

USAWC STRATEGY RESEARCH PROJECT

The Tactics of Money: A Strategic Perspective

by

Colonel Robert R. Donoho

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U.S. Army War College
Carlisle Barracks, Pennsylvania 17013



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ABSTRACT

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Money, as a concept, is an important ingredient to the success of a military operation. As an entity, money is an artificial construct which allows the transfer of value in an abstract form. The utility of money as a concept is essential in providing the modern military commander with a resource that can be transformed into virtually anything. Money, in this context, not only encompasses cash but knowledge and extensive expertise. It is tied to a myriad collection of processes which define, in monetary terms, the assets the military commander has at his disposal and in some cases, their use. The relationship between business and money has restricted the manner we view money during military conflict. This paper examines these restrictions and through a historical perspective, presents ways that a military commander can capitalize on the flexibility of this concept given today's operational environment.

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What place does money have on a battlefield? Not money as an entity, but money as a concept. Money has evolved over time from a simple box of coins to a conceptualization of value. It has become an artificial construct which allows the transfer of value in an abstract form.¹ Money, in this context, is a critical ingredient to the success of a military operation.

Military history tells us that money has played a vital role in the past. Hermocrates of Syracuse in 415 B. C. said "They (the Athenians) have an abundance of gold and silver, and these make war, like other things, go smoothly." Four Hundred and seventy-five years later Cicero said "The sinews of war are infinite money." In our own War for Independence, Nathanael Greene said "Without a military chest it is next to impossible to employ an army with effect."² Are these men of history just talking about building a military force or is there an additional element of value that money can bring to a conflict? The answer to that question is the premise of this paper. The utility of money is not confined to building the foundation of an army's success (the preparation of its budget). Its usefulness is multifaceted. The utility of money as a concept is essential in providing the modern military commander the wherewithal to execute plans, and survive and succeed on the "battlefield". Money, in this context, not only encompasses cash but the knowledge and extensive expertise necessary to maximize the use financial assets. It is tied to a myriad collection of processes which define, in monetary terms, the assets the military commander has at his disposal.

During Operation Restore Hope (1993-94) in Somalia an incident occurred which illustrates some of the capabilities of this concept. This incident was not just a misunderstanding of law but portrayed an arrogance of ignorance. Arrogance is defined

as conceit, disdain, and/or presumption. In this case, individuals who were ignorant of potential consequences made decisions about financial assets under their control.

Although warned of the potential hazards, they could not comprehend the potential advantage that an enemy could garner from their actions. A disdain of the process (just another bureaucratic requirement) encouraged intelligent and capable individuals to decide on an issue that they had neither the training nor the insight to understand. The practical issue in this instance was lost to those who were making the decisions due to this arrogance.

The legal issue dealt with the misuse of appropriated funds. Illegality at any level can hurt morale, undermine discipline, and dissipate the military focus. But this influence is subtle and hard to measure. The practical issue is rather more straight forward. This incident resulted in a transfer of money to a potential adversary, which runs counter to and defies the basic laws of common sense.

Dollars to Shillings

“Sir, this was illegal!” We had just deployed to Somalia in support of Operation Restore Hope and had discovered that an American Commissioned Officer had used U.S. dollars to purchase Somalia Shillings (local currency) on the local market. Both the investigating officer and the officer under investigation were acting as agents to the U.S. Treasury and responsible to me. The captain was a branch Finance Officer who had been school trained in Fiscal laws and the “do and don’ts” of financial operations on the battlefield. The other officer was not school trained but received very specific instructions on the limitations and use of appropriated funds. The captain was disturbed because the

Agent officer had failed to adhere to written instructions in the performance of his duties. These instructions had expressly forbidden him from purchasing Somalia Shillings. The Somalia shilling was not legal tender, as it was not backed by a legitimate government or banking institution, and therefore did not have any innate value. An even greater problem, however, was that the incident occurred with the approval and concurrence of the U.S. military commander. At the time, the legal advisor to the commander had opined that purchasing the shillings would be "Okay", since local labor had refused the dollar as payment.

