

Defence Management and Strategic Studies: Defence Planning and Budgeting

Lt Gen A V Subramanian AVSM, VSM (Retd)

03 Apr 2023

Monday

0900 to 1100 h



Agenda

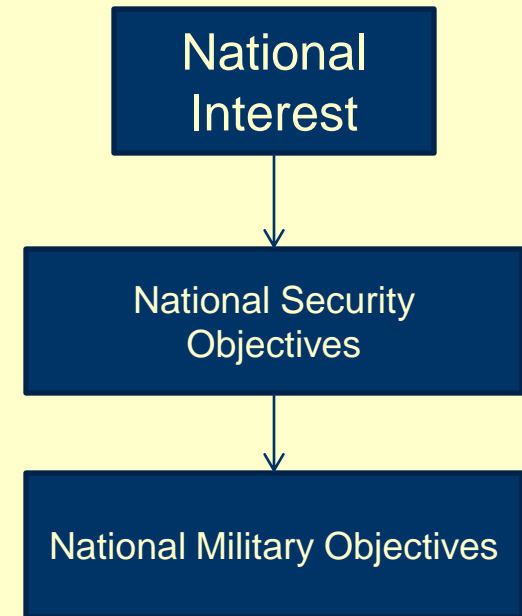
- Defence Planning Process
- Strategic Gap
- Approaches to Defence Planning
- Indian Approach
- Financing the Plan

Defence Planning

- Process that Investigates possible future operating environment.
- Arrive at a 'Force Structure Development Plan' to best adapt the Defence Organisation to those environments given a host of constraints including financial ones

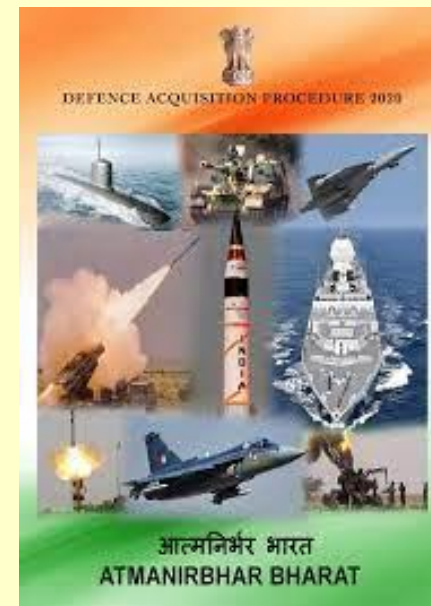
Defence Planning- Purpose

- To establish link between National Interest (NI), National Security Objectives (NSO) and National Military Objectives with military instrument.
- Formulate and promulgate parameters and strategic guidance for development, maintenance and employment of desired and existing military capability.
- Integrated Capability Development Plan (ICDP)



Defence Planning: DAP 2020

- Planning process would evolve from the National Security Strategy/Guidelines (as and when promulgated) and Raksha Mantri's Operational Directive.
- HQ IDS (Integrated Defence Staff) will prepare a 10-year ICDP in consultation with the SHQ, every (five years), comprising of two five-year plans.



