

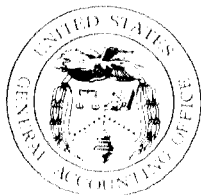
GAO

Report to the Chairwoman,
Subcommittee on Military Installations
and Facilities, Committee on Armed
Services, House of Representatives

April 1991

OVERSEAS BASING

Air Force and Army Processes for Selecting Bases to Close in Europe



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**National Security and
International Affairs Division**

B-243638

April 24, 1991

The Honorable Patricia Schroeder
Chairwoman, Subcommittee on
Military Installations and Facilities
Committee on Armed Services
House of Representatives

Dear Madam Chairwoman:

This report responds to your request that we review the processes used for deciding which U.S. Army and Air Force bases to close in Europe. Our objectives were to (1) obtain an overview of the processes and criteria guiding the services' efforts, (2) ascertain how each service's decision process operated, and (3) compare these processes with the one the Department of Defense (DOD) is required to use to develop the proposed domestic base closures and realignments.

Results in Brief

The U.S. European Command (EUCOM) goal in identifying European bases and installations for closure and realignment is to retain those facilities that best meet the needs of the reduced force structure planned for the future. In accordance with EUCOM guidance, the U.S. Army, Europe (USAREUR), and the U.S. Air Forces in Europe (USAFE) considered the military value of facilities as well as factors such as the potential for decreased support costs and increased efficiency of operations in deciding which bases and installations would best meet the needs of the residual forces and which could be recommended for closure. However, neither service assigned specific weights to criteria or conducted detailed cost analyses.

USAFE and USAREUR adopted somewhat different processes for deciding which European bases and installations to recommend for closure. The Air Force's presence at a relatively small number of discrete bases spread throughout Europe simplified its decision-making. The Air Force first decided which aircraft would be removed from Europe through the mid-1990s and then determined where the excess capacity would be. Bases with excess capacity became primary candidates for closure. Because the Army has numerous installations similar to each other in Germany, USAREUR officials asked major commands to provide information on the facilities' condition and their proximity to training areas and road and rail networks. USAREUR then used a two-step approach in

selecting which of its brigade-size installations to keep and in identifying which support facilities would be needed to support those installations.

The process DOD is required to follow to identify domestic bases for closure is more formal and structured than the processes the services in Europe used. The domestic process, as spelled out in legislation, has a formal review component outside of DOD. Moreover, DOD guidance requires the services to rely more on verifiable data and quantifiable analysis and to give explicit consideration to economic, environmental, and other impacts on the affected communities. Both the Army and the Air Force have weighted criteria and detailed procedures for ranking domestic bases and evaluating trade-offs among potential candidates for closure.

Background

On January 29, 1990, September 18, 1990, February 5, 1991, and April 12, 1991, DOD announced the closure or realignment of 198 overseas bases and installations, 174 of which are in Europe. Some are large sites; others are small ones with one or two buildings; and some are parcels of land with no buildings. (App. I includes a list of overseas bases and installations included in these announcements.) Some will be fully returned to host governments; others will be partially returned or placed in standby for future use.

Overview of Process Used in Europe

Over the past several years, DOD has closed numerous facilities in Europe, although on a much smaller scale than the closings expected over the next few years. According to DOD officials, base closures included in the January 1990 list followed the routine procedures that had been in place for many years. To a large extent, the services worked independently to identify facilities to be closed and returned to host nations. According to DOD officials, these closures, identified prior to the President's announcement of force reductions for Europe, were based largely on mission changes and basing agreements with host governments.

In March 1990, the Secretary of Defense tasked the Chairman of the Joint Chiefs of Staff to develop a European basing plan by July 1, 1990. EUCOM asked USAREUR and USAFE to develop basing plans on the assumption that U.S. military forces in Europe would be reduced to 225,000, including 195,000 in Central Europe and 30,000 elsewhere in Europe, consistent with force levels proposed for a Conventional Forces Europe

treaty¹ and announced by the President in early 1990. Recognizing the need for a coordinated approach, EUCOM directed the services to develop plans based on

- ensuring that the forces would meet military and operational requirements;
- decreasing support costs and increasing efficiency of base operations;
- minimizing personnel moves;
- reducing environmental impact; and
- considering the proximity of training areas, the quality of housing and facilities, the local political and military environment, the concerns of host nations, and the base's proximity to road and rail networks.

EUCOM reviewed each service's nominations, consolidated the services' plans, and submitted its plan to the Joint Staff in mid-1990. The Chairman, Joint Staff, then forwarded a list of bases and installations that were identified for closure over the next few years to the Secretary of Defense. Before the Secretary of Defense approved the list, the Office of the Secretary of Defense reviewed the plan and coordinated with the Department of State and the National Security Council.