Fueling a War Effort

Simple...right? Wrong! The question is not just about legality. Violating law even without criminal intent is an extremely serious issue, but an even more serious matter was the impact this action could have on the local black market. Money, as a medium of exchange, has tremendous utility. It can be used to buy weapons, supply, intelligence and many other items and services. In this regard, money can become a devastating weapon. In the Operation Restore Hope incident, buying Somalia Shillings supported the local black market. The black market was operated by the tribal leaders who were the root cause of Somalia's ills and the reason for our presence in that country. Purchasing Somalia Shillings not only financed their efforts, but also endangered our soldiers and jeopardized our mission. In essence, local nationals would use the shilling to purchase local items, while the tribal leaders would buy arms and munitions on the international market with the dollars. In buying the Somalia Shillings, we legitimized the exchange process. Had we paid in dollars, the tribal leaders would have had to extort their cash

from their own people. This would have given us a reason for “protecting” the local market and putting the chiefs out of business. The economics of local dollar markets would also have worked to our own advantage. People who receive this type of value almost always find a way of using it (and not giving it up). The local market would act as a catalyst, spreading dollars throughout the local economy, thereby diffusing its effect. Without the exchange process or outside help, the tribal leaders could not accumulate the dollars necessary to fuel their war effort.

Why did the command authorize this action? The command simply tried to fix a problem. They did not know it was illegal, nor were they aware of the potential consequence of their actions. The simple fact was that no one in the command (at the time) had the expertise to evaluate this type of incident. The process used to solve this situation is a good example of the complexity vice simplicity associated with the use of legal financial instruments outside of the United States. Procedures to correct the incident required coordinating with the Departments of Treasury, State, and Defense. Step one was to establish the value of the Somalia Shillings that were purchased. The value of the currency was established under an old government barter agreement which allowed the State Department to fix value of unique foreign items. The establishment of value was important to ensure that individuals were not profiting on the exchange of U.S. currency. Step two was to document to the Treasury Department the legitimate use of government funds. In other words, to convince the Treasury Department that there was no ill intent. (The U.S. Treasury has the responsibility for overseeing the use of all U.S. currency.) Step three documented that the Defense Department acted in a responsible manner with

regard to the use of appropriated funds and that they maintained the public's trust. The oath of public officials, including military officers, require a consistent and responsible attitude toward the use of public monies. The investigation conducted in Somalia found that the use of Somalia Schillings, although a violation of both regulation and law, had no criminal intent. It further found that the value had been documented and recovered and the command was now informed of the prohibition of such an act. The recommendation of the investigation was to dismiss the incident as an operational requirement which would not happen again. The command received confirmation and approval of the investigation and findings within two weeks of reporting of the incident.

A Logical Basis for Accountability

The legal process might seem inappropriate on a battlefield. At the very best, this bureaucratic drill seems wasteful, but it is an integral part of the checks and balances that are necessary in a Democracy. The patriotism that is the foundation of our military cannot blind us from the truth that was stated by an Englishman named Edmund Burke in 1790, "An armed, disciplined body is, in its essence, dangerous to liberty."³ The march of military tyranny throughout history compels us to suffer the inefficiency of a bureaucratic process formed to ensure the proper subordination of military power to civilian authority. The philosophy behind the process is one of responsibility and accountability. There is, however, an argument that presents itself in a more logical and practical light. In the incident cited above, intelligence reports identified the purchase of weapons and ammunition from money generated by the black market exchange economy. This intelligence was received about two months after the incident. The identification and

solution of this problem by personnel trained in fiscal procedures illustrates the importance of having that expertise available on the "battlefield".

The Utility of Money

Money's utility on the battlefield used to be a rather simple prospect. Either you had it or were trying to get it. As economies grew, the utility of money expanded. Trade fostered a more precise method of recording commercial transactions. Using money, double entry bookkeeping and accounting became a process which could be used to evaluate the efficiencies of trade and commerce. The long journeys required to bring spices and goods from the Far East gave rise to detailed strategic planning using money as a foundation to evaluate tradeoffs between possible profits and costs. The ease of this type of evaluation, now called budget formulation, spread to most commercial pursuits and included planning for war. Mankind has continuously improved this process to respond to new avenues of economic growth. This evolution has consistently changed how man does business both in commercial enterprise and on the battlefield.

In our modern world the concept of money has evolved to comprise many processes which are collectively called financial or resource management. They are: budgeting, accounting, disbursing, recording, auditing, and analysis. Each of these elements bring value to the battlefield. Budgeting projects what is going to be done and the resources necessary to do it; accounting controls what is being done and how it is being accomplished; disbursing provides the ability to pay for required resources or services; recording permits a permanent record of what has happened; auditing reviews validity of what has been recorded; and analysis determines what improvements are

necessary to ensure efficient and effective. In all cases, the use of money provides a framework for decision making and evaluation. It provides the documentation for responsibility. One important aspect for a democracy is that the processes which define financial management must provide a true explanation of what has occurred.