Defence Planning – Integrated Defence Staff

**Determined
by the
Elected Govt**

**Variables in
Defence Planning:
Ways, Ends &
Means of Defence**

**Ends for Defence
Military Tasks in
Support of NI &
NSOs**

**Ways of Defence
How Armed forces
would be used to
meet ends
(Strat/Op Concepts)**

**Task of
Mil
Planners**

**Means of Defence
Instruments of the
Armed Forces:
Navy, Army,
Airforce**

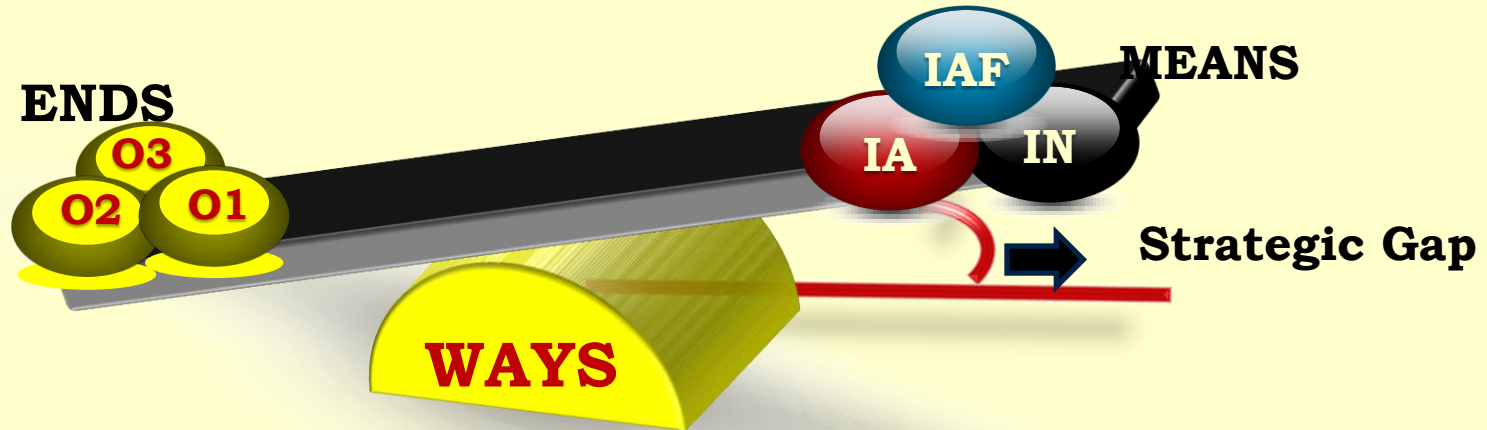
**Balancing of Ends,
Ways & Means
Essential in
Defence Planning**

**Politico -
Mil Task**

Narrowing Strategic Gap

Scale Indicates:

- Ends desired from Armed Forces by Political decision makers
- Taking into considerations the approved defence Posture (Ways)
- Balanced by Means



- Requires substantial resources
- Imbalance leads to 'Strategic Gap'
- Aim of Def Planning : Narrow Strategic Gap

Time Horizon in Indian Context

Long Term

- 10 Years
- ICDP

Medium Term

- 5 Years
- Defence Capital Acquisition Plan

Short Term

- One to Two Years
- Annual Acquisition Plan (Roll On)

Strategic Development – Niti Aayog

In consonance with Niti Aayog vision for Strategic Development beyond 12th Five Year Plan, following proposed:-

- 15 year Vision Document (FY 2017-18 to FY 2030-31)
- 7 years Capability Development Strategy (FY 2017-18 to FY 2023-24 and subsequent period FY 2024-25 to FY 2030-31)
- 3 years Capability Development Action Plan (FY 2017-18 to FY 2019-20 and subsequent periods FY 20-21 to FY 2022-23, FY 2023-24 to FY 25-26 and so on)

DAP 2020

In planning process, Integrated Capability Development Plan (ICDP) covering planning period of 10 years.

Approaches to Defence Planning

Top Down

Bottom Up

**Resource
Constrained
/ Budget
Based**

**Technology
Driven**

**Risk
Avoidance**

**Historical
Extension**

**Incremental
Approach**

**Scenario
Based
Planning**

**Threat
Based
Approach**

**Capability
Based
Planning**

Classification of Approaches

PLANNING PROCESS BASED

- Top Down
- **Bottom Up**
- Resource Constrained or Budget Based

TECHNOLOGY / HISTORY

- Technology Driven
- **Risk Avoidance**
- Incremental Planning
- **Historical Extension**

FUNCTIONS OR CONCRETE SCENARIOS

- Scenario Based
- **Capability Based**
- Threat Based

Top Down (Planning process)

STRATEGY TO TASK APPROACH

NSO-NMO-Military Missions



ADVANTAGES

**Explicit Political
Direction**

Long Term View

**Well Defined
Timelines**

**Mid Course
Correction**



DISADVANTAGES

**Tendency to be captivated by
future at expense of current
realities**

**Depends on awareness of security
related issues at the top**

Bottom Up (Planning process)

