

Running head: 2005 BASE REALIGNMENT AND CLOSURE, HOW EFFECTIVE IS IT?

2005 Base Realignment and Closure, How Effective Is It?

Alan J. West

United States Army Sergeants Major Academy

Class #58

Faculty Advisor: SGM Olson

26 November 2007

Report Documentation Page			Form Approved OMB No. 0704-0188		
Public reporting burden for the collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to a penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.					
1. REPORT DATE 26 NOV 2007		2. REPORT TYPE		3. DATES COVERED 00-00-2007 to 00-00-2007	
4. TITLE AND SUBTITLE 2005 Base Realignment and Closure, How Effective Is It?			5a. CONTRACT NUMBER		
			5b. GRANT NUMBER		
			5c. PROGRAM ELEMENT NUMBER		
6. AUTHOR(S)			5d. PROJECT NUMBER		
			5e. TASK NUMBER		
			5f. WORK UNIT NUMBER		
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) Army Sergeants Major Academy, 11291 Sgt. E. Churchill St, Fort Bliss, TX, 79918			8. PERFORMING ORGANIZATION REPORT NUMBER		
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)			10. SPONSOR/MONITOR'S ACRONYM(S)		
			11. SPONSOR/MONITOR'S REPORT NUMBER(S)		
12. DISTRIBUTION/AVAILABILITY STATEMENT Approved for public release; distribution unlimited					
13. SUPPLEMENTARY NOTES					
14. ABSTRACT The 2005 Base Realignment and Closure (BRAC) plan is the fifth round of the Department of Defense's (DOD) infrastructure reduction plan within the last 17 years. In their haste to save money and push the 2005 BRAC plan through as swiftly as possible, the DOD has made some crucial miscalculations. With the DOD selling the idea that it will save the United States Government enormous amounts of money, in actuality the 2005 BRAC will not be as cost effective as previously estimated. A more critical factor is that the 2005 BRAC's benefits don't outweigh the negative impacts it will have on strategic global positioning of forces, airfields to transport Soldiers and equipment, local economies and total services military alignment.					
15. SUBJECT TERMS					
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT Same as Report (SAR)	18. NUMBER OF PAGES 10	19a. NAME OF RESPONSIBLE PERSON
a. REPORT unclassified	b. ABSTRACT unclassified	c. THIS PAGE unclassified			

OUTLINE

Thesis: Although the 2005 Base Realignment and Closure (BRAC) plan appears to be a great idea for the Army, the hidden financial costs and negative impacts it will have on strategic global positioning of forces, transportation issues, local economies and overall military alignment won't outweigh the benefits.

I. Introduction

II. Brief history of the 2005 BRAC plan.

III. The Hidden Monetary Costs of BRAC.

A. Preparing for Closure.

B. Cost of Preparing Existing Bases for gaining Units, Soldiers and Families.

C. Environmental Cleanups.

IV. Loss of Strategic Global Positioning and Poor Military Alignment.

A. Closure of Key Bases.

B. Poor choice of Unit placements.

V. Other Negative Areas of BRAC.

A. Hardship for local economy of base closure sites.

B. Loss of Critical Skilled DA employees

VI. Conclusion

Abstract

The 2005 Base Realignment and Closure (BRAC) plan is the fifth round of the Department of Defense's (DOD) infrastructure reduction plan within the last 17 years. In their haste to save money and push the 2005 BRAC plan through as swiftly as possible, the DOD has made some crucial miscalculations. With the DOD selling the idea that it will save the United States Government enormous amounts of money, in actuality the 2005 BRAC will not be as cost effective as previously estimated. A more critical factor is that the 2005 BRAC's benefits don't outweigh the negative impacts it will have on strategic global positioning of forces, airfields to transport Soldiers and equipment, local economies and total services military alignment.

2005 Base Realignment and Closure, How Effective Is It?

The 2005 Base Realignment and Closure (BRAC) plan when briefed appears to be a great idea for the Army and American taxpayers. Yet, the hidden financial costs and negative impact it will bear on strategic global positioning, local economies and overall military alignment won't outweigh its benefits. The Base Realignment and Closure commission reports that the Department of Defense will save \$6 - \$7 billion a year with this round of base closures and realignment, but at what cost and is money the only thing the commission is focused on?

Brief history of the 2005 BRAC plan

The 2005 Base Realignment and Closure plan is the fifth round of the Department of Defense infrastructure reductions process, the previous BRACs were in 1988, 1991, 1993 and 1995. Actually, the Base Realignment and Closures started in the 1960s under President Kennedy, who wanted to restructure the bases created during the Korean War and World War II. At that time, the Department of Defense could close bases as they wanted without Congressional approval, which Congress of course didn't approve. Congress eventually passed legislation in 1977 which allowed them to have oversight on all Base Realignment and Closures so as to survey the impact on the bases strategic value, the local economy, and the ecological issues.

