risks by:

- (U) Enhancing the capability of U.S. Active and Reserve forces to guard against and deal with inevitable surprise and meet unforeseen threats. Toward this end, DoD must:

- (U) Reduce the vulnerability of the U.S. military to surprise by enhancing intelligence capabilities to provide support to civilian and military decision-makers, guide U.S. science and technology efforts, and support U.S. combat forces.
- (U) Improve the ability to repel attacks swiftly and limit damage to the U.S., its forces abroad and in space, and allies and friends; and decisively defeat an adversary at the time, place, and in the manner of our choosing.
- (U) Develop new joint organizational arrangements and give greater emphasis to joint training to improve the ability of U.S. forces to operate together and reduce their response time to aggression or coercion.
- (U) Reduce long-term risks through robust transformation, experimentation, and research and development efforts to dissuade or counter major threats to U.S. interests that may emerge over the next several decades. This will also entail:
 - (U) Exploiting technology to enhance the combat power of U.S. military personnel, and increasing investment in basic science and technology research, especially in areas where technological surprise could imperil U.S. forces. Such efforts could confer enormous military advantages and thereby minimize potential opportunity costs.
 - (U) Increasing the coordination and integration of military measures with broader instruments of national power, including diplomatic and economic measures.
- (U) Reduce near-term risks by ensuring the readiness and versatility of U.S. forces and forward posture to address a wider range of geographically and functionally distinct contingencies around the world (including a wider range of military options to resolve and deter security challenges in the pre-conflict period), while identifying economies and efficiencies in operations and programs that address near-term requirements. To address near-term risks, U.S. Armed Forces must also:
 - (U) Develop capabilities to reduce the vulnerability of the U.S., its forces, allies and friends to weapons of mass destruction threats;
 - (U) Enhance the preparations of U.S. forces for multinational operations through technological collaboration and enhanced interoperability with allies and friends, as well as through peacetime combined exercises and planning.

- (U) Ensure DoD's institutional viability by strengthening DoD's commitment to people, streamlining and revitalizing its facilities and infrastructure, and reforming its acquisition, financial and business practices.

G. Priorities for Investment

- (U) **People.** America's greatest asymmetric advantage rests in the quality of its professional military – the Soldiers, Sailors, Airmen, Marines and Coast Guardsmen of the Total Force – and its civilian personnel. New technologies, concepts of operations, and organizational arrangements all can maximize the combat effectiveness of people. DoD must attract and retain men and women marked by their intelligence, initiative, creativity, and courage. It is essential to fully exploit U.S. advantages in superior military training, exercises, and simulation to ensure U.S. forces are cohesive, well-trained and ready to defeat an adversary. In particular, U.S. forces should train and exercise to sustain joint operations in anti-access environments and in the face of asymmetric threats.
- (U) **Experimentation.** The degree of uncertainty that characterizes the future argues against redesigning the force all at once. The approach, therefore, should be to devote a portion of DoD's resources to experimentation, including the conduct of experimentation as part of routine forward operations as well as the creation of innovative military units, to learn how best to develop or maintain U.S. military advantages. Programs of experimentation, and the implementation of new methods in a limited part of U.S. forces, will create options and allow learning. On the basis of what the U.S. learns about what weapons systems are feasible and effective, what organizational changes and operational concepts take best advantage of new systems, and how to execute those concepts – DoD will be in a position to make broader adjustments over a longer period of time.
- (U) **Intelligence.** Enhance human, communications, and other intelligence to provide insight about the intentions of potential adversaries and warning of impending attacks and emerging hostile capabilities. Ensure sufficient reconnaissance and intelligence collection platforms to meet critical national and operational requirements. Provide near real-time intelligence support, warning, and targeting information to distributed forces.

- (U) Missile Defense. The continued proliferation of ballistic missiles and cruise missiles poses a threat to U.S. territory, forces abroad, at sea and in space, as well as allies and friends. Therefore, the U.S. needs to develop missile defenses as a matter of priority and integrate those systems with other defensive as well as offensive means to safeguard America's freedom of action, enhance deterrence by denial and mitigate the effects of attack if deterrence fails. The ability to provide missile defenses in anti-access environments will be essential to assure friends and allies, protect critical areas of access (especially air and sea ports of debarkation) and defeat adversaries, DoD is responsible for the defense of the U.S. and its forces from missile attacks. The U.S. must be prepared to provide near-term capabilities to defend against rapidly emerging threats and an evolving and more robust capability over time. The U.S. will develop capabilities to reduce its vulnerabilities to missile attack, particularly layered active missile defenses. The U.S. will seek layered defenses that provide multiple opportunities to engage all ranges of ballistic missiles in various phases of flight. Systems will evolve as new technologies become available and provide coverage for allies and friends, as well as the U.S.
- (U) Information Operations. Give greater emphasis to information operations, which needs to be integrated into military operations as a complement to air, land, sea, space, and special operations with the aim of achieving desired effects using all elements of the U.S. defense posture.
- (U) Pre-Conflict Management Tools. To mitigate the chance of war, U.S. forces must be capable of deterring conflict and managing crises in peacetime. They will achieve deterrence through a combination of their demonstrated and credible warfighting capabilities and the communication of intent of the U.S. as a nation to defend national interests. In particular, the use of new information operations and technologies, including non-kinetic capabilities, may contribute to the management of crises. The ability of small joint task forces to deploy rapidly to areas proximate to crises would also strengthen pre-conflict deterrence.
- (U) Precision Strike. New navigation and battle management technologies enable us to strike targets with a high degree of discrimination. Reducing the circular probability of error of U.S. systems will decrease the number of munitions and platforms required per target engaged, while minimizing collateral damage. U.S. Armed Forces should develop new air-, space-, and sea-based distributed long-range platforms that can strike rapidly, and to the extent possible on a global basis, carrying larger payloads of weapons,