EMPHASIS ON CURRENT CAPABILITIES & THREATS



ADVANTAGES

Conforms to fiscal limitations

Improve capabilities with existing forces

Attempts to innovate strategies & refine war plans



DISADVANTAGES

Lacks explicit political direction

Tends to ignore the future

Bottom Up – Historical illustration

INDIAN ARMED FORCES

- **Fd Marshal Manekshaw's Advisory role in delaying 1971 Liberation of Bangladesh to Dec**
- **Gen Sundarji's impetus towards mechanisation**
- **Building an Indigenous Navy**

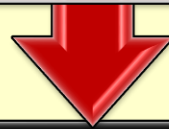
US ARMED FORCES

- **Post Cold War**
- **Services involved in strategy making & force structuring post demise of the Soviet Union**

Resource Constrained/ Budget Based (Planning process)

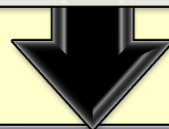
RESOURCES/ BUDGETARY REALITIES DRIVE DEFENCE PLANNING

Aim is to provide a military force sustainable within provided budget



ADVANTAGES

Maximise defence capability & value for funds available



DISADVANTAGES

Avoids investigating force structure options that are more expensive regardless of potential performance jumps

Historical Illustration: Resource Constrained/ Budget Based

“The lingua franca of defence planning has to be money, not strategy”

Strategy and Defence Planning Colin Gray

**Strategy and Defence Planning: Meeting the Challenge of Uncertainty
Book by Colin S. Gray, 2014**

UK ARMED FORCES RESOURCE CONSTRAINED PLANNING

FUNDING

- **7.5% cut in Defence budget from 2010-2014**

MANPOWER REDUCTION

- **Army : 7000**
- **Navy : 5000**
- **Airforce : 3000**
- **Implication - Max OSD force : 30,000**

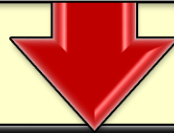
Technology Driven (Technology/ History)

**DRIVER FOR POLICY AND DECISION MAKING IS TO KEEP PACE
WITH 'STATE OF THE ART TECHNOLOGY'**

**Aim is to gain tech
superiority**

**Tech advances closely
monitored**

**New tech integrated fastest
into military force**



ADVANTAGES

**Armed forces field latest
technology**

**Can help in reduction of
manpower costs**

**Tech can provide
asymmetric advantage**



DISADVANTAGES

Highly expensive

**Requires ready access to cutting edge
technologies**

Risk Avoidance (Technology/ History)

**PROVEN CONCEPTS & STRUCTURES OF THE PAST ARE
EXTRAPOLATED AND EXTENDED INTO THE FUTURE**

**Conservative
Approach**

**Doing things as done
in the past**

**No change until proven
wrong**



Force development adheres to current military security concerns, current strategy, doctrine, tactics and **incorporates new tech, forces or doctrine only when proven wrong**



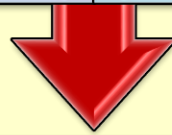
Method seeks to maintain **status quo**

Incremental Approach (Technology/ History)

EVOLUTIONARY APPROACH TO IMPROVE EXISTING INVENTORY : INCREMENTAL IMPROVEMENTS TO EXISTING EQUIPMENT

**Gradual but assured enhancement of
current capabilities**

**Concentrates on near term
developments and options**



**Suited for nations with relatively assured levels of military
security with **nil or marginal levels of security concern****



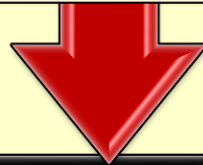
**Incremental approach does not cater to sudden and dynamic
variations in threat levels**

Has the Indian approach been incremental?

Historical Extension (Technology/ History)

WHAT WORKED IN THE PAST WILL WORK AGAIN IN THE FUTURE

Analysis of future operations effectiveness of various options is based on a historical analysis. Past operations are evaluated to identify factors that most significantly contributed to success and/or failure



Military capabilities and forces then adapted to take **advantage of the positive factors while **avoiding negative ones****



Suited, for example, when planning for CI Ops (incl elements of Civ – Mil Ops, Combined Operations and Info warfare)

Scenario Based Approach (FUNCTIONS / CONCRETE SCENARIOS)

Utilises a set of plausible scenarios for employment of forces in the future



Situations specified in terms of geographical, civilian and military parameters



'End State' visualised and depending upon desirability or otherwise, of a specific 'End State' measures including military are identified either for helping the realisation of the 'End State' or for preventing it from emerging

