



August 2002

Issues Paper 08-02

## United States Army Pacific and United States Army War College Lead Trilateral Strategic Planning Initiative

*By Professor Bert Tussing and Dr. Kent Hughes Butts*

The United States and the Republic of the Philippines combined Counterterrorism effort took on a fiscal dimension with the *Senior Leader Workshop on Approaches to Planning, Programming and Budgeting* held on 6-8 August 2002 in Manila. Praised by Philippine Secretary of National Defense Angelo T. Reyes for its role in promoting a more efficient allocation of resources for the ongoing war on terrorism, this strategic planning workshop was co-sponsored by the U.S. Army Pacific (USARPAC) and the Australian Department of National Defense, and hosted by the Republic of the Philip-



**Philippines' Secretary of National Defense Angelo T. Reyes greets delegates.**

pines in Manila. This is the fifth senior leader event in which the U.S. Army War College's Center for Strategic Leadership has supported USARPAC commander, LTG Ed Smith's efforts to promote U.S. Army interests in the strategically important Asia-Pacific region. Supporting this forum from CSL were Dr. Kent Butts and Professor Bert Tussing.

### STRATEGIC PLANNING

Developed under the rubric of the Pacific Command's *Security Cooperation Program*, the workshop was a follow-on to the March 2002 USARPAC-USAWC strategic planning symposium dedicated to the development of a Defense Strategic Planning Initiative (DSPI) for

# Report Documentation Page

*Form Approved  
OMB No. 0704-0188*

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|   |                                    |  |                                 |
|---|------------------------------------|--|---------------------------------|
| 1. REPORT DATE<br><b>AUG 2002</b>   | 2. REPORT TYPE<br><b>N/A</b>       | 3. DATES COVERED<br><b>-</b>             |                                 |
| 4. TITLE AND SUBTITLE<br><b>United States Army Pacific and United States Army War College Lead Trilateral Strategic Planning Initiative</b> |                                    | 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)<br><b>Center for Strategic Leadership 650 Wright Avenue Carlisle, PA 17013-5049</b>      |                                    | 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<br><b>Approved for public release, distribution unlimited</b>                                       |                                    |  |                                 |
| 13. SUPPLEMENTARY NOTES<br><b>The original document contains color images.</b>  |                                    |  |                                 |
| 14. ABSTRACT  |                                    |  |                                 |
| 15. SUBJECT TERMS   |                                    |  |                                 |
| 16. SECURITY CLASSIFICATION OF:   |                                    |  | 17. LIMITATION OF ABSTRACT      |
| a. REPORT<br><b>unclassified</b>  | b. ABSTRACT<br><b>unclassified</b> | c. THIS PAGE<br><b>unclassified</b>      | <b>UU</b>                       |
|   |                                    |  | 18. NUMBER OF PAGES<br><b>4</b> |
|   |                                    |  | 19a. NAME OF RESPONSIBLE PERSON |

the RP Department of National Defense. Under the personal oversight of the Secretary, the workshop was the second of what is envisioned to be a workshop series dedicated to what Secretary Reyes termed the “establishment of a strategic culture” within the DND and the Armed Forces of the Philippines (AFP).

The overall aim of the August workshop was to help the DND achieve a uniform system of planning, programming and budgeting for decision making that links an overarching security strategy to specific defense programs, providing the AFP the best mix of forces, equipment and support attainable within fiscal constraints. Fully recognizing the inter-agency requirements in effecting and implementing such procedures, the forum brought together senior leaders and staff from the Department of National Defense, the Armed Forces of the Philippines, the Congress of the Philippines, and the Office of the President. Accordingly, while examining the “best practices” of the PPBS systems in the United States and Australia, the participants were also afforded the opportunity to take into account endogenous factors that may affect PPBS outcomes.