especially for operations in theaters with limited forward basing or significant anti-access threats. Demand for long-range aerial platforms capable of penetrating enemy air defenses with minimal radar cross-section will grow as anti-access challenges proliferate. The U.S. will increasingly require platforms and systems capable of penetrating anti-access networks and conducting unwarned land attack. Sub-orbital space vehicles would also be valuable for conducting rapid global strikes. U.S. Armed Forces must also develop and procure sufficient numbers of new standoff, precision munitions – in many cases smaller ones – to increase the number of weapons that we can deliver and their effects. We will also require munitions that can loiter and attack mobile targets with precision. The majority of U.S. precision munitions should be employable in all weather conditions.

- (U) **Rapidly Deployable Maneuver Forces**. Joint forces will be needed for forward presence in peacetime and to sustain operations across the spectrum of military operations, including entering and remaining in area denial environments during conflict. Leveraging C4ISR, a range of precision indirect fire systems, and lighter logistics, they should be lighter, more lethal and maneuverable, survivable, and more readily deployed and employed in an integrated fashion. They must be capable of forcible entry in anti-access or area denial environments, including the ability to counter land and sea mines. They should be capable of distributed and dispersed operations. Special operations forces must be capable of conducting and sustaining limited direct action, deep reconnaissance and forward target designation activities in area denial environments. This will require the ability to insert sufficient forces with stealth deep into enemy territory.
- (U) **Unmanned Systems**. An important dimension of U.S. advanced conventional capabilities will be unmanned and robotic ground, air, sea, and space sensors and vehicles. These have shown extraordinary promise over the past decade. We will continue to pursue them for use as sensor platforms. We will also accelerate the development of unmanned combat underwater, ground and aerial vehicles.
- (U) **Command and Control; Communications and Information Management**. DoD will develop high-capacity, interoperable communications systems that can rapidly transmit fully netted information over secure, jam-resistant datalinks to support highly distributed joint forces. It must also develop alternatives to overcome current and projected bandwidth constraints by examining new spectra of communications and means to compress data.

- (U) Strategic Mobility. Strategic mobility is a key enabler to sustain U.S. forward forces and project combat power rapidly and is comprised of strategic sealift, air mobility, ground transportation, mobility infrastructure, and pre-positioned supplies and equipment ashore and afloat. Future investments should address the need for mobility assets capable of penetrating and sustaining operations in anti-access environments. They should be less dependent on traditional air and sea points of debarkation, host nation support, and traditional reception infrastructure. U.S. forces must improve their ability to project power to and from multiple, dispersed locations in the face of area denial threats.
- (U) Countering NBC Weapons and Means of Delivery. As NBC weapons and their means of delivery become more broadly available, we will develop counterforce capabilities that can effectively hold at risk NBC-related facilities (including deep underground facilities), missile launchers and other related targets, while minimizing collateral effects. In particular, we will also require improved defensive and medical countermeasures against chemical and especially biological weapons, to sustain operations in chemical or biological weapons environments. To assure U.S. citizens, as well as friends and allies in the face of NBC threats, U.S. forces will improve their ability to manage the consequences of attacks rapidly and effectively. U.S. forces must have the means to conduct operations after the cessation of hostilities to seize, dismantle and destroy an adversary's residual NBC weapons, associated delivery means, and infrastructure, and to begin remediation of NBC-contaminated environments.
- (U) Infrastructure and Logistics. DoD needs a modern, ready and effective installations infrastructure to support the operations and maintenance of U.S. forces, provide a quality working environment for U.S. military and civilian personnel, and meet current and future training requirements. Logistics support system needs to be "focused" to satisfy the deployment and support requirements of the forces. Logistics systems must support operations that are different in size and function. They should exploit the spectacular advances that have occurred in commercial logistics. In this context, logistics should be viewed as a combat enabler, necessary to conduct all operations. This includes the capability to produce and distribute material from a global industrial base.

