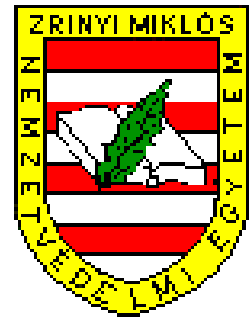


**ZRÍNYI MIKLÓS**  
**NATIONAL DEFENCE UNIVERSITY**  
**DOCTORAL COUNCIL**



LTC (Eng.) Zoltán Kasza

**ACTIVITIES OF THE NATO LOGISTICS WORKING GROUPS AND THE  
ALIGNMENT OF PRODUCTION LOGISTICS AND MILITARY CAPABILITIES**

Executive Summary for Ph.D. orals

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**I.**  
**SIGNIFICANCE OF THE TOPIC AND**  
**DEFINITION OF THE RESEARCH TOPIC**

Following conclusion of the Cold War and termination of the Warsaw Pact, the European security situation changed in a fundamental fashion. As the military arm of the Euro-Atlantic community and fundamentally as a political organization, the North Atlantic Treaty Organization (NATO), had to develop new interactive strategies to meet the emerging challenges facing the organization. In the global sense, it had to decide how it would interact with other security organizations. One new initiative beginning in 1993 was the Partnership for Peace (PfP) program, which lived up to expectations, by among other things establishing the basis for the logistics cooperation necessary to support changing NATO strategic concepts.

After the security policy orientation of the Republic of Hungary changed, it became evident that then existing international logistics connections would have to be replaced in their entirety, by a new system relying on consensus-based decision making mechanisms capable of satisfying both national and international military requirements, interests and demands. Indeed, a new, quality-oriented logistics support system, capable of satisfying new military support requirements, would have to be created. At the same time, within the context of national military reform, the military logistics system was required - and to this day continues to be required - to accomplish its missions and to meet the capability-based logistics challenges with a much smaller complement of personnel. Adding to the complexity was the requirement that logistics had to support NATO offered-up forces operating within a multi-national environment.

Obviously, military logistics does not represent the central theme in international military relations, however it is true that logistics support, and therefore national logistics working groups, must always align themselves with the changing military missions and their operational requirements.

In this historic situation **the significance of this study** is reflected in the new complexities faced by logistics working groups in the satisfaction of national interests, and in the necessity for determining the most cost-effective means of providing military logistics support. International military logistics cooperation remains a linchpin in the effectiveness of the Alliance.

This **scientific study** intends to analyze the impact of the integrated international military logistics system within the context of the emerging European security system during the last five years of our membership in NATO. The basis and conditions for harmonizing national logistics requirements with those of the Alliance has not been studied within the context of the work of the NATO logistics working groups. Analysis concerning the planning works of these groups and the essentially spontaneously evolving activities of the national delegates have not been conducted in a scientific fashion.

As of now, there is no means of measuring the cost-effectiveness, or the degree of harmonization between national interests and those of the Alliance. As a result, there is lack of defined conditions upon which to base the evaluation of this important issue. The principles of international cooperation embodied in the MOD Defence Task List (HM Védelmi Szakfeladatrend) and their implications<sup>1</sup> in the regional and in the economic senses on determination of national positions and instructions issued to national delegates; on the exact mathematical modeling and analysis of the effectiveness of national logistics programs; and for development of normative financial plans, all pose such significant challenges to those managing production logistics activities, that these issues can legitimately become topics of future scientific research.

## II.

### MOTIVATION AND OBJECTIVES OF THE RESEARCH

**Objective motivation for the research** is embodied in the general need to analyze the contextual and operative principles and methodologies that have arisen as a result of the challenges stemming from the changed European security situation, and from experiences gained during our five-years of NATO membership. Additionally, there is a need to correlate national and international military logistics requirements in a manner that permits analysis of the effectiveness of such activities.

**Subjective motivation** stems from my own experiences since 1996 in dealing with the re-orientation of military logistics within the Hungarian Defense Forces. At the same time, related organizational changes have had a direct personal impact on me, on my work, and on the HDF central logistics institutions. In tandem with the establishment of the MOD National Military Representation Offices in Brussels and Mons, with establishment of the American military base at Taszár, and with the execution of IFOR and SFOR missions,

<sup>1</sup> Falling within the purview of the MOD Deputy State Secretary for Economic Management.