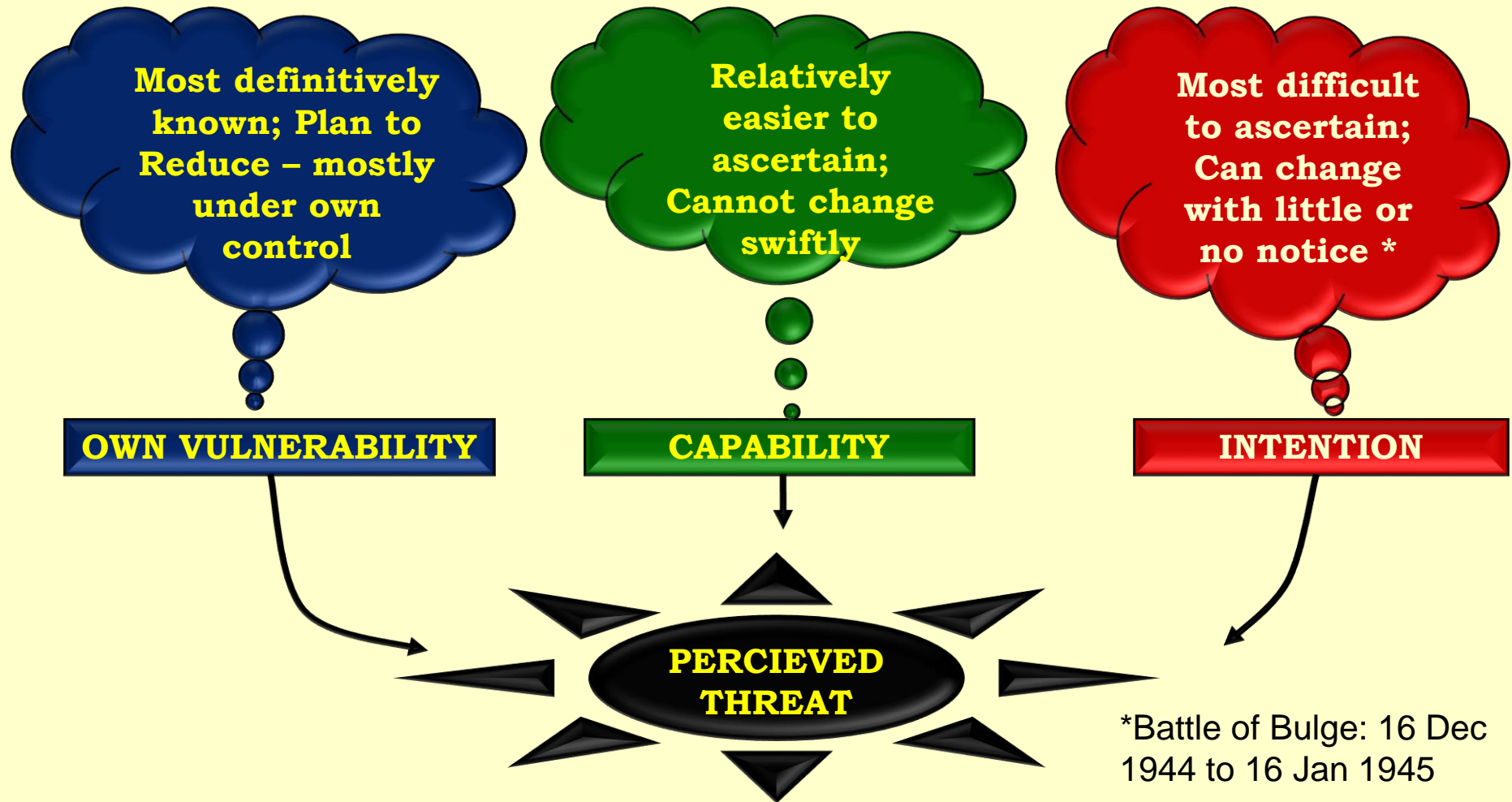


Military forces required for successfully undertaking military missions are identified and planning carried out to develop such force

Threat Based Approach (FUNCTIONS / CONCRETE SCENARIOS)



THREAT BASED APPROACH



Capability Based Planning (FUNCTIONS / CONCRETE SCENARIOS)

Involves a functional analysis of expected future operations

Future operations linked to a Number of likely & plausible 'Scenarios'

Current/ future capabilities of likely adversaries taken into account



The outcome of such planning is not concrete weapons systems and manning levels, but a **description of the tasks expressed in capability terms**



Once the capability inventory is defined, the most cost-effective and efficient physical force unit options to implement these capabilities are derived

Capability Based Approach: Why?