The Hidden Monetary Costs of BRAC

A key factor in initiating the Realignment and Closure plan was to save the United States Government and the Department of Defense money. The Department of Defense's recent submission reported that it will save \$24.4 billion initially with an annual recurring savings of \$5.5 billion for a 20 year total savings of \$48.8 billion. Yet the 2005 Base Realignment and Closure commission estimates the one-time cost savings to be \$22.8 billion with an annual recurring savings of \$4.4 billion for a 20 year total savings of \$36.5 billion (Sullivan, 2005, p. 7). This shows there is a discrepancy of \$12.3 billion between the Department of Defense's and the

BRAC Commission's estimates for the 20 year net savings. These are just estimates, yet in actuality the savings will be much lower due to hidden environmental cost, increased base closure costs and increasing costs of improving existing stabilized bases with the increase of Soldiers and families.

The cost for base closures and realignments has increased substantially since the 2005 BRAC approval. The original cost for the 2005 Base Realignment and Closure plan was estimated at \$22.3 billion, yet the current proposed cost is now \$30.7 billion, the plan is already going into the second year of an \$8.4 billion over budget spending increase. Some of the reasons the original plan is going over budget is from inflation, Service requested realignment changes and environment clean-up costs. Table 1 shows the planned cost or the original BRAC costs as compared to the current projected BRAC costs, for both base closures and realignments (Brown, 2007).

Table 1
Base Planned Costs vs. Current Projected Costs

BASE	BRAC COST (Planned)	BRAC COST (Current Projection)
Fort Monmouth, NJ (Close)	\$780 Million	\$1.5 Billion
Fort Knox / Fort McCoy (Realign)	\$773.1 Million	\$1.5 Billion
Brooks City Base, TX (Close)	\$325.3 Million	\$592.3 Million
Fort Monroe, VA (Closure)	\$72.4 Million	\$281 Million
Fort Hood, TX (Realign)	\$436 Million	\$621.7 Million
Fort Gillem, GA (Close)	\$56.8 Million	\$150.4 Million

From Table 1, it shows that the 2005 Base Realignment and Closure plan for realignments on bases has increased, this isn't uncommon. The cost for improving the Quality of Life, training facilities and to prepare a post for an increase of Soldiers and families is steadily increasing. For Example, Fort Bliss, Texas is currently scheduled to spend \$2.5 billion to build

housing and improves its facilities for the influx of units, Soldiers and families will get from the 2005 Base Realignment and Closure plan. This spending could easily increase due to inflation and other unexpected cost situations.

Another underestimated cost is the initial estimates of relocating unit equipment, Soldiers and families from overseas locations. Original estimates in 2005 were \$4 billion over five years for unit moves and construction costs, now they figure it will cost \$5.2 billion just to move those units stationed in Germany to CONUS locations. In 2006 the Department of Defense re-estimated its cost for the 2005 Base Realignment and Closure plan and figured the cost would be \$9 to \$12 billion, yet the Commission estimates the price to be close to \$20 billion. Still others in the government believe it could rise to \$25 billion (Scully, 2005).

Loss of Strategic Global Positioning and Poor Military Alignment

As of 2005, the Department of Defense had a total of 770 military bases in 39 countries, and in the next 6 years the 2005 BRAC plan will close 25 major bases and realign 24 others. The loss of overseas bases could have a negative effect on our national security. The 2005 Base Realignment and Closure Commission insisted that the Department of Defense leave one heavy brigade in Central Europe as a national security initiative. The Commission even went on to state, “that a full dialogue by all necessary parties on the impact on U.S. security of the Integrated Global Presence and Basing Strategy has not taken place” (Cornella, p. iii, 2005).

The 2005 Base Realignment and Closure Commission also found the mobility plan that the Department of Defense initiated to be questionable. The Commission stated that it “is also concerned that the air and sea ports, inter-nodal connectivities and other mobility enabling systems are not adequate to meet potential contingencies” (Cornella, p. iii, 2005). The Commission came to this conclusion from the Department of Defense’s lack of overseas planning on prepositioning of equipment, budgeting for mobility contingencies and on the over-

stressed intra-theater air command.

There have been questions why units are being relocated where they are, compared to where they possibly should be. As an example, when Fort Bliss questioned the 2005 Base Realignment and Closure Commission about the Department of Defense's reasoning to relocate their air defense artillery unit to Fort Sill? Their question surrounded the fact that Fort Bliss has plenty of space and resources for training and housing the air defense unit and any other units realigned to Fort Bliss. Another reason Fort Bliss fought for the unit to stay was that the unit would have to deploy to Fort Bliss from Fort Sill to live fire their weapons every six months for qualifications. The Commission ruled that moving the air defense artillery unit to Fort Sill was not optimal; yet there was not enough reason for the Commission to overturn the Department of Defense's decision (Department of Defense, 2005, p. 22).

Other Negative Areas of BRAC

A critical cost that has been grossly miscalculated when it comes to the current and past Base Realignment and Closure plans is the cost of environmental cleanup. From the past four Base Realignment and Closures a total of \$10.9 billion has been spent on environmental cleanup. This was far more expensive than the Department of Defense or the BRAC Commissions estimated (Bearden, 2005, p. 5-6). Also depending on the extent and type of environmental contamination it could take up to 20 years to correct to a sustainable habitat, which means that the Department of Defense can't completely close that base until the situation is corrected. Though it is unknown what the cost for environmental cleanups for the 2005 BRAC will be, yet the past results indicate the environmental cleanup costs for the 2005 BRAC are under estimated.