The Strategic Value of Money

Clausewitz tells us “to identify the enemy’s center of gravity and then to direct all one’s energy against it”. Strategic thinkers suggest that conflict is influenced by a variety of issues: political, military, and economic. Understanding these issues can focus the effort against the enemy, while ignorance of these issues will only diffuse the military effort that is required. Although, money is just one part of this process, it does have an influence. The concept of money, not just the entity, has a utility in regard to strategy that is unique. When money is viewed as a concept it encompasses recording, estimation, prediction and evaluation of resources or “costs”. In “The Art and Practice of Military Strategy” published by the National Defense University, one major entity of the framework used to analyze Military Strategy is entitled “Costs”. Under this subtitle the following is stated:

“Finally, the strategy must indicate what costs a nation will and is able to bear to achieve the objective. Is there a limit to the amount of money the government will spend, the amount of equipment it will lose, and the number of casualties it is willing to sustain? At what point will the means become excessive to the ends? If this is not explicitly stated, then the strategy is open-ended and sets the stage for progressively greater involvement than the original objective justifies. Costs already incurred often become the reason for continuing, and that may well be inadequate grounds for prolonging a conflict.

Most of the time costs are purposely not explicit. When known to the enemy they remove all doubt as to their own potential costs and alone can help define a war-winning strategy. It makes sense to deny this information to the enemy but it makes no sense not to assess one's own costs and limits explicitly in planning if a reasonable objective is to be proposed. Vietnam is the obvious example of ends being overtaken by means and then being driven by them.”⁴

In this discussion, the argument is not of monetary expense but of accountability. Accountability toward the goals of the nation as well as accountability for all assets given to achieve those goals. Whose responsibility is it to know what this “cost” really is if it is not the military commander's? Knowledge is power, and knowledge on the battlefield means knowing who, what, when, where, why, and how. All assets are included in this equation. This knowledge encompasses everything that is pertinent to the effort. Money holds a unique distinction in this discussion. As a concept, money includes both money as an asset and money as a process. The asset requires accountability, while the process forms the method of accountability. Money as a strategic entity is both a resource used to help achieve the stated goal and a process which is used to evaluate strategic cost. Ignorance of money or its utility is not likely to cost us a war, but a pride in that ignorance can. In Somalia, if we had continued to use the Somalia Shilling we would have put over eleven million dollars in the hands of the Somalia tribal chiefs. A frightening thought when you consider the weapons and munitions that buys on the international market.

Money on the Battlefield

In the past money has influenced action on the battlefield both directly and indirectly. History tells us that battlefield commanders needed the utility inherent in money, plus the trained experts to succeed in any given operation. The Persians, under Darius I. used gold coins to buy their food along their route of march. Trusted agents of the King were sent ahead of the army to purchase the army's needs. Gold encouraged the cities along the route to support the Persian fight and the payment of gold helped stimulate the local economies. The march of armies in ancient times was something to be dreaded. By paying gold, the Persians stopped the concealment of local supplies by populations and allowed the local farmers to purchase supplies to replenish what had been sold to the armies.⁵

The conqueror of the Persians, Alexander the Great, also paid in gold for supplies. Alexander even used money to buy information. Not just information about the enemy armies, but information about weather, geography, growing seasons, political leaders, merchants, and trading.

Buying supplies and information were not the only assets available to an army with money. The Roman Legions built roads to take them throughout their empire. The Legions' roads not only increased their strategic mobility but also permitted the local community access to other markets which increased trade.⁶ The Roman Army used money to contract for the materials needed to build those roads. The coming of the Roman Legions created a new market for raw materials and an impetus for developing new industries. Roman money was a catalyst for local development. Local contracting

for food and services built cities outside the forts that guarded the roads. This provided stability and allowed a relatively small army to secure a tremendously large geographical area. This was one of the first uses of money as an indirect tool for the military commander. In World War II they called this "Economic or Fiscal Diplomacy".⁷

Information, diplomacy, and bribery are just some examples of the utility of money. This utility, however may no longer be applicable. Some think that the advances in communications, transportation, and commerce have progressed to such an extent that we can provide the same capability from outside of the battlefield. If this is the case, then such progress needs to be articulated and examined. For if money and its management is relegated to areas away from the battlefield, what has the commander lost? Recent experience shows that although technological advances have provided new avenues of faster, more efficient and more effective methods of transferring information, nothing has been able to take the place of the human capability for edification and articulation. Decision making is still an art, not a science, and the management for evaluating the information necessary to make this endeavor successful requires the human mind. A military commander cannot, at this time, run an operation on a distant battlefield from the safety of the United States. He must be "in the fight"...and so should the experts that influence the decisions made on that battlefield. Money, in some form, is one part of this process.

