

I don't know if that is the case today, but these are some questions that have to be addressed. I am very concerned about the exploding cost of defense and its impact on the economy. We didn't today get into the problem of what I call institutional reform, but I am concerned about that.

Mr. KUHN. It seems to me there is destructive competition like the kind you have just described quite correctly, and there is constructive competition.

I think in those institutional reforms that you are speaking of, we have to institute constructive competition between the services for missions, for hardware, for tactical approaches to combat threats and such, and, yet, we have to structure that reform in a way where we don't get back to this destructive competition, which is the kind that you were describing.

If we want a good close combat air-to-air fighter, why do we have to have one for the Navy and a different one for the Air Force?

Chairman ROTH. Correct.

Mr. KUHN. We agree that doesn't make much sense. One of the best suggestions that I have heard in the recent past is that we have a very large—it amounts to a natural—institutional split between the active services, on the one hand, and the Reserves and National Guard. They are essentially two different groups of people, institutions, et cetera. This split provides a very nice way to set up constructive competition.

We might do well to focus much more and different effort on the National Guard and Reserves. They potentially constitute a healthy, independent source of ideas on, for example, better ways to structure and train our units, better equipment designs, and even better tactics.

In the case of weapon design, you want eventually to get one weapon out of a design competition. But the Guard and Reserves form an institutional fact of life that could, if properly utilized, work to our benefit. We need to tap that resource. It sounds, I realize, like it could introduce an enormous and colossal confusion. If it is done badly it would just add to the kind of destructive competition that you are speaking of.

But I think it could be done correctly, and I think it is worth investigating further.

Chairman ROTH. I must say with respect to the National Guard and the Reserves, I would hope that they might help provide part of the answer to the escalating manpower costs, and you have raised a point that I must say, at first blush, gives me some concern. I think we have got too much destructive competition between the services.

But I am going to have to draw the hearings to a close today. I understand you may be making further analyses of the SAR that was issued yesterday.

I would very much appreciate it, if you would, letting us have the use of your comments in this area.

Mr. KUHN. I would be happy to.

Chairman ROTH. I want to thank you for your very thought provoking testimony and article. One of the things I think it is important for the Pentagon to appreciate—and I feel that is underappre-