The State Department, through its embassies in Europe and in conjunction with EUCOM and the services, held formal consultations with host nations before the September 1990 announcement of closures and realignments. EUCOM officials stated that the United States is sensitive to host country concerns, and it will accommodate host country preferences that can be addressed without adversely affecting military operations or adding costs. For example, according to EUCOM officials, the United States is working to accommodate the German government's desire for U.S. military forces to withdraw from highly populated urban areas. These officials told us that U.S. military commanders of bases and installations routinely relay host country concerns and sensitivities to EUCOM and DOD. Thus, U.S. officials were aware of most of their concerns before the formal consultations occurred.

Following the Secretary of Defense's decision to close facilities and subsequent public announcement, U.S. military commands in Europe began negotiations with host governments concerning the bases and installations to be closed. Negotiations are conducted in accordance with stationing and base rights agreements and address the residual value of

¹Manpower limits were not included in the Conventional Forces Europe treaty signed in November 1990.

sites returned (i.e., the value of U.S.-built buildings and other improvements), environmental clean-up, separation pay for local national employees, and other host nation damage claims.

According to DOD officials, the services are continuing to scrutinize their existing inventory of European bases and installations. EUCOM is required to submit quarterly reports that outline the status of base closures to date and that recommend additional candidates for closure to the Joint Staff. On April 12, 1991, 33 additional facilities to be fully or partially returned to host governments were announced.

Army Process

To understand the Army's process for realigning its bases in Europe, it is important to note a difference between the organization of Army installations in the United States and Europe. In the United States, Army installations are generally consolidated on one piece of land in one geographical location. In Germany, where over 90 percent of the Army's installations in Europe are located, military communities are often comprised of numerous, geographically separate installations. These installations—barracks, commissaries, supply depots, and recreation and training sites—may support units from several different commands. As of April 1991, the Army had 216,000 military personnel assigned to Europe at 858 installations.

To guide its planners in identifying bases and installations for closure, USAREUR established the following criteria consistent with EUCOM guidance:

- assure proximity to road and rail networks,
- provide space to consolidate maneuver and support units,
- consolidate communities,
- optimize the quality of facilities,
- assure proximity to training areas,
- minimize moves,
- give weight to favorable local/political environment, and
- remove tracked vehicles from towns.

The Army began its deliberations on force structure changes in early 1990 with a target force in Europe of 158,500, its share of the 225,000 force level approved by the President. According to USAREUR, the Army's force structure plan was designed to maintain a credible U.S. presence and commitment to the North Atlantic Treaty Organization (NATO) and to help ensure stability in the region. The Army decided to reduce its force

structure in Germany from two corps (V and VII) to one "capable corps," which would be more mobile than either of USAREUR's existing two corps and would include all necessary support. The Army's approved force structure plan, based on a residual force of 158,500 military personnel, will reduce the number of active brigade-size units in Germany.

USAREUR planners received information from seven major commands and the engineers at local military communities on the condition of the bases and installations and on other factors such as the local political environment. USAREUR first determined that it had a continuing need for 302 of its 858 installations. These installations included NATO facilities, communications and intelligence facilities, Armed Forces Recreation Centers, and some family housing units. According to USAREUR officials, the Army will save money by retaining government-controlled housing where possible and reducing the amount of leased housing.

With a baseline of 556 installations, USAREUR planners and representatives of the major commands then applied USAREUR criteria to identify which of its brigade-size installations in Germany to keep. According to USAREUR officials, geographic location within Germany was not a key factor because NATO is developing a new military strategy based on a mobile force capable of responding to a wide range of contingencies. Once the brigade-size installations were selected, USAREUR assessed which installations within each area would be retained to support the residual force. USAREUR considered the quality of facilities above the other criteria but did not assign weights to each criterion, nor did it conduct a detailed analysis of cost savings. However, USAREUR officials said that they emphasized retaining the newest and best-maintained installations on the assumption that they would be the least costly to maintain in the future.

Using this process, USAREUR identified 101 installations to close, mostly in Germany, to meet its 158,500 approved manpower level. USAREUR is continuing to evaluate the need for installations to identify additional ones to close, if and when USAREUR is told that its approved manpower level is reduced below 158,500 personnel.

Air Force Process

In January 1990, before the Secretary of Defense tasked the Chairman of the Joint Chiefs of Staff to develop a European base closure and realignment plan, the Secretary of Defense announced the closure of eight Air Force bases and installations in Europe. These actions

responded to the Intermediate Nuclear Forces treaty (e.g., removing ground-launched cruise missiles from Europe and closing the bases operated for that purpose) and the Air Force's continuing analysis of its mission requirements (e.g., closing a munitions facility in Turkey).