III. Organization, Process, and Analysis Plan

- (U) The QDR will focus on mitigating risks in the near-, mid-, and long-term.

Analyses supporting the QDR will provide options for prioritizing and managing risks in the following areas:

- Force management
- Operational
- Future challenges
- Inefficiencies

A. Senior-Level Review Group

- (U) The Secretary of Defense and Deputy Secretary of Defense will lead the Senior-Level Review Group (SLRG). Membership will include the Service Secretaries, Joint Chiefs of Staff, the Under Secretaries of Defense, and the Special Assistant.
- (U) Based on the deliberations of and advice from the Senior-Level Review Group, the Secretary of Defense will make decisions, issue guidance, and promulgate taskings for analytical support of the QDR.
- (U) The Deputy Secretary of Defense, working with the Vice Chairman of the Joint Chiefs of Staff, will be responsible for the day-to-day management of the QDR, including oversight of the Executive Working Group described below.
- (U) Key outputs of the Senior-Level Review Group will be QDR findings, Fiscal Guidance and Defense Planning Guidance.

B. Executive Working Group

- (U) An Executive Working Group (EWG) shall be established to support the Senior-Level Review Group. The EWG will report to the Deputy Secretary of Defense. The role of the EWG is to promulgate the Secretary's and Deputy Secretary's guidance from the Senior-Level Review Group. The EWG will evaluate integrated options to support the deliberations of the Senior-Level Review Group. The EWG will:

- Document and distribute Senior-Level Review Group taskings and proceedings;
- Develop and transmit analytical support tasks, including directing required resource tradeoffs and analyses;
- Monitor and review QDR analyses;
- Coordinate the work of the QDR with the Nuclear Posture Review and consider the impact of decisions from one review on the other;
- Oversee a mechanism for integrating analysis, products, and deliverables for Secretary and Deputy Secretary decisions.
- Disseminate guidance to be developed by PA&E on baseline resource assumptions for use by the Integrated Product Teams (IPTs).

(U) The Special Assistant will chair the Executive Working Group (EWG), supported by OUSD(P), J8, and DPA&E. Other members will include senior-level representatives from OUSD(AT&L), OUSD(P&R), OUSD(C), OASD(C3D), the Office of Net Assessment, the Services, and other components as directed by the Chair.

C. Analytic Approach and Workplan

(U) This section lists the major analyses to be undertaken under the direction of the Deputy Secretary of Defense in support of the QDR.

- Analyses are to be conducted consistent with the guidance contained in this document.
- The EWG will integrate analyses directed in this section.
- "Interim" and "in-progress" briefings will be presented to the EWG. "Final" briefings will be presented first to the EWG and then to the Senior-Level Review Group.
- Offices of primary responsibility will convene an integrated project team (IPT) including representatives from the Services and determine appropriate methods

to conduct assigned tasks. The Comptroller will provide cost analyses and support.

(U) Options for mitigating risks in these areas will be developed for SLRG review and Secretary/Deputy Secretary decision. Options will focus on balancing and mitigating near-, mid-, and long-term risks and will be based on the priorities established in the guidance provided above.

1. Strategy and Force Planning (IPT Lead: OSD/Policy)

(U) Deliverables:

- Interim Briefing on scenarios & force planning parameters to EWG by 12 June
- Interim Briefing on global posture to EWG by 20 June
- Final Briefing to SLRG by 27 June

2. Military Organizations and Arrangements (IPT Lead: Joint Staff)

(U) Assignments:

- Develop and assess options and resources required to enhance joint operations in peacetime, crisis and war, including:
 - Systems interoperability
 - Doctrine, operational concepts for joint force employment, and procedures
 - Joint training
 - Distributed network capabilities
 - Sustaining diversity of military operations
 - Pool of joint forces for rapid response
 - Standing joint task forces and headquarters
 - Joint rotational base
- Identify emerging technological opportunities in information and communications that affect joint and Service command functions, including span of control
- Develop a roadmap linking near-, mid-, and long-term objectives for transforming U.S. military organization and arrangements

(U) Deliverables:

- In Progress Briefing to EWG by 21 June

- Final Options Briefing to EWG (comparative assessments of alternative military organizations and arrangements) by 25 June
- Final Options and Roadmap for Organizational Transformation to SLRG, 29 June

3. Capabilities and Systems (IPT Lead: AT&L/PA&E)

Assignments:

- For each priority for investment identified in the terms of reference (except people; intelligence and space; information operations; and command and control, communications and information management and ballistic missile defense and infrastructure and logistics), identify alternative program options (e.g., for precision strike – alternative mixes of land, air, and sea strike assets) using an equal-cost to achieve the desired effect as the measure of merit.
- Evaluate options against criteria established in the strategy and preferred characteristics identified in the terms of reference
- Develop alternative integrated investment profiles across capability areas
- Develop an integrated investment profile that provides capabilities in the near-, mid-, and long-term consistent with achieving transformation objectives (this work must be coordinated with the results of Analysis 5: Forces).
- Identify programs or capabilities for divestment, retirement, or truncation