There are some other negative low level issues that are normally not brought up when discussing the 2005 Base Realignment and Closure plan. One is the hardship of the local economy to survive when they lose a neighboring base to closure. The Department of Defense

does give some meager assistance to help the local economy to deal with their monetary losses and there have been a few success stories, yet there have been many more failures. Another issue with the local gaining economy is the impact of an influx of Soldiers and families has to a new region in a very short period of time. This was one of the Commission's findings that local communities may not have had adequate time to deal with the thousands of Soldiers and families stationed in their area; Fort Bliss is a prime example of this with 20,000 Soldiers and another 27,000 family members soon to be relocated.

Another negative low level issue with the 2005 Base Realignment and Closure plan is the loss of experienced skilled workers, engineers and scientists that work for the Department of Defense won't relocate to a new base. In a survey conducted in the Washington D.C. area, where they stand to lose 30,000 jobs from the 2005 BRAC, of the 36 percent that responded, 89 percent stated that they would not relocate to their new job location (Joyner, 2005). Another survey conducted at Fort Monmouth, New Jersey where approximately 5,300 jobs are affected, of 2,100 surveyed, 47 percent would not move, 23 percent will move and 30 percent are undecided (Santoni, 2007). These losses of skilled experts in their respective field could have a detrimental effect on our military and will have hidden costs as the Department of Defense will have to train new employees to fill these positions.

Conclusion

The 2005 Base Realignment and Closure plan isn't as cost effective or beneficial as what the Department of Defense would want you to believe. The Department of Defense's in its haste to save money and to push the 2005 BRAC plan through as quickly as possible, made some critical miscalculations. The key miscalculation, which the 2005 BRAC Commission addresses, was in not developing a comprehensive plan for basing strategy, integrated global presence and future mobility plans. Though there is a cost savings, it isn't even close to what the Department

of Defense estimates it to be. With the increasing inflation costs associated with new construction, the underestimated costs of environmental cleanup and increasing costs for unit realignment issues it may be well beyond the 20 year mark before they realize a savings. So does the current 2005 Base Realignment and Closure plan cover all the bases? No, not in this year's World Series and the end won't justify the means!

References

- Bearden, David (2005, April 11). *Military Base Closures: Role and Costs of Environmental Cleanup* (Order Code RS22065). Washington, DC: Congressional Research Service.
- Brown, Keith, & Bowman, Bill. (2007, June 18). *Cost-saving BRAC plans skyrocket in cost*. Retrieved November 4, 2007, from Army Times Web site:
http://www.armytimes.com/news/2007/06/gns_braccosts_070616/
- Cornella, Al, Curtis Iii, Lewis E., Less, Anthony A., Martin, Keith, Taylor, H. G., & Thomson, James A. (2005, May 9). *Overseas Basing Commission*. Retrieved November 3, 2007, from Federation of American Scientist Web site:
<http://www.fas.org/irp/agency/dod/obc.pdf>
- Department Of Defense (5, May 2007). *Base Closure and Realignment Report Volume 1* (ISBN 1428960007). Retrieved November 3, 2007, from Google Book Search Web site:
<http://books.google.com/books?id=aSIVvi1O8SoC&printsec=frontcover&dq=operational+army+igpbs+fort+sill#PPP2,M1>
- Hix, W. M. (2001). *Taking Stock of the Army's Base Realignment and Closure Selection Process*. Santa Monica, CA: RAND.

- Joyner, James. (2005, June 21). *BRAC - Many D.C. Area Workers Won't Move*. Retrieved November 5, 2007, from Outside the Beltway Web site:
http://www.outsidethebeltway.com/archives/2005/06/defense_workers_tell_legislators_they_wont_move/
- Pike, John E. (2005, November 9). *Base Realignment and Closure (BRAC)*. Retrieved November 3, 2007, from GlobalSecurity.org Web site:
<http://www.globalsecurity.org/military/facility/brac.htm>
- Santoni, Matthew. (2007, August 25). *Survey: Most BRAC Workers Won't Move*. Retrieved November 5, 2007, from The Examiner Web site: http://www.examiner.com/a-899400~Survey_Most_BRAC_workers_won_t_move.html
- Scully, Megan. (2005, July 14). *Cost of moving overseas bases elusive*. Retrieved November 4, 2007, from Government Executive Web site:
<http://govexec.com/dailyfed/0705/071405cdam1.htm>
- Sullivan, Maureen. (2005, September 9). *Base Realignment and Closure 2005. Office of Department Under Secretary of Defense, 7.*
- Trowbridge, G., & Tice, J. (2006). Home Sweet Post. In A. Neill (Ed.), *Army Times* (21 August ed., pp. 14-16). Springfield, VA: Army Times.