EXISTING

Requirement Generation
System (RGS)

Integrated at DoD

Systems

Requirements

Service Service Service Service

Bottom Up, Stovepiped

DESIRED

Joint Capabilities Integration and
Development System (JCIDS)

Strategic Direction

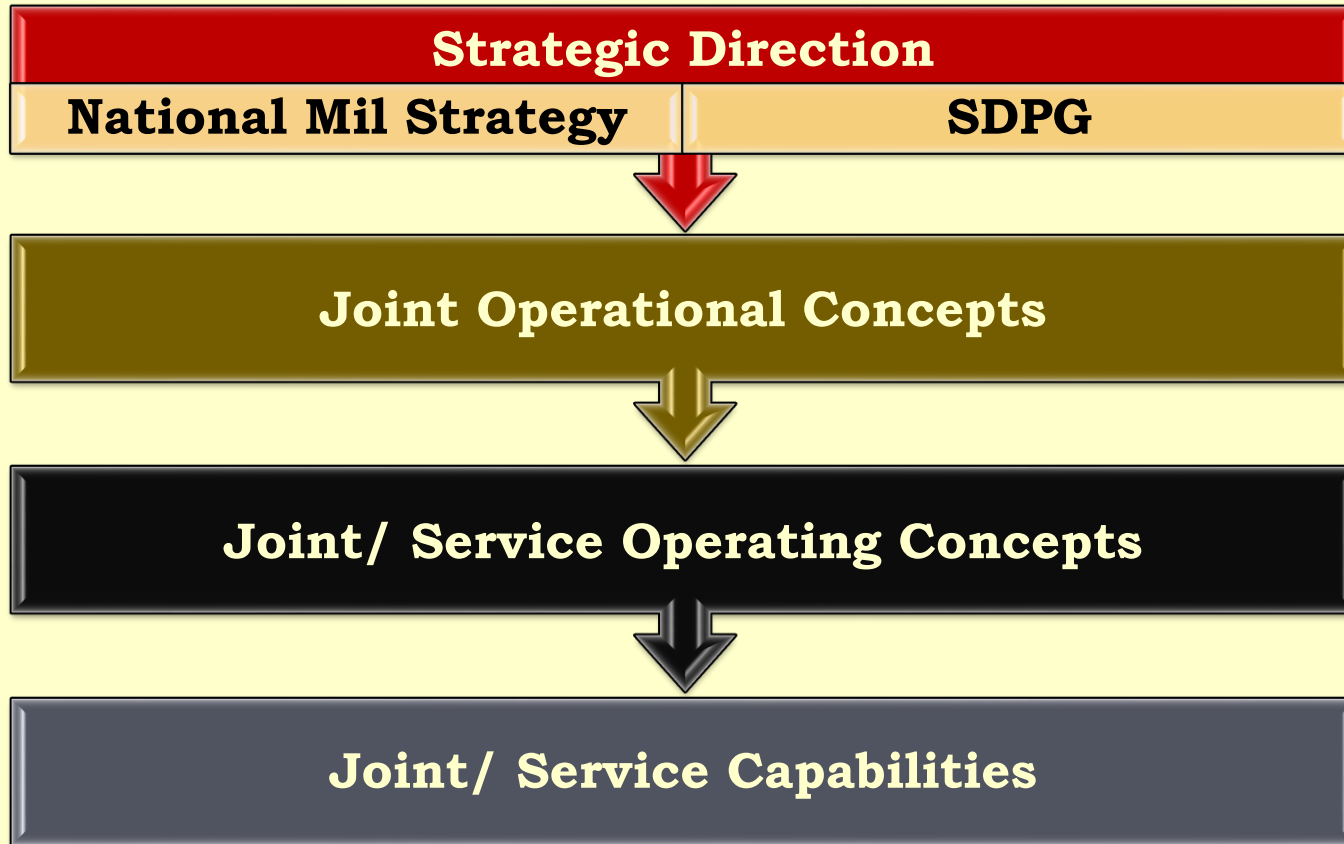
Joint Operations Concepts

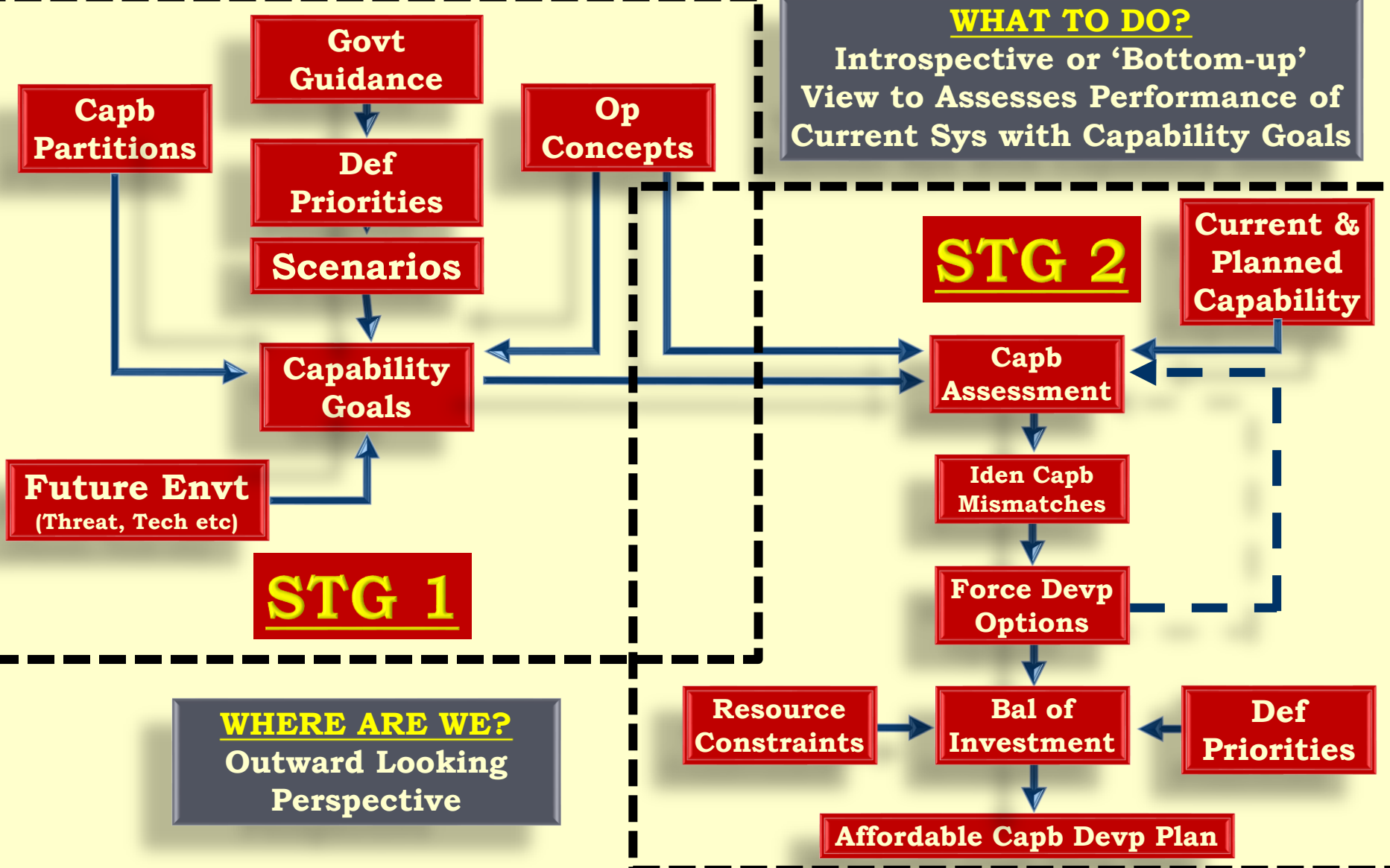
Joint / Service Operating Concepts

Joint Capabilities

CAPABILITY BASED APPROACH