(U) Deliverables:

- Interim Briefing to EWG by 14 June
- In-Progress Briefing to EWG by 21 June
- Final Briefing to EWG (examination of costs and relative capabilities provided by major defense acquisition and R&D programs) by 2 July
- Final Briefing and Investment Profile to SLRG, 6 July

4. Space, Information and Intelligence (IPT Lead: C3I/PA&E)

- (U) Information Infrastructure
 - Develop program alternatives with different levels of interoperability, to enable sharing, integrating, and disseminating common (consistent) relevant operational pictures
 - Develop program alternatives for end-to-end communications capabilities

- Develop program alternatives for joint, allied, and coalition C2 and collaborative planning and execution
- Develop policy and program alternatives to improve IT acquisition
- (U) Defensive Information Operations
 - Develop policy and program alternatives for protecting critical information infrastructure upon which DoD depends
 - Develop policy and program alternatives for integrating and strengthening defense security, counterintelligence, physical, and cyber infrastructure assurance capabilities
 - Develop policy alternatives for information assurance in coalition operations
- (U) Intelligence, Surveillance, Reconnaissance (ISR)
 - Develop program alternatives for transformation of ISR to support rapid decisive/network centric operations providing "relentless track" for critical mobile targets
 - Develop program alternatives for I&W for Information Operations and other asymmetric threats/related capabilities and intentions
 - Develop policy alternatives for enhanced sharing and collaboration within the intelligence community and in coalition operations
 - Develop program alternatives for transformation of ISR to mitigate existing and projected low density/high demand capability challenges.

(U) Deliverables:

- Interim Briefing to EWG by 14 June
- In-Progress Briefing to EWG by 25 June
- Final Briefing to the EWG by 27 June
- Final Briefing and Investment Profile to SLRG, 5 July

5. Forces (IPT Lead: PA&E)

Assignments:

- (U) Consider Reserve Component roles and missions and the appropriate mix of Active Component and Reserve Component forces, including the ability to support civil authorities
- (U) Conduct force analyses taking account of potential allied contributions

(U) Deliverables:

- Interim Briefing to the EWG by 21 June
- In-Progress Briefing to the EWG by 29 June
- Final Briefing to the EWG (comparative assessments of alternative forces to achieve missions) by 3 July
- Catalog of areas requiring further analysis by 3 July
- Final Briefing and Force Structure Roadmap to SLRG, 9 July

6. Personnel and Readiness (IPT Lead: P&R)**(U) Assignments:**

- Develop readiness assessment approach that accounts both for current mission performed as well as wartime mission assigned
- Develop policy alternatives for strengthening recruitment and retention of military and civilian personnel. Include consideration of workforce shaping, career paths, and extending mandatory retirement. Examine the unique needs of a knowledge-based work force.
- Develop program options for improving civilian and military personnel quality of life and morale

(U) Deliverables:

- Interim Briefing to the EWG by 26 June
- In progress Briefing to the EWG by 28 June
- Final Briefing to the EWG by 2 July
- Final Briefing to the SLRG by 10 July

7. Infrastructure (IPT Lead: AT&L)**(U) Assignments:**

- Identify by major functional category changes in the size of DoD infrastructure, relative to the size of the force, since 1989
- Identify how to keep the shrinking industrial base healthy
- Assess the impact of encroachment on DoD infrastructure
- Identify for the near-, mid-, and long-term:
 - Infrastructure funding shortfalls in central logistics and facilities

- How to incorporate industrial logistics advances
 - Opportunities for major reductions in infrastructure and facilities resource requirements
- Provide a road map over the near-, mid-, and long-term to institute a metrics-based approach to address identified shortcomings, and to manage defense facilities and logistics consistent with transformed force structure and military organizations

(U) Deliverables:

- Interim Briefing to the EWG by 26 June
- In-Progress Briefing to the EWG by 28 June
- Final Briefing (assessment of defense infrastructure requirements and recommended adaptations) to EWG by 2 July
- Final Briefing to SLRG by 11 July

8. Integration (IPT Lead: OSD/Policy, J-8, PA&E)

(U) Assignments:

- Generate integrated decision options that capture major elements of priority organizational concepts, capabilities, forces, and infrastructure, and that outline potential benefits, costs, and challenges of alternative approaches
- Identify resources needed to support decision options.

(U) Deliverables:

- Interim Briefing to EWG by 28 June
- In-Progress Briefing to EWG by 6 July
- Final Briefing to EWG by 11 July
- Final Briefings to SLRG, 12-13 July