Although money as a concept is an abstract idea, the use of this concept is a real and dynamic part of the battlefield. This is difficult to understand for a society that has progressed so far in the economic arena. We have relegated the processes that we use to

buy and sell to experts located in towering structures far removed from our daily lives. It is not surprising that we do not see the part that money played on the battlefields of history. Understanding this historical perspective is critical to evaluating what and how money will be used on the battlefields of tomorrow.

Accountability of resources and proper financial management is not a requirement merely to ensure the honesty of a commander. There are advantages to properly documenting and effectively managing the use of resources in a military theater. Financial management can help solve a multitude of problems. Proper use of cash can help streamline the logistical system. Darius I of Persia, Alexander the Great, and Gustavous Adolphus are just a few of the military commanders who substituted money for large trains of slow moving supplies.⁸ The Roman Army built permanent paved roads to enhance their strategic mobility. They did not transport the raw material from Rome but contracted locally for labor and material to build the roads. This multiplied their ability to move forces and supply overland to every part of their empire.

The proper accounting for resources identifies what is used and what is needed.⁹ Two Frenchmen, Le Tellier and Louvois, built a system of Magazines to supply Louis XIV's military forces. Louis XIV's reign lasted for almost 44 years, and most of the time he was at war. Remarkably, he won most of his battles. The victories were due to an unusually talented group of military commanders and the abilities of Le Tellier and his son, Louvois. One important aspect of this process was a detailed accounting for the use of the military supplies in each of these Magazines. The process of recording the increase and decrease of these supplies was a vital element in the military planning. Knowing what

was in each magazine allowed for a flexibility that enabled the movement of well supplied forces during both offensive and defensive actions.¹⁰

Bookkeeping and accountability are not the only elements of money that lend themselves to the battlefield. Proper cash and purchase management can provide shelter, food, fuel, equipment, and services on a permanent or a temporary basis. Proper and prompt payment as well as strict accountability can foster improved relations with a host nation or ally.¹¹ An example of a military commander that understood this well was Alexander the Great. In 334 B.C. Alexander of Macedonia began one of the greatest military campaigns of history. From 334 B.C. to 324 B. C. he would take his Army from the shores of Greece to the Hydaspes River in India. In this campaign, he used his Greek base to provide support in the form of “talents” or money for his army. Some supplies were sent by ship from Greece in the first part of his campaign, but the distances involved and the speed with which his army moved precluded a static base of supply. It was much easier to buy food, raw materials and information locally. During this campaign, Alexander fought every kind of battle, from a siege to a guerrilla war. He was successful in every case. The key to his victories was rooted in the flexibility he imbued in his administration of supplies and information. Alexander paid well for the supplies he needed. He also paid well for information, from the weather in the distant mountains to the growing season over the next hill. His prompt and proper payments insured an uninterrupted supply of his demands.¹² Alexander left little to chance in his campaigns. His actions concerning logistics are ample proof to his energies in this area. This detailed planning is also proof of a proper accounting and recording facility required for these

actions. But is the prediction of logistical requirements the only reasons for this type of accountability?

Improper accounting for resources and the lack of financial management can foster black marketing and theft. This results in lost resources and induces crime. Additionally, the lack of proper financial accountability can produce graft and corruption. This can damage the economy of an ally and hamper our own military efforts. For example, during the second World War the U.S. Army had problems finding enough foreign currency to use during planned invasions. Local purchasing and contracts were projected to support U.S. forces, but insufficient supplies of local currency hampered the invasion efforts. To solve this problem, the military commanders of the region created money called "invasion currency". At the time of issue these promissory notes were not legally recognized by the U.S. government. The absence of finance trained experts allowed this practice to be rather widespread. Economist and government officials warned "It is a dangerous precedent to let the American army issue its own money without Congress' permission. For centuries Anglo-Saxon peoples have kept the military in hand by their control of the purse strings. This is a sound philosophy for a peace-loving people and should not be abandoned."¹³ To maintain good relations with those countries victimized by our invasion efforts, the U.S. Congress authorized full payment for the redemption of the "invasion currency". However, since the military had not kept track of this currency, the amount circulated was unknown. The official finding suggests that "because of the breakdown of currency control, the government bore excessive costs."¹⁴ In other words, counterfeiting and fraud were probably rampant, but because the military failed to account for this

currency. In fact, as noted in Somalia, we still lack a strong policy, and as such, remain open to the criticisms of history. The simple fact is that World War II costs the taxpayer more than \$530,000,000 because we failed to account or control “funds” such as “invasion currency”.¹⁵

