

Quality or Quantity: that is the Question

An interview with Col F Groen (RNLAf)

*Pauline Beeks, Lex van Gool, Tim van Griensven,
Mariska Koudijs & Fats van Rest*

NL-ARMS, 2007, xx-xx

Introduction

The Dutch Armed forces have seen an enormous change during the last fifteen years. Peace keeping and enforcing have become the major tasks. The amount of troops and equipment has dwindled, so did the yearly budget. The decline of military means is defended by the thesis that “quality is more important than quantity”. Down-sizing the means did not diminish the budgetary constraints however. Due to the new missions, ammunition has to be replenished in a higher rate and military means are wearing out quicker than expected and are in need of extra repair.

The Dutch Ministers of Finance and Defense, Wouter Bos and Eimert Van Middelkoop, respectively, are debating this year’s budget for the Armed Forces. Wouter Bos is adversary as to additional financial support to the Netherlands Defence organization, while Eimert Van Middelkoop, on the other hand, aims to prevent imminent shortages. Should Van Middelkoop fail to obtain the requested financial support, it is expected, a financial gap of 120 million euros will be the result. Against this background, the main question of our interview is “whether many simple, cheap, weapon systems can achieve more than a few complex and expensive weapon systems?” To answer this question, we interviewed Colonel Groen. He has a technical background and is the Director Material Management & Coordination in the Policy Directorate for Materiel of the Defence Materiel Organisation, responsible for preparing and managing the information on defence materiel matters for the National Armaments Director. Next to this his branch provides impartial information and advice on the main armament projects for the NAD, State Secretary and Minister. His answers increased our understanding of the complexity of the renewal of weapon systems.

According to you, why does the theme of “quality versus quantity” seems to constitute a major issue in the Dutch armed forces?

“First of all the expenditure for new equipment is still rising. This means that with the

available budget we can buy less. Secondly, the budget has diminished considerably, so there is less money for replacement. Thirdly, the expeditionary operations are different from those in the cold war period. This means more losses and the wear of material is different and more costly to repair. So equipment has to be replaced more often. These elements together make quality versus quantity a big issue.”

What does the usual decision-making procedure concerning the acquirement of new weapon systems look like?

“In the past, procedures were relatively simple. The available budget was distributed among the various services. The Army obtained half of it, and the Air force and the Navy were to share the other half. Within their mandate the services were free to decide how they would spend their money. Nowadays, Commanders of the Services ceased to exist, tasks are intertwined and operations are joint. This means that everyone has to cooperate and is dependent on each other and equipment investment programs of Navy, Army and Air force have to be coordinated. This is the reason we actually have only one single equipment investment program for which the allocation of money is proposed by the Chief of Defence.”

Do you think that the current way of decision-making is adequate? If not, what kind of adjustments would you like to carry through?

“Decision-making process for investments, the Defense Material Process, is evaluated every five years, but the changes are not always dramatic. Generally, changes are related to aspects that did not function as they were supposed to. This year’s evaluation has just taken place and the House of Commons conveyed some adaptations. Compared to other Ministries within the Dutch Government, The MoD is actually functioning quite satisfactory.”

The last fifteen years the budget for Defence has been cut gradually. For some time now, we spend less than 2% of GDP on Defence, which is the recommended percentage by NATO. This does also influence the amount of materiel we can buy. What is your opinion about this?

The defense policy and the goals of the armed forces require means whose costs are beyond the ability of the budget to sustain. We do not get enough funds for the tasks we are being asked to do. Although I don’t like this at all, we have to face the facts. We live

in a welfare state, which means that a lot of the tax-payers' money is also at the disposal of the departments of Education, Health and Justice. It is not realistic to think that in future there will be more funds available to the MoD. This means, that we will have to do our job with the available money. If in the end not every task can be carried out, some tasks will have to be cancelled. For instance, we may be able to participate in just two missions, instead of in three and will not stay longer than planned. Of course, we have to work as efficiently and purposeful as possible, but efficiency gains are limited. It is our intention to conduct our mission in Afghanistan for a period of two years. Although for an organization like the armed forces, participating in a mission might be the best training we have to keep in mind that you can not repeatedly send your people away and certainly not for too long. That is why we can not stay there much longer. People do not want to go there more than twice in a short period, mainly for reasons that have nothing to do with money. Probably, we could stay on a bit to wait for another country to transfer our tasks, but what happens if there is no country willing to replace our forces? Bear in mind that if we would leave without replacement, all our efforts will have been in vain. At the political level we have to play it hard and make sure other countries will take our place.