During the July 1990 base realignment effort, the Air Force focused its base realignment deliberations on the smaller number of tactical fighter wings it expected to remain in Europe. The process involved decisions on the types of aircraft that would be removed and the types and number of aircraft that would remain in Europe. Air Force planners also placed emphasis on achieving a geographical balance within Europe with the aircraft scheduled to remain. The Air Force then determined where excess capacity would exist once aircraft were removed and identified bases and installations for closure. USAFE planners did not use a detailed weighting or ranking system to guide their deliberations; rather, they considered factors such as (1) military value, (2) cost and manpower implications of realignment decisions, (3) quality of housing, and (4) force structure plans. As a result of these efforts, seven additional base closures were announced by the Secretary of Defense in September 1990.

As planning and budgeting guidance was modified during 1990 to reduce the tactical fighter wing level in Europe from eight to three or four wings by the mid-1990s, the Air Force reassessed bases and installations scheduled to remain open. This effort led to recommendations on additional bases for closure, some of which were announced on April 12. In cases where options existed, USAFE planners obtained information from logistics, communications, and other specialists and evaluated the pros and cons of each option.

Comparison of European and Domestic Processes

Some significant differences exist in the prescribed processes for identifying candidates for domestic and European base closures and realignments. First, although both processes were influenced by the need for budget reductions, the reduced threat, and the resulting changes in U.S. military strategy, EUCOM considered several factors that were not applicable to domestic base closure decisions. For example, the European process was driven by military personnel reductions announced by the President and included in the Conventional Forces Europe negotiations. In deciding which overseas bases and installations to close, DOD also considered political decisions regarding how much of a U.S. military presence should be retained in Europe to support NATO. Finally, host country

constraints on basing of nuclear weapons and training opportunities limited DOD's options for realigning forces, according to DOD officials.

Second, the domestic process was legislatively mandated² whereas the European process was established by DOD. The domestic process only allows closures to occur in 1993 and 1995; the overseas process is ongoing, with quarterly updates from the major commands in Europe through EUCOM to the Joint Staff. The domestic process is subject to review and approval by an independent commission, the President, and the Congress. In contrast, overseas base closure decisions are made by the Secretary of Defense.

Third, the domestic process explicitly calls for consideration of the economic and environmental impacts of base realignments on local communities (including direct and indirect employment impacts). The process used in Europe does not explicitly consider the economic impacts of base realignments on local communities. Also, while the criteria used in Europe identify environmental impact as a factor to be considered in selecting bases for closure, potential U.S. environmental liabilities are negotiated with host nation representatives after closure and realignment decisions are made.

Finally, the domestic process calls for more emphasis on verifiable data and quantifiable analysis than the European process. The domestic process, as described in a memorandum by the Assistant Secretary of Defense for Production and Logistics on February 13, 1991, called for the services to group bases with similar missions or capabilities, identify bases with excess capacity, and apply eight general criteria. The criteria, the first four of which related to military value and were to be given priority, required the services to consider

- current and future mission requirements and impact on operational readiness;

²Title 29 of the National Defense Authorization Act for Fiscal Year 1991 requires the Secretary of Defense to report to an independent commission by April 15, 1991, identifying domestic bases to be closed or realigned. The commission is to review DOD's selection process and report its findings to the President by July 1, 1991. It may recommend changes to the Secretary's proposed list but it must explain and justify them. The President has until July 15 to approve or disapprove the commission's report. If he approves it, he reports his approval to the Congress. If he disapproves the commission's recommendations in whole or in part, he advises the commission and the Congress of the reasons for disapproval and the commission has 30 days to submit a revised report. The President then approves or disapproves the revised recommendations by September 1, 1991, and informs the Congress of his decision. The Secretary may not carry out any recommended closures or realignments if the Congress enacts a joint resolution disapproving the commission's recommendations within 45 days.

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- availability and condition of land, facilities, and airspace at losing and receiving bases;
 - ability to accommodate contingency, mobilization, and future total force requirements at losing and receiving bases;
 - cost and manpower implications;
 - extent and timing of potential costs and savings, including the number of years for the savings to exceed the costs (return on investment);
 - economic impact on communities;
 - ability of communities' infrastructure to support forces, missions, and personnel; and
 - environmental impacts.

In addition, the services were supposed to (1) collect similar data from all installations potentially subject to closure or realignment; (2) provide adequate internal controls for data and analyses to ensure accuracy; (3) rank bases using weighted criteria; and (4) calculate return on investment for recommended closures.

For the European process, EUCOM established several broad criteria to guide the services. The services, however, did not use data collection, weighting and ranking, and cost analysis techniques that were as stringent as those that were to be used in the domestic process.

