STATEMENT BY

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BEFORE THE

SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT
COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

SECOND SESSION, 108TH CONGRESS

ON THE FISCAL YEAR 2005 BUDGET

MARCH 9, 2004

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
COMMITTEE ON ARMED SERVICES
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Introduction

Chairman Ensign, Senator Akaka, members of the committee –

I appreciate the opportunity to appear before you to discuss the Army’s readiness and our plans to meet current worldwide commitments, while we simultaneously transform to a more flexible, capable, joint and expeditionary force.

I thank the members of the committee for their continued outstanding support to the men and women in uniform, who make up our great Army. Your concern, resolute action, and deep commitment to America’s sons and daughters are widely recognized throughout the ranks of our Service.

Current Posture

With over 320,000 soldiers deployed in 120 countries worldwide, the Army remains actively engaged in support of the nation’s operational requirements. Approximately 165,000 of our Soldiers are overseas on 12-month, unaccompanied tours, and the vast majority of these troops are engaged in combat operations in the U.S. Central Command Area of Operations. Currently, the equivalent of eight Army divisions is either deploying to or redeploying from our overseas missions, including Operations Iraqi Freedom and Enduring Freedom in Southwest Asia, the Stabilization Force and Kosovo Force in the Balkans, and the Multinational Force and Observers mission in the Sinai. This constitutes the largest movement of U.S. forces since World War II. Couple that with the mobilization of more than 150,000 combat-ready National Guard and Army Reserve Soldiers, and you can see that this is an unprecedented moment in the Army’s history.

The Army is the dominant land campaign force for our Combatant Commanders. Our centerpiece is the American Soldier. Today, these great Soldiers are performing extraordinarily well in tough combat and stability operations around the world. They
understand their missions and willingly undertake their roles with pride and determination. They make a difference every day.

Readiness and Training

While the situations these forces face are challenging, I am struck by how well our Combat Training Centers and institutional education programs have prepared our leaders and soldiers for their missions and for the rigors of combat operations.

Our combat formations headed to Operation Iraqi Freedom have received a full-spectrum train-up, either at the National Training Center at Fort Irwin, California, the Joint Readiness Training Center at Fort Polk, Louisiana, or the Combat Maneuver Training Center at Hoenfels, Germany. This realistic preparation is based upon the lessons we gleaned from our combat operations and our ongoing security operations in Iraq and Afghanistan.

The Army’s training programs have also been, and will continue to be, the cultural drivers for the future. Leaders will not learn what to think, but instead how to think—jointly, strategically and within the context of an expeditionary mindset. We will continue to invest in cutting edge facilities and technology and constantly modify our curricula to reflect current and expected threats, and incorporate the lessons of actual operations, as we already are doing with the experience gained in Afghanistan and Iraq.

The One Army Concept

Side by side, the Active Component, Army National Guard and Army Reserve have proven that they are a combat-capable and ready team. Our Reserve Components have shared a substantial portion of the Army’s mission since September 11, 2001. Our successes would not have been possible without our Reserve Component Soldiers.

Currently, we are in the process of deploying three more enhanced Separate Brigades: the 39th Infantry Brigade from the Arkansas National Guard with the 1st Cavalry Division; the 30th Infantry Brigade from the North Carolina National Guard with the 1st Infantry Division; and the 81st Infantry Brigade from the Washington National Guard to CJTF-7, and large numbers of combat support and combat service support
soldiers from across the country. These units are well-equipped, well-trained and well-prepared for their missions.

Mitigating Strategic Risk Through Increased Land-Power Capability

Our Nation and Army are at war. Our extensive commitments have highlighted stresses to our forces, which have existed for sometime. To mitigate risk, our Army has embarked on a series of initiatives including the implementation of the Human Resources and Competitive Sourcing initiatives in the President’s Management Agenda (PMA). I would like to address several of these initiatives today, because it is important to understand how the Army is transforming itself as we provide trained and ready forces to Combatant Commanders.

First, we are rebalancing capabilities between our Active and Reserve Component forces to improve our strategic flexibility. Second, we are reorganizing our combat formations into modular, brigade-based formations to make them more self-sufficient and to facilitate force packaging. Third, we are initiating a force stabilization program to increase unit readiness, reduce personnel turbulence, and make life more predictable for our Soldiers, units and families.

These efforts will yield an Army that has the right capabilities to respond rapidly and decisively to future challenges.

Rebalancing our Army

Being an Army at war provides focus and insights as we rebalance to meet the challenges of the emerging operational environment. We recognize that we must provide our Nation with full-spectrum, ground combat and support capabilities that can defeat adaptive enemies anywhere in the world.