Numerous problems occur when we do not recognize a need for certain knowledge. Some simple axioms can illustrate how things can go wrong. Improper payments to contractors can be seen as favoritism. This can result in a breakdown in competition that can lead to shortages which could threaten military success. A lack of proper security of cash can cause an increase in crime as well as a disruption of morale. The lack of coordination of monetary transfers, both electronic and physical, can delay or lose critical resources. A complacency for currency accountability can foster counterfeiting. Counterfeit money makes it difficult to contract anything and hurts our own economic system. In a relatively recent incident during operation Restore Hope, a soldier from the United Nations force tried to exchange a counterfeit \$100.00 bill. This was caught by the local Finance Officer and reported to the Treasury Department. The Secret Service identified the bill as being part of a massive counterfeiting ring which had operated out of South Africa. This bill was traced to the Bank of Ireland and action was taken to stop the spread of these counterfeit bills.¹⁶ Counterfeiting and misconceived perceptions are just some of the problems that can arise in this area. If one has the expertise to recognize these dangers, then one can act to preclude their happening or at the least, lessen their impact.

The Strategic Doctrine of Money

Today's battlefield has a plethora of information. Helpful subordinates and conscientious superiors are attempting to trim the fat from this information glut and provide the commander with only the information he truly needs. They are deciding what knowledge is needed by the military commander and structuring the force with this in mind. What value does money have on the battlefield? The preceding paragraphs have given a small sample of this value. The next question is "What is necessary for good financial or money management on the battlefield?" Our military departments have units capable of providing this support to each service. Yet in overseas military operations performed since Vietnam, the Department of Defense has lost millions of dollars. In Urgent Fury, Just Cause, Desert Shield/Desert Storm, Restore Hope, and Haiti, the Department of Defense has consistently failed to balance their accounts.¹⁷ The request for debt relief in Desert Shield/Desert Storm alone, for simple overpayments, was over \$133 million according to the Army Times, 17 January 1994 issue. This amount is greater than sixty percent of the annual operating costs for Fort Drum, New York and the 10th Mountain Division. The cost in trying to balance just one of the Army Corps involved in Desert Shield/Storm, (18th Airborne Corps) was another \$20 million.¹⁸ In every military operation, Congress requested a consolidated total of the cost of the entire operation. Estimates were provided after a substantial amount of time had elapsed. In each case, the General Accounting Office had major reservations concerning the validity of the estimates provided and would not confirm the amounts for full reimbursement.¹⁹ The reasons behind these failures are varied, but one major reason stands out. We look at money as a

commercial concept totally divorced from military conflict. Therefore, when conflict arises we become impotent with regard to the utility and power of money. Since money is not a battlefield issue or a mission essential task, we do not consider the value it brings to the fight. We ignore the commercial implications of the use of money on the battlefield and pay a high price for our ignorance. In fact, it appears that given current direction and policies, we are further aggravating that ignorance by embracing consolidation and centralization. In effect, this can compartmentalize and segregate any role money might play on the battlefield.

Current DOD doctrine is to manage the recording and consolidation of accountability in the United States away from the military commander. Some of the stated advantages of this concept are:

- centralizing of the accounting function and personnel (less people),
- limiting the involvement of the military commander,
- less manpower intensive (use of established accounting offices in the United States to consolidate accounts after the mission is over).

Some of the disadvantages of this system are:

- no visibility of underlying problems during the operation,
- no experts available to rectify a problem on the spot if it occurs,
- potential lack of consistency in the policy of resource management,
- inconsistent adhoc procedures concerning local contracting, potential redundancy of contracting requirements,
- multiple payments for contracts, and a potential loss of accountability and resources.