Scope and Methodology

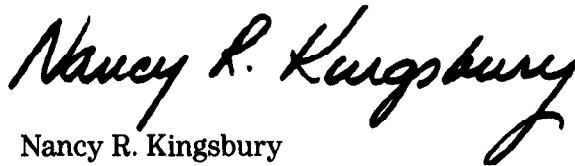
We obtained a general description of the processes the Army and Air Force used to decide which European bases to close from DOD officials and compared these processes to those that were to be followed for domestic bases. We did not examine the extent to which the Army and the Air Force followed the prescribed processes, nor did we analyze the results of their efforts to determine if the bases and the installations selected for retention were those that best met DOD's criteria. We held discussions and obtained documents from officials at EUCOM, USAREUR, and USAFE. We also obtained data from officials at the Office of the Secretary of Defense and the Joint Staff. We conducted our work during March 1991 in accordance with generally accepted government auditing standards.

As agreed with your office, we did not obtain written agency comments on this report. However, program officials reviewed a draft of this report, and we have incorporated their comments where appropriate.

We are sending copies of this report to the Secretaries of Defense, the Air Force, and the Army; the Director, Office of Management and Budget; and other interested congressional committees. Copies will also be made available to others upon request.

Please contact me on (202) 275-4268 if you or your staff have any questions concerning this report. Major contributors to this report are listed in appendix II.

Sincerely yours,



Nancy R. Kingsbury
Director
Air Force Issues

European Base Closures

Table I.1: Army

Country	Major bases and installations	Number of existing sites ^a	Sites to be closed ^b
Germany	Ansbach	21	1
	Aschaffenburg	12	7
	Augsburg	19	6
	Bad Toelz	10	9
	Bamberg	12	3
	Baumholder	25	1
	Darmstadt	21	1
	Frankfurt	44	5
	Fulda	24	4
	Giessen	42	4
	Goeppingen	8	3
	Grafenwoehr	15	6
	Hanau	30	5
	Heilbronn	15	4
	Karlsruhe	28	2
	Mainz	17	2
	Mannheim	19	2
	Munich	24	12
	Neu Ulm	24	21
	Nuernberg	30	3
	Pirmasens	23	1
	Rheinberg	16	1
	Stuttgart	43	11
Wanna Communications Annex	1	1	
Worms	23	2	
Wuerzburg	27	4	
Greece	Elevisis	2	2
United Kingdom	Chessington Hospital Facility	1	1
	Kirknewton Hospital Facilities	1	1
Total		577	125

^aDOD Base Structure Report for Fiscal Year 1991.

^bDOD and EUCOM press releases.

**Appendix I
European Base Closures**

Table I.2: Air Force

Country	Major bases and installations	Number of existing sites^a	Sites to be closed^b
Germany	Ahlhorn	1	1
	Hessisch Oldendorf	5	5
	Lindsey	3	3
	Schierstein Administration Annex	1	1
	Schwelentrup Communications Annex	1	1
	Sembach	1 ^c	1
	Zweibrucken	1 ^d	1
	Tempelhof	1	1
	Greece	Hellenikon	1 ^d
	Lefkas Radio Relay Station	1	1
Italy	Comiso	1 ^d	1
	Decimomannu	1	1
	Quartu St. Elena Annex	1	1
	Villasor Storage Annex	1	1
Spain	Estaca de Vares	1	1
	Torrejon	8	8
	Zaragoza	2 ^e	2
Turkey	Ankara	8	1
	Erhac	1	1
	Eskisehir Munitions Storage	1	1
	Samsun Radio Relay Station	1	1
United Kingdom	RAF Fairford	1 ^{d, e}	1
	RAF Greenham Common	1 ^{d, e}	1
	RAF Kemble Maintenance Facility	1	1
	RAF Marthlesham-Heath Communications Annex	1	1
	RAF Sculthorpe	1	1
	RAF Wethersfield	1	1
	RAF Upper Heyford	1 ^{d, e}	1
Total		49	42

^aDOD Base Structure Report for Fiscal Year 1991.

^bDOD and EUCOM press releases.

^cThe United States will return a portion of the main base at Sembach but retain several annexes.

^dThe Department of the Air Force counted each air base included in DOD's January 29, 1990, and April 12, 1991, base closure lists as one closure. However, these bases are comprised of several different facilities that were not individually counted.

^eAccording to EUCOM, this base will be placed on standby status and will be kept open only for war-time reinforcement or contingencies and peacetime exercises.

**Appendix I
European Base Closures**

Table I.3: Navy

Country	Major bases and installations	Number of existing sites^a	Sites to be closed^b
Greece	Nea Makri	1	1
Italy	Naples	8	1
Spain	Rota	5	3
United Kingdom	Holy Loch	2	2
Total		16	7

Note: We did not determine the Department of the Navy's process for selecting bases to close in Europe.

^aDOD Base Structure Report for Fiscal Year 1991.

^bDOD and EUCOM press releases.

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