I had a leading role in planning Hungarian NATO oriented central logistics contacts. I also had a leading role during the planning conference for NATO exercise COOPERATIVE DETERMINATIO-97, in the actual execution of TRILO-98, an Italian-Slovenian-Hungarian exercise, in developmental planning for the aborted AFOR (Albanian Forces), and in numerous other projects I could name.

Throughout the last 8 years I have gained so many personal experiences in the area of international military logistics cooperation, that in my opinion it was justified that they be included in the 4 years of research and correlation leading to this work.

### III.

#### OBJECTIVES OF RESEARCH

1. **Analysis** within the context of defense economics, of the concepts of Alliance and national military logistics, and on the basis of this work **proving** the integrated relationship between the various subsystems of production and user logistics systems.

2. **Charting** the organizational structure of NATO military logistics groups, their operational principles and decision-making mechanisms, and **evaluating** the suitability and capabilities of these organizations to support attainment of national military logistics requirements. Additionally, to **work out**, within the context of national offered-up forces, the system of correlation between national and international military logistics requirements.

3. **Evaluation** of the impact of the PFP program on our familiarity with, and understanding of, Alliance doctrines, decision-making mechanisms and the degree to which their adoption supported development of our national representation in Alliance military logistics working groups.

4. **Evaluation** of how the logistics Interoperability Objectives of the Planning and Review Program Process contributed to the transformation of the HDF into a capability based force and to reorganization of the national operational planning system and to **show** the correlation of the objectives of the military logistics working groups with the existing objectives of military reform.

5. **Working out** the means for objective measurement of the effectiveness of national representatives, including the main principles and elements for evaluating individual accomplishments.

6. **Working out** an automated database to provide planning information required by the military logistics working groups.

7. **Working out** the process for determination of national viewpoints in support of the work of the national representatives within the context of military logistics working groups.

8. **Creating** the means to support the work of military logistics working groups with appropriate resource and funding as part of the MOD international relations program and the MOD Defense Tasks List.

9. **Determining** the possibilities of regional cooperation and **defining** its major elements and main processes within the context of international military logistics

#### IV.

#### RESEARCH METHODOLOGY

1. Following a review of the available professional literature, the research work will proceed with a **general, and specific review** of the elements of the project.

2. Using the **deductive method**, analysis will be conducted of the historic relationship between Alliance cooperative mechanisms and individual national logistics support systems.

3. Through **systematic observations** gained at professional conferences, lectures, exercises and other international events, analysis of the effectiveness of the principles embodied in NATO documents, as compared to actual practices.

4. Using mathematical methodologies, an attempt to **define comparative analogies** between international concepts for military production and user logistics, the actual execution of leadership decisions, and the possibilities for additional international cooperation.

5. Through interviews with experts, **summarize** the experiences of those now and previously participating in NATO assignments.

The oral dissertation is based on **theoretical and actual research**, as **concluded through 30 September 2004**.

**Scope of research:** Based on basic Alliance and national principles concerning military production logistics, the systematic analysis of the activities of NATO logistics working groups, of the role of national interest and their importance within the international military logistics system and interdisciplinary elements.

**The research will not extend:** To analysis of the central and service-level tasks of military logistics; the logistics support aspects of peacekeeping operations; the specifics and internal details of military logistics support tasks; the possibilities inherent in civilian logistics support to NATO; the detailed analysis of defense economics and organizations<sup>2</sup>; or to the complete analysis of the economics and effectiveness of international military logistics support systems.

## V.

### RESEACH PAPER STRUCTURE

In symmetry with the established goals of the research and the basic hypotheses, **the information is presented in five basic elements:**

**Chapter one** contains an analysis of the national and international military logistics principles and systems, as well as associated NATO organizations, institutions, committees, working groups, and meetings.

**Chapter two** contains a review of Alliance principles associated with the changing European security environment; the forms and areas of strategic international cooperation; and opportunities for coordination of national and international military logistics, with special emphasis on our own national possibilities.

**Chapter three** outlines the concepts and methodology for determining the mathematical measures of effectiveness for national and international military logistics support, as well as a determination of methodologies for integrating national logistics viewpoints into NATO military logistics principles and methods for production logistics issues and the integration of MOD international tasks and the MOD Defence Task List.