**Republic of the Philippines’ Under Secretary Santos addresses delegates.**

The format for the workshop was divided between plenary sessions dedicated to describing the three countries’ existing planning, programming and budgeting systems, and syndicate breakout sessions charged with gleaning the successes and failures of each system. Out of those assessments, identifying not only the “successes and failures” but the underlying causes of the same, each syndicate developed “action plan” recommendations to enhance the resource allocation process of the DND. Presentations during the plenary sessions were provided by representatives of the U.S. Army War College; the U.S. Army Staff’s Directorate for Program Analysis and Evaluation (G-8); The Australian Ambassador to the Philippines, the Australian Department of National Defense (to include the Assistant Secretary for Resources Planning of the Australian Air Force); and higher level officials of the RP Department of National Defense (to include the Undersecretary for Na-

tional Defense, the Undersecretary for Operations, the Assistant Secretary for Strategic Assessment and International Policy, the Assistant Secretary for Installations and Logistics, the Assistant Secretary for Personnel, and the Assistant Secretary for Plans and Programs).

## **FRAMEWORK FOR SUCCESS**

Several areas of commonality emerged from the three syndicates' findings. Participants were nearly unanimous in their belief that a strategic foundation would have to be laid before any resource allocation process could be successful in the Department of National Defense. That foundation would have to consist of an overarching National Security Strategy; a National Military Strategy and a formalized Defense Planning Guidance (issued by the SND), to provide direction to the AFP in properly resourcing that strategy. Citing both the Australian and the United States systems, participants opined that such a foundation was the only means of providing for the unity of effort fundamental to an effective PPB system, and their creation was therefore essential in establishing the kinds of institutional culture and policies called for by Secretary Reyes.

While elements of these three "pillars" currently exist in the DND, participants insisted that unless all three were "codified," accessible, and transparent (especially to the civilian leadership of the Philippines), their value and perceived legitimacy is minimized. In this regard, syndicate members were particularly impressed with the model presented by the Australian "White Paper," which lays out that country's national security strategy in an open forum, accessible via the worldwide web for all to see. Along a similar vein, the participants held that successful PPBS implementation may well turn on political intervention and legislative support. Accordingly, they called for legislation similar to the United States' Goldwater-Nichols Act (*The Defense Reorganization Act of 1986*), which not only laid out requirements for the aforementioned strategies, but also compelled joint planning at the service departmental levels.

Another advantage surmised by the forum to be gained by legislative direction is a degree of continuity that had escaped the DND's PPB efforts in the past. This, they said, was largely attributable to massive re-direction in programs, policies and procedures that accompanied each new change of administration. Such a legislative mandate, combined with multi-year budgets, was seen as a key component in putting an end to the "starts and fits" that frequently characterized the Philippines' Defense PPBS in the past.

Three other significant recommendations emerged from the syndicates. First, following again the Australian example, they called for the establishment of a cabinet oversight committee on Internal Security. This committee would contain representatives from various branches of the Executive Branch of the Government, and would follow the example of Australia's Defense Capability Investment Committee (DCIC). Next, the syndicates recommended adjusting the national budget to reflect the new national security challenges faced by the Republic of the Philippines as a function of its part in the global war on terrorism. Finally, the workshop participants called for rectifying the budget's framework by carrying over funds from one fiscal year to the next, setting budget ceilings based on fiscal guidance issued by SND, and structuring the procurement process beyond the fiscal year's General Appropriations Act.

## **BRIEFOUT TO SND REYES**

The AWC team briefed the results of the workshop on 9 August to Secretary Reyes and his senior staff. The Secretary generally concurred with the findings of the forum, and directed that they be integrated into the ongoing National Defense Review, with a particular focus in providing additional efficiencies in ongoing counter terrorism operations in the Philippines. The Secretary took the opportunity to praise the renewed strength of the United States-Republic of the Philippines defense partnership, and the important role of the U.S.-R.P-Australian alliance continues to play in regional stability. The next workshop in the Defense Strategic Planning series is tentatively scheduled for late November, and will be dedicated to concerns surrounding the defense acquisition process.

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INITIATIVE**  
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Center for Strategic Leadership  
650 Wright Avenue  
Carlisle, PA 17013-5049