Senior government officials believe that this process can gain tremendous efficiencies, if we can put all of the experts in one area and bring the work to them.²⁰ One flaw with this policy lies in the axiom "Garbage in, garbage out!". The major problem with bringing data or information to the expert is the validity of the data submitted. In recording financial information, the process is almost as important as the product. The primary question is, "Who is ensuring that this data is correct and how are they doing it?" The answer is technology. With bar codes, satellite uplink, and scanners, some experts believe the physical review of accounting data is unnecessary. Still, the issue remains, "Garbage in, garbage out.". Someone must ensure that the data or information submitted is a reflection of reality. Someone must take the responsibility for providing an accurate reflection of use. In the past, the senior government official of the respective cabinet was held liable for the propriety of the information.²¹ In the case of the Department of Defense, this was usually the military commander. Today, with the consolidation of accounting operations and experts, there is no expertise in the field. Consequently the commander is unable to answer questions concerning resources under his control.

The services are no longer responsible for the correct recording, budgeting and spending of the public funds entrusted to their care. This effort has been centralized at the cabinet level in the name of efficiency and savings. In the early 1990s, the Department of Defense consolidated the finance and accounting functions of the services into one centralized entity called the Defense Finance and Accounting Service. However, this consolidation did not address the financial support of deployed forces. Rather, it was structured to support a peacetime military. Additionally, the consolidation did not remedy

the services' parochial interests and policies. Plans for the resource management of military operations have been service dependent and in that regard have had a service unique bias. The different missions of each service dictated the policies and practices each developed to account for their own expenditures. This practice caused services to emphasize and/or ignore different areas in their recording and planning of expenditures. One example is minor construction. The Navy and Air Force did most of their minor construction on bases. They had no need for identifying what was repaired or built, they just needed to know the base. The Army did minor construction everywhere (repairing battle damage, constructing defensive points, etc...) and needed to know what, where, and how it was done. This caused a problem when trying to calculate how much was spent on lumber in Somalia. Besides a simple requirement to know, there was a practical reason for identifying this cost. Some military operations can take place in areas that have a shortage of trees or lumber industry. Somalia was one of those areas. Wood had to be purchased in neighboring countries or flown in by the Air Force. An estimate of the amount of lumber that would be used by a military unit and its potential cost would be a valuable tool for another operation in a similar circumstance. The Army had the ability to track this cost. The Air Force and Navy did not.²²

There is no consistent policy or overview in a theater of war for the recording of transactions in a theater, the military use of recognized currencies, for the establishment of labor rates, the consolidated support for contractual payments, for the payment of claims, the financial support of allies and civilian refugees, nor the employment of local or regional resources from allied countries supporting military operations.²³ The result of this

confusion has been a loss of accountability. A loss that is not recognized or discovered until Congress asks the tough questions and requests operational costs. That is just too late!

The Start of a Solution

The solution to the problem....using money (on the battlefield) more effectively and prudently...is twofold. First we must enforce the statutes and regulatory mandates on everyone that is entrusted with "spending" public monies. As noted by the lack of prosecutions and convictions of the Anti-Deficiency Act, rarely is fiscal law enforced. The Act stipulates penalties of 5 years imprisonment and a \$10,000 fine, when a violation occurs; however, since the Act's enactment, no penalties have been imposed....and the fact is that numerous violations have occurred. The second and third order effects of avoiding prosecution are tragic. Lax standards become commonplace and enforcement becomes the exception rather than the rule. Given today's austere fiscal environment, we can no longer afford to go down that road. We must alter the trendline from negative to positive, and reintroduce and enforce the laws of the land.

Second, we must ensure trained experts are side-by-side, on the battlefield with Commanders. Trained financial personnel are critical in assessing, recognizing, and recommending the proper uses of money on the battlefield. They would provide the commander with a mechanism to: identify potential problems; monitor and coordinate accounting policy; evaluate and execute the budget; maintain internal controls; monitor contracting and host nation support; and to coordinate funding and disbursing policy within the theater.

In essence, when all is said and done, it is a matter of choice...enforcement versus training. While training is the preferred option --- and should therefore command are priority --- enforcement is a must option --- one that cannot be ignored at the expense of fiscal law.