**Chapter four** outlines the possibilities inherent in the linkage between national and international production logistics functions, in integration between national defense economics and the work of NATO logistics working groups, with special emphasis on our donor roles as an integral part of our NATO memberships/

<sup>2</sup> For example.: Areas of international cooperation; the missions of NATO organizations, etc.

**Chapter five** contains a complete summary of the research results, a synthesis of the goals, results and consequences of coordinating national and international production logistics, as well as logistics related recommendations stemming from the wealth of individual experiences and exercises.

## **VI. SUMMARIZED RESULTS**

The research will include not only a summary of the means for coordinating individual national interests, but also the new collective interests which fundamentally influence the coordinated work of the military logistics working groups. The Alliance sought and developed historical answers to the challenges impacting the Euro-Atlantic community by initiating the PfP program. This contributed to regional stabilization and provided an opportunity for the establishment of a unified European security environment, without regard to lines of historic division. The PfP program created a new consensus and a forum for coordinating national and international military logistics. While this program may differ in individual content, it also leads towards a linkage between national subsystems and effectively provides support to established international interoperability initiatives. It also provided a framework for the work of the Alliance military logistics working groups.

In addition to understanding the results of the Partnership Planning, Analysis and Review Program (PARP), I consider it necessary to review, analyze and evaluate actual experiences to insure that the ongoing defense review and the resultant force reorganization effectively influence development of the Portfolio Defense Planning System (Hungarian: TVTR). The objective should be development of an armed force on the basis of required mission capabilities and based on planning-norms and detailed resource and cost analysis.

The content of Alliance logistics doctrines has been adopted and inducted into national doctrines and the detailed analysis and employment of effective and practical measures has become a daily occurrence. In my opinion it has been proven that national and international logistics requirements are indivisible and that they require mutually supporting and integrated defense economic systems, which can become successful only through complex and detailed understanding by members of the NATO military logistics working groups.

In addition to defining the basic concepts of military logistics I have tried to illuminate the fact that sustainment of the armed forces, their modernization and operational support, - manifested in a variety of material and non-material forms – always takes place within a

complex system of interrelated relationships and requirements. National military logistics planning is an amalgam of military and national security, economics, national defence and indeed national interests, all of which influence the work of the Alliance military logistics working groups.

The material contained in the dissertation concerning the principles of military production logistics support both national and international requirements and also serves to eliminate any potential conflicts of interest. With establishment of the basis for automated and mathematical support for production logistics and with review of the work of the NATO production logistics working groups, the NATO Military Production Logistics Committee Database will make it possible to define the exact relationship between national and Alliance requirements in the future. This will contribute meaningfully to a more coherent evaluation and determination of national military logistics requirements.

It now becomes possible to determine the active and passive elements of planning and preparation required by national representatives participating in international military logistics fora, committees and working groups. It will also provide meaningful assistance toward coordination of national and international requirements.

As a result of the research it is possible to demonstrate that military logistics requirements are determined not on the basis of isolated interests, but rather on the basis of the MOD Task List, the force and capability development initiatives (FP/EG)<sup>3</sup> and associated logistics requirements. With determination of the MOD Task List, national and international resource and budget requirements can be integrated with international requirements and with norm-based planning processes.

It is however important to remember, that the missions and tasks of the national representation office outlined by me require additional development and refinement. It is essential that in the future we provide our military representatives with an opportunity - between the two annual meetings of the military logistics committee - to monitor accepted/offered-up/approved force modernization developments from the standpoints of results and legality. It is essential that the activity of the representatives not be limited to the writing of reports. It is also an important aim of the NATO military logistics working groups to ensure accomplishment of national military modernization objectives (FP/EG).

During the overall economic analysis of the work of the international military logistics working groups, it became evident that economic factors presently have little to do with the

<sup>3</sup> FPs = Force Proposals, EGs=European Generals



work of the committees, but that, from the standpoint of production logistics, their work exerts a significant influence. (Example: Host Nation Support).