Our challenge is not necessarily that we have too few soldiers. Instead, it stems from the fact that our formations, designed for the Cold War, must now meet the requirements of the Global War on Terrorism and other operations, which will persist for years to come. To meet the challenges of the future, we are rebalancing more than 100,000 spaces in our Active and Reserve Components – converting them to relieve the burden on the low density/high demand units, e.g., military police. We also are
converting military billets now doing commercial activities to either civilian employees or contracts which will assist in meeting the Department of Defense’s Business Initiative Council’s goals, and provide us more war-fighter/core staffing.

We accelerated this process after September 11, 2001, to alleviate the stress placed on our most-needed units. In compliance with Secretary of Defense’s guidance to minimize involuntary mobilizations within the first 30 days of a contingency, we made further progress in 2003. We expect Army rebalancing measures to continue with the same momentum in 2004, 2005 and beyond. Our National Guard and Army Reserve have been, and will continue to be, integral to the planning and decision-making process for this effort.

**Modularity**

In addition to rebalancing our forces, we are creating a brigade-based, modular Army to enhance responsiveness and to increase our joint and expeditionary capabilities. Webster’s defines modularity as “composed of standardized units for easy construction or flexible arrangements.” Although this may seem to be an oversimplification of what the Army is doing, it is precisely our concept.

The basic maneuver element in the modular Army will be the Unit of Action, similar to today’s brigade. Units of Action will be flexible, self-contained and capable across the entire operational spectrum.

The Army intends to increase the number of Active Component brigades from 33 to 43 by fiscal year 2007; at that time, we will decide whether to continue the process to achieve 48 brigades. During the same time period, Army National Guard Brigades will reorganize into 34 brigade-size units using the same modular design as the Active Component.

The Chief of Staff has approved the initial modular design of the 3rd Infantry Division and its transformation is under way. Following rigorous training, to include rotations through our combat training centers at Fort Polk, Louisiana; and Fort Irwin, California; the Division will be reset for potential deployment anywhere in the world as early as the first quarter of fiscal year 2005.
**Force Stabilization**

The challenges associated with current operational requirements place significant stress on our existing force structure, both active and reserve. The approval of a temporary end-strength increase affords us the opportunity to implement permanent initiatives aimed at mitigating that stress to the force which is consistent with our PMA Human Capital initiative.

The force stabilization initiative consists of two complementary policies: unit-focused stability and home basing. Under home basing, Soldiers will remain at their initial installation for six to seven years -- well beyond the current three-year average. Unit-focused stability will allow Soldiers to arrive, train and serve together for roughly 36 months, enhancing unit cohesion, training effectiveness and readiness. During the unit’s operational cycle, Soldiers can expect to complete an operational deployment rotation of six to 12 months. Overall, with force stabilization, units will have more reliable training and deployment schedules, and Soldiers and families will get a greater sense of predictability.

**Installations**

Installations are essential to maintaining the Army; they serve as our flagships. Our short-term installation plans center on three essential tasks: posturing installations as deployment platforms with robust, reach-back capabilities; adjusting installation support to meet the needs of an Army at war and transforming; and supporting the well-being of all Soldiers and their families.

Many of our installations require restoration and modernization to enable Army transformation and the rotation-based system of global engagement. In the past, the Army has repeatedly accepted risk in infrastructure and installation services in order to maintain warfighting capabilities and readiness; as a result, facility conditions have deteriorated. We are in the process of reversing the decay, but much remains to be done on installations that will continue after the forthcoming BRAC round. Our overall goal is to achieve C-2 quality (minimal impact on mission accomplishment) by 2010, with specific facility types achieving C-1 ratings. In fiscal year 2005, the President’s Budget has programmed $2.5 billion for sustainment, restoration and modernization
(SRM) to stop deterioration and to improve our facilities; within that sum, sustainment dollars will cover 95 percent of requirements. We also have increased base operations support funding in fiscal year 2005.

Quality of Life

The Army strives to provide its members, uniformed and civilian, a quality of life equivalent to the society they defend. They deserve nothing less. To help fulfill this obligation, we have increased Soldier compensation and decreased out-of-pocket housing expenses. In fiscal year 2004, out-of-pocket housing costs will drop from 7.5 percent to 3.5 percent; we are on a glide path to cutting those expenses to zero in fiscal year 2005.

Our Army also is improving the housing itself. Through the Residential Communities Initiative and the Army Family Housing program, 17,000 of our 100,000 sets of quarters will be renovated by the end of 2005.

In addition, this year we inaugurated a program with the private sector to increase employment opportunities for our Army spouses. Our objective in fiscal year 2005 is for 55 percent of spouses seeking employment to obtain positions through these corporate sponsorships.