CAPABILITY BASED PLANNING IS ESSENTIALLY A 'TOP DOWN' APPROACH





INADEQUACIES OBSERVED

**Limited
political
direction**

**Limited joint
service synergy**

**Bounded
scenarios**

**Differing threat
assessments by
all three
services**

**Limited inter
operational
capabilities**

**Turf protection
leading to
triplication of
capabilities**

**TIME TO MOVE TOWARDS A THREAT CUM CAPABILITIES BASED
APPROACH ?**

DESIRED APPROACH TO DEF PLG – INDIAN PERSPECTIVE

ERSTWHILE APPROACH

REQD APPROACH

Partially Interoperable Capabilities

Strategic Direction

Late Integration

Joint Warfighting Concepts

Services Procure Systems

**Joint Analysis, Assessment
Validation & Selection of Solutions**

**Service Analysis, Assessment
Validation & Selection of Solutions**

Services and Joint/ Integrated Commands

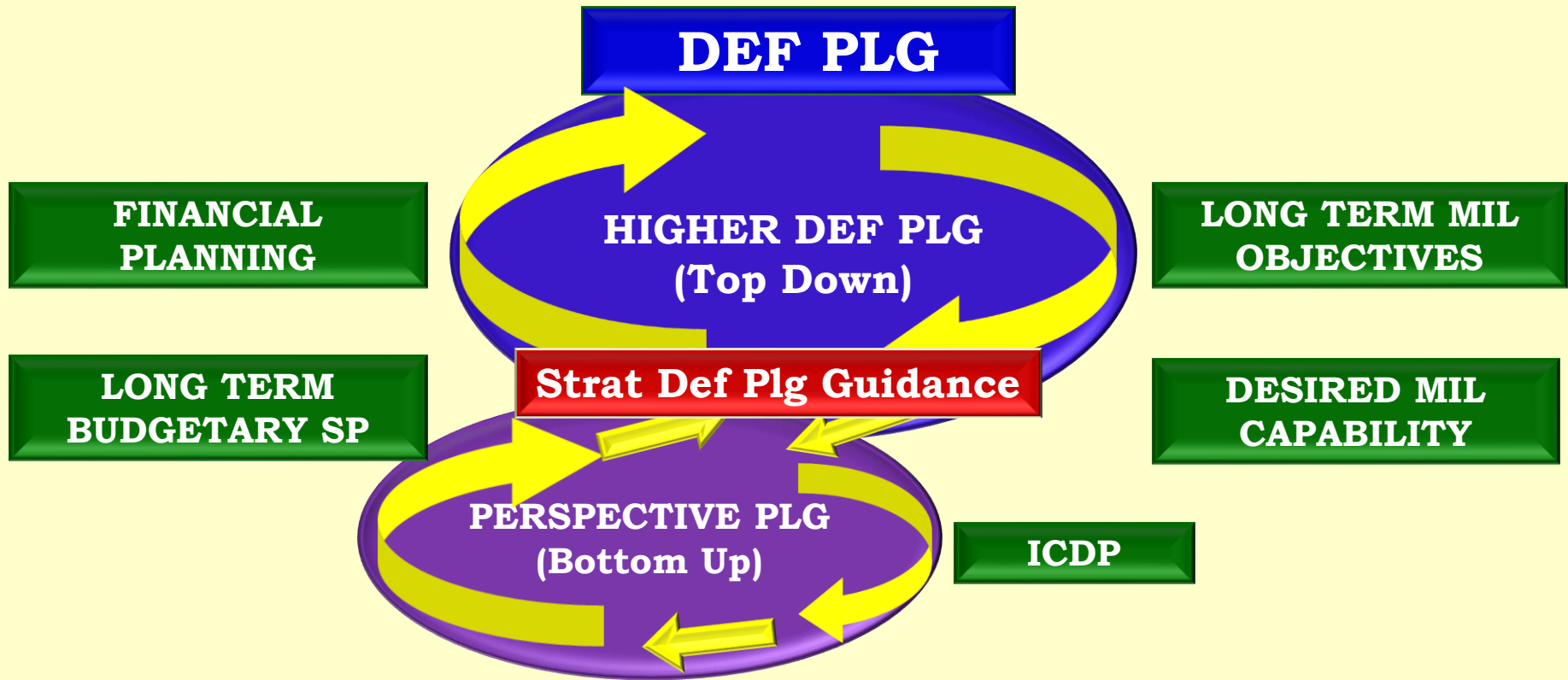
Service Specific Vision & Requirements

Joint Capabilities

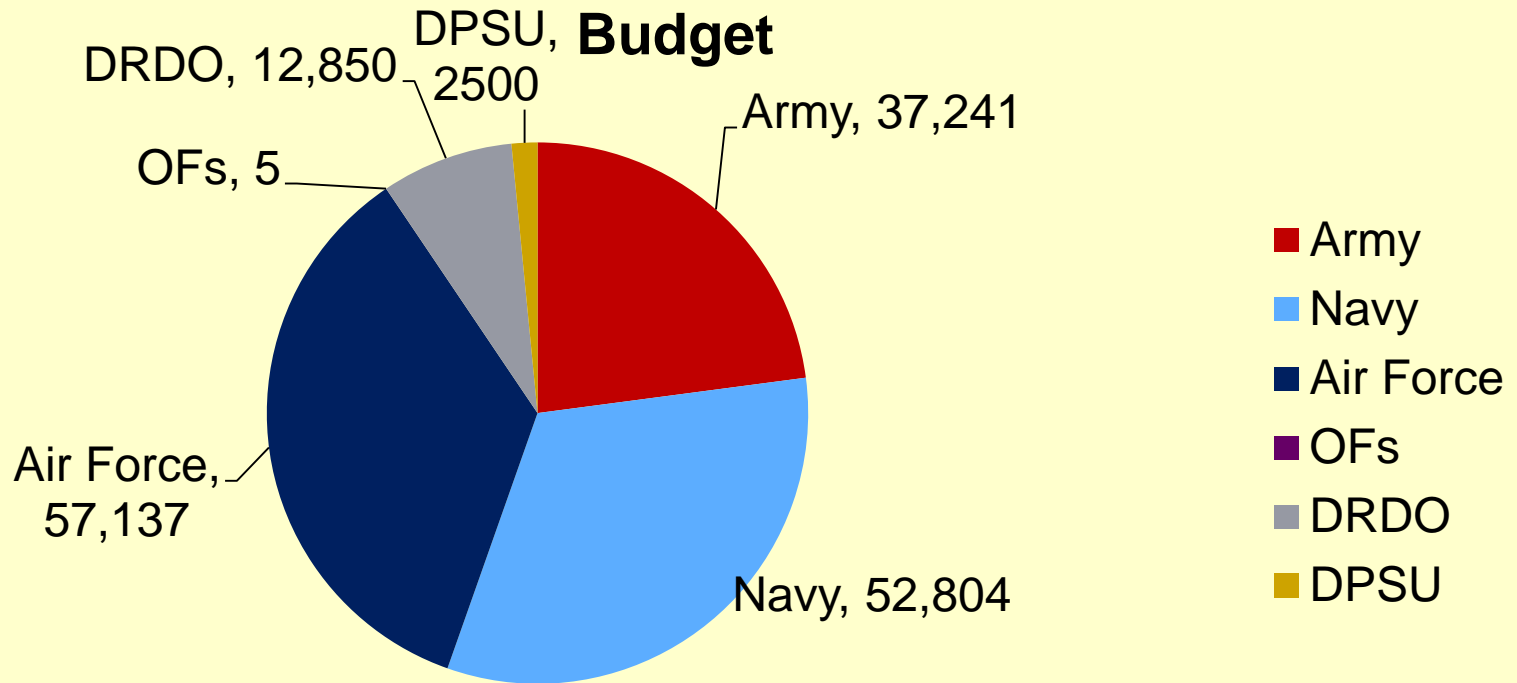
Defence Planning Cycle

National Security Strategy Formulation

[National Aims, National Interests, National Security Objs, National Security Strategy]



Defence Estimates: Capital: 2023-24



Allocation under Capital Acquisition: Rs 1,62,600 Cr

Summary

- Defence Planning Choices
- Technology can surprise
- Mixture of Planning Approaches
- Funding the Plan will continue to be a challenge

Questions?

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