Within the context of Alliance-level international cooperation both the NATO military logistics working groups and the national military representative have direct and indirect influence over coordination of logistics support issues. Coordination of national interests, manifested during working group meetings, and the elements of indirect coordination can be accomplished within an integrated international system tied to the MOD Task List and the 10-year rolling modernization plans.

The existing operational mechanisms of the National Armaments Director can be extended to cover EU/WEU issues under the coordination of the Deputy State Secretary for Economic Affairs. The system of national military production logistics developed by me, can provide a balance for the optimum use of the resources and capabilities of the Alliance European Security Defense Initiative (ESDI) and of European Security Defense Policy (ESDP). The logistics aspects of regional cooperation initiatives (AFSOUTH, South Eastern European Initiative, the Visegrád 4+1<sup>4</sup>, the Mediterranean Dialogue (MD), and Russian-Ukrainian contacts) still embodied in the PfP cooperation program reinforce the internal and external stability of the Alliance; support our international donor activities and harmonization of the national logistics capabilities with the work of the Alliance working groups.

**Summary of the results of the research:** The results of the work of the NATO military logistics working groups and those of the national delegates - based on national and international concepts, cooperation, integrated planning - are determined in one respect by the need to harmonize national logistics initiatives with international requirements, and on the other by the need to harmonize resource and budgetary allocations with the objective of developing integrated logistics support capabilities.

## VII.

### SCIENTIFIC RESEARCH RESULTS

**7.1. It has been proven** that effective representation of integrated national production logistics interests and initiatives within NATO working groups, requires that national representatives have comprehensive understanding and preparation, so that they can work meaningfully within the various NATO logistics related working groups, committees and institutions.

<sup>4</sup> Visegrad4+1: Hungary, Czech Republic, Slovakia, Ukraine

**7.2. It has been proven** that our participation in the PfP and PARP programs provides opportunities and a basis for gaining familiarity with effective operational methodologies, the decision-making processes and interoperability goals of the NATO logistics working groups, and of the logistics underpinning of force modernization objectives (FP/EG).

**7.3. With development** of the national representational methodology based on the operational principles of military logistics and in coordination with the work of the international logistics working groups, as well as integration of logistics requirements within the MOD Task List, I have **worked out** the basis for determining the resource and budget requirements of our international logistics cooperation.

**7.4. With definition** of the relationship between military capability and military logistics interrelationships, I have **worked out** the means for coordinating the active and passive elements of national and international logistics systems. I have **defined** given means for objective mathematical measurement of the effectiveness and results of our national representatives.

**7.5. I have developed** a systematic operational database for support of the activities of the NATO logistics working groups, which make it possible to support harmonization of our national interests with those of the Alliance.

**7.6. Within the integrated framework** of the PfP program and bilateral international cooperation, I have **systematized and determined** those areas of activity, which, while reinforcing our donor role, also support attainment of our FP/EG capabilities, while working within international logistics working groups.

## VIII.

### UTILITY OF THE RESEARCH AND RECOMMENDATIONS

**8.1.**The research provides a **systematic basis for evaluation** of the work of portfolio wide (MOD/HDF) logistics organizations, of basic logistics documentation, and for determination of the basis for leadership decisions.

**8.2.****It can contribute** to development of the logistics-based elements of the capability-based armed forces, to the work of the production logistics working groups and to the overall effectiveness of military logistics support.

**8.3.It can contribute** to development of a unified and integrated MOD defence economics and logistics system, and indeed to improvement of the effectiveness of the military production logistics working groups.

**8.4.It provides a basis** for integration into the expanding Alliance logistics system and to evaluation of the work of national representatives.

**8.5.It creates the basis** for the unified and integrated planning and financing of international logistics cooperation.

**8.6.It provides a theoretical basis** for preparation of delegates assigned to NATO liaison and logistics working groups.

**8.7.It creates** methodologies for the exact measurements and therefore the normative determination necessary for the **effective economic management** of the portfolio.

**8.8.It provides a roadmap** not only for regional cooperation, but also **assists** putative new NATO members in their preparations for membership and the potential modernization of their own logistics systems.

**8.9.It provides a theoretical basis** for preparation of students at the Zrínyi Miklós National Defense University.

**8.10. It enhances** the Zrínyi Miklós National Defense library and supports the research work of future scholars.

## **IX.**

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Submitted on 4 October 2004.