According to you, should the Dutch MoD invest in high-quality goods (in-depth investments) or should they expand their capacity (breadth-investments)?

“Vietnam is maybe the best example of winning a war with a minimal amount of weapons. Afghanistan is different. The coalition forces rapidly acquired supremacy due to our high-quality systems. But in a simple environment simple people require and use simple weapon systems and the other way around. In order to be able to anticipate in an adequate way you need to be aware of the skill and possibilities of your adversary and the way a certain conflict might develop. Nowadays, in Afghanistan a lot of high-quality systems were brought in which at the start perfectly suited to the mission, but things may change overnight. Simple verge-bombs can easily destroy more sophisticated systems and thus may have an enormous impact. I do not think it would be useful to return to the use of simple systems, but since we can not afford all the complex systems we have to find the right balance between the two extremes.

For the use of complex high-quality systems in the future, it would be useful for nations both within NATO and the European Union to work together. Such cooperative alliances could facilitate task specialization, under the condition that the levels of mutual confidence are adequate. Already, some of these inter-organizational alliances exist, such as NATO AWACS and the European Air Group or to be established: the NATO Airlift Management Organization, a transport pool with C-17's.

To specify quality you need to measure output, which is quite difficult. Besides, the media not always give the exact information about the status of the armed Forces. In order to stay up to date, the investment-quote has to be at least 20% and at the moment we are at 21.7%, which is quite good! It is good to keep the future in mind, while considering specific investments. For instance, we should only buy or design systems that are easy to maintain and therefore in the long term will save money. This probably also would facilitate updating so the system could stay in service for a longer period. At the moment, the tendency is to decrease the demands, which results in fewer purchases. It might be better to aim at more cooperation in order to decrease the national amount of purchases instead of diminishing the demands.”

Considering this, what is your opinion about the JSF-project investment?

“I think the Netherlands took the right decision to participate in the development of the Joint Strike Fighter. The expenses are already almost met by the profits for the Dutch economy. If the Netherlands will cease to participate, countries like the United States of America will not use the Dutch industry. With exception of building ships the Netherlands is not able to build complete weapon systems anymore. Therefore the only way in which our industry might benefit is to cooperate with industries in other countries. For example France, Germany or the United States, countries who design and produce a lot of systems for their own use. When considering the quality and quantity in other countries, Germany is a solid partner, France is doing well too. The United States has a lot of purchasing power and buys a big amount of equipment which has a positive effect on prices and also sustainment. Besides, the USA is powerful and able to push things and even when cooperating with others, is always leading in decision-making processes. However, since The Netherlands enjoy a good reputation because of knowledge and pragmatic approach many demands and proposal are taken into account.”

Do Navy, Army and Air Force decide themselves what quality equipment should have?

“No, not really. In fact the Chief of Defence is making the propositions. What is important though, is what defense related industry has to offer. And especially what Dutch industry with firms like Philips and Stork can mean for our equipment needs in the future. If these companies are interested in making quality armament and or sub-systems and want to be a player at this very difficult Market, only by European or even global consolidation and enlargement they might be able to survive at the military field and might be able to support our armed forces in fulfilling their needs.”

Is it possible to view quantity and quality apart from one another?

“This mainly depends on the situation. During humanitarian operations like in Congo, there is more need for helicopters and simple terrain vehicles than for expensive and complex systems, such as F-16. Quantity and quality are thus linked to the type of operation and can not be seen separately, especially not during the (re)construction period. Often, we see that the special transport requirements outrank the value of the equipment which is necessary to conduct the operation. This means, sometimes it is actually more profitable to purchase and sell such systems locally.”

Conclusion

The main goal of this interview was to get information about the topic quality versus quantity. Colonel Groen states there is definitely a link between quantity and quality. It is a fact, though, that in some cases there is more need for simple, cheap systems than there is for the complex one. Remember the given example of the differences between Congo and Afghanistan.

To decide whether to buy the cheap, simple systems or the complex and expensive ones is difficult, and sometimes dependent on the rules and statements of the government or the European Union. Sometimes parties have to co-operate to achieve mutual objectives.

To conclude, it depends on the situation and on the rules made by different organizations or governments, whether it is better to have or invest in the simple, cheap weapon systems or in the complex and expensive weapon systems.