Conclusion

Money has evolved from the simple...coinage of Darius I...to the abstract...value representing artificial worth. In essence, money is an idea which conforms to society's view of its own stability. The power of money is totally dependent on the value we as a society impose and others view. The Yen, the Deutschmark, and the Pound are the same. Money represents an idea of value which is convenient to use in matters of commerce. This relationship is what makes it valuable to the military commander. The abstraction of economic value, which is so convenient in commerce, is also convenient in war. However, this convenience comes with a price. Abstraction requires constant and consistent definition to be useful. If value is assigned, it must be maintained. This maintenance is the price we must pay for money's use. Throughout this paper, I have shown how money has been used to enhance military campaigns throughout history; I have discussed the evolution of money and how this has impacted on military campaigns; and finally, I have discussed how we have viewed "money as a concept" without the rigor which would allow us the flexibility to capitalize on its possibilities in a conflict. To continue to succeed in its mission, the military must maintain or enhance this flexibility. This paper has given some insight to the value of money on the battlefield and the process necessary to control and use this asset effectively. Giulio Douhet in his book Command of the Air states,

“Victory smiles upon those who anticipate the changes in the character of war, not upon those who wait to adapt themselves after they occur.”²⁴

ENDNOTES

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⁵ Richard A. Gabriel, Great Battles of Antiquity, The Campaigns of Alexander: Granicus - 334 B.C., Issus-333 B.C., Gaugamela-331 B.C., Hydaspes-326 B.C., (U.S. Army War College: Department of National Security and Strategy, 1996), 20-21.

⁶ Richard A. Gabriel, War in the Ancient World, (U.S. Army War College: Department of National Security and Strategy, 1996), 10.

⁷ Walter Rundell, Jr., Military Money: A Fiscal History of the U.S. Army Overseas in World War II, (Texas: Texas A&M University Press, 1980), 39-69.

⁸ Martin Van Creveld, Supplying War: Logistics from Wallenstein to Patton, (New York: Cambridge University Press, 1990) 9-10.

⁹ Glenn A. Welsch, Charles T. Zlatkovich, and Walter T. Harrison, Jr., Intermediate Accounting, 5th ed., (Homewood, Illinois: Richard d. Irwin, Inc., 1979), 22-26.

¹⁰ Martin Van Creveld, Supplying War: Logistics from Wallenstein to Patton, (New York: Cambridge University Press, 1990) 17-22.

¹¹ Walter Rundell, Jr., Military Money: A Fiscal History of the U.S. Army Overseas in World War II, (Texas: Texas A&M University Press, 1980), 39-69.

¹² Richard A. Gabriel, Great Battles of Antiquity, The Campaigns of Alexander: Granicus - 334 B.C., Issus-333 B.C., Gaugamela-331 B.C., Hydaspes-326 B.C., (U.S. Army War College: Department of National Security and Strategy, 1996), 20-21.

¹³ Walter Rundell, Jr., Military Money: A Fiscal History of the U.S. Army Overseas in World War II, (Texas: Texas A&M University Press, 1980), 132.

¹⁴ Walter Rundell, Jr., Military Money: A Fiscal History of the U.S. Army Overseas in World War II, (Texas: Texas A&M University Press, 1980), 114-131.

¹⁵ Walter Rundell, Jr., Military Money: A Fiscal History of the U.S. Army Overseas in World War II, (Texas: Texas A&M University Press, 1980), 245.

¹⁶ “Incident occurred in author’s battalion during Operation Restore Hope, Dec 92 to Mar 94.”

¹⁷ Contingency Operations: DOD's Reported Costs Contain Significant Inaccuracies (Chapter Report, 05/17/96, GAO/NSIAD-96-115).

¹⁸ “These figures were from discussions held with officials from the Defense Finance and Accounting Service during my battalion command, 1992-94.”

¹⁹ Contingency Operations: DOD's Reported Costs Contain Significant Inaccuracies (Chapter Report, 05/17/96, GAO/NSIAD-96-115).

²⁰ DOD Infrastructure: DOD's Planned Finance and Accounting Structure Is Not Well Justified (Letter Report, 09/18/95, GAO/NSIAD-95-127).

²¹ Bernard Rosen., Holding Government Bureaucracies Accountable. (New York. Praeger Publishing. 1989), 3-6.

²² “Incident occurred during Operation Restore Hope, Dec 92 to Mar 94. Information was requested but could not be identified according to Air Force Finance Office, Dover AFB.”

²³ “Although individual services address part of these issues, the Joint Task Force does not have a mechanism to ensure a consistent policy. Information obtained through authors observations while on active duty.”

²⁴ Robert Debs Heinl, Jr., Dictionary of Military and Naval Quotations. (Annapolis, United States Naval Institute, 1966), 338.

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