Equipping the Force

Providing our forces with the right equipment for the missions in Iraq and Afghanistan and the Global War on Terrorism is an imperative. To this end, we are adapting and improving our acquisition and fielding processes to better support our warfighter. Thanks to congressional support in the fiscal years 2003 and 2004 emergency supplemental appropriations, our Army has been able to obtain and field solutions to $4.4 billion of operational requirements. For example, in fiscal year 2003 we implemented our Rapid Fielding Initiative (RFI) to ensure that all of our troops deploy with the latest available equipment. We substantially compressed the procurement and fielding cycle and revised schedules to support unit rotation plans.

Our fiscal year 2004 goal for RFI is to upgrade a minimum of 16 brigade combat teams; to include three Reserve Component Enhanced Separate Brigades, serving in
Operation Iraqi Freedom and Operation Enduring Freedom. More than $100 million have been programmed to continue RFI in fiscal year 2005.

Additionally, the Army has established a Rapid Equipping Force (REF) that works directly with operational commanders to find solutions to operational requirements. These solutions may be off-the-shelf or near-term developmental items that can be made quickly available. We also created a task force to safeguard our Soldiers from Improvised Explosive Devices (IEDs). Its work is saving lives in the Operation Iraqi Freedom and Operation Enduring Freedom Areas of Operation. In fiscal year 2004, the IED initiative was funded solely through existing Army programs, at a cost of $21 million. In light of its success, our Army has decided to make the task force a permanent organization.

Our modernization efforts continue and are bearing fruit, as evidenced by the recent fielding and deployment to Iraq of our first Stryker Brigade Combat Team. Our second SBCT will become operational this spring, and the third in 2005. Three more SBCTs will be fielded through 2008.

Our commitment to improve current and future readiness is steadfast, even when that entails making tough choices, such as canceling the Comanche program. Though it was a difficult decision, we believe it was unquestionably the right one. By reallocating funds originally intended for Comanche the Army can buy almost 800 new aircraft, upgrade or modernize an additional 1400 aircraft—modernization for almost 70 percent of our fleet—and outfit our aircraft with the survivability equipment they need. In fiscal year 2005 alone, the Army will convert 19 Apaches to the Longbow configuration, upgrade five Black Hawks to the UH-60M configuration, purchase 27 new UH-60Ls; buy four new CH-47Fs; convert 16 existing CH-47s into F and G models; and procure 160 new, higher-power CH-47 engines. In addition, our Army will start a Lightweight Utility Helicopter program, under which we will acquire 10 new, off-the-shelf aircraft in fiscal year 2005. We need your support to use the Comanche resources to fix Army aviation.
Setting the Force

We are in the process of reconstituting our equipment returning from Operations Iraqi Freedom and Enduring Freedom through a rigorous, long-range plan known as “Setting the Force.” This program, which is designed to restore our units and equipment stocks to predeployment levels of readiness so they are rapidly ready for follow on missions. The goal is for all returning active and Army Reserve units to achieve this level of combat readiness within six months after their arrival at home station. For National Guard units, the target is one year.

The Army’s Reset Task Force has determined the repair requirements for all Operation Iraqi Freedom 1 units. The workload consists of approximately 1,000 aviation systems, 124,000 communications and electronics systems, 5,700 combat/tracked vehicles, 45,700-wheeled vehicles, 1,400 missile systems, nine Patriot battalions, and approximately 232,200 various other systems. The basic reset plan incorporates the use of domestic and overseas depot, installation and commercial repair facilities.

As part of setting the force, our Army also will have to replace those weapons and systems destroyed on the battlefield or too badly damaged to be repaired economically. The procurement requirements established through our Reset Task Force cover only known losses at this point and we expect that they will grow as operations continue. We also predict that, as we inspect and repair equipment, the number of items catalogued as uneconomically repairable will increase.

Conclusion

In closing, the fiscal year 2005 budget will enable our Army to provide our Combatant Commanders the requisite land-power capabilities for the Global War on Terrorism, homeland defense and other worldwide commitments. It will enable us to provide our Soldiers with the best available technology and materiel, and to properly train them to handle any situation or challenge they encounter. The fiscal year 2005 request covers our baseline operations, the 15 critical systems in our recapitalization program and our transformation program. It does not address the on-going missions in Iraq and Afghanistan.

Our Soldiers continue to perform magnificently around the globe. Simultaneously executing the Global War on Terrorism, implementing our modularity and transformation
initiatives and setting the force will be a challenge that is consistent with fulfilling the President’s Management Agenda. However, it is also an opportunity to reshape ourselves for the future that we cannot pass up.

Your support of this budget and for our on-going operations, specifically in Iraq and Afghanistan, is critical if our units are to continue their remarkable performance and to be ready for future contingencies.

We appreciate your dedication to your military and to America’s sons and daughters, who are serving selflessly throughout the world to make America safe and free. Thank you again for the opportunity to discuss our Army and I look forward to answering any questions you may have.