Mr. Chairman, Senator McCain, members of the Committee.

Let me say at the outset that it is a pleasure to appear before this Committee for the first time as Secretary of Defense. The Senate Armed Services Committee has long been a steadfast friend and ally of our men and women in uniform and a source of support in meeting our nation’s defense needs. Thank you for that. I look forward to working with you.

Let me begin by advising you of two announcements I made yesterday.

First, the President announced Wednesday night that he would strengthen our military for the long war against terrorism by authorizing an increase in the overall strength of the Army and the Marine Corps. I am recommending to him a total increase in the two services of 92,000 soldiers and Marines over the next five years – 65,000 soldiers and 27,000 Marines. The emphasis will be on increasing combat capability.

This increase will be accomplished in two ways. First, we will propose to make permanent the temporary increase of 30,000 for the Army and 5,000 for the Marine Corps. Then we propose to build up from that base in annual increments of 7,000 troops for the Army and 5,000 for the Marine Corps until the Army reaches a level of 547,000 and the Marine Corps reaches a level of 202,000.
I am aware that the Armed Services committees have been leading the national debate over the proper size of the military. Accordingly, I hope that you will join in supporting this important initiative.

While it may take some time for these new troops to become available for deployment, it is important that our men and women in uniform know that additional manpower and resources are on the way.

Second, for several months, the Department has been assessing whether we have the right policies to govern how we manage and deploy members of the Reserves, the National Guard and our active component units.

Based on this assessment and the recommendations of our military leadership, I am prepared to make the following changes to Department policy.

First, mobilization of ground reserve forces will be managed on a unit basis instead of an individual basis. This change will allow us to achieve greater unit cohesion and predictability in how reserve units train and deploy.

Second, from this point forward, members of the Reserves will be involuntarily mobilized for a maximum of one year at any one time, in contrast to the current practice of sixteen to twenty-four months.

Third, the planning objective for guard and reserve units will remain one year of being mobilized followed by five years demobilized. However, today’s
global demands will require a number of selected guard and reserve units to be remobilized sooner than this standard. Our intention is that such exceptions be temporary. The goal for the active force rotation cycle remains one year deployed for every two years at home station. Today, most active units are receiving one year at home station before deploying again. Mobilizing select guard and reserve units before this five year period is complete will allow us to move closer to relieving the stress on the total force.

Fourth, I am directing the establishment of a new program to compensate individuals in both the active and reserve components that are required to mobilize or deploy early or extend beyond the established rotation policy goals.

Fifth, I am also directing that all commands and units review how they administer the hardship waiver program to ensure they are properly taking into account exceptional circumstances facing military families of deployed service members.

It is important to note that these policy changes have been under discussion for some time within the Department of Defense and would have needed to take place irrespective of the President’s announcement on Iraq.

I am also pleased to report that all active branches of the U.S. military exceeded their recruiting goals for the month of December, with particularly strong showings by the Army and Marine Corps. Our nation is truly blessed that so many
talented and patriotic young people have stepped forward to defend our nation, and that so many servicemen and women have chosen to continue to serve.

**Iraq Strategy**

On Wednesday night, the President described a new way forward in Iraq – a new approach to overcoming the steep challenges facing us in that country and in that part of the world.

I know many of you have concerns about the new strategy in Iraq and, in particular, are skeptical of the Iraqi government’s will and ability to act decisively against sectarian violence, and are skeptical as well about a commitment of additional American troops. The President and his national security team have had the same concerns, as we have debated and examined our options in Iraq going forward. And yet, our commanders on the ground – and the President’s intended nominee as the new commander – believe this is a sound plan, in no small part because General Casey and other senior military officers have worked closely with the Iraqi government in developing it. Further, the President, Ambassador Khalilizad, and General Casey have had prolonged and extremely candid conversations not just with Prime Minister Maliki but with other senior leaders of the Iraqi government and have come away persuaded they have the will to act against all instigators of violence in Baghdad.
This is, I think, the pivot point in Iraq as the Iraqi government insists on assuming the mantle of leadership in the effort to regain control of its own capital. While I doubt General Pace and I can change many minds here today, perhaps we can allay at least some of your concerns. Above all, I want you to know that the timetable for the introduction of additional U.S. forces will provide ample opportunity early on – and before many of the additional U.S. troops arrive in Iraq – to evaluate the progress of this endeavor and whether the Iraqis are fulfilling their commitments to us.

Let me make two additional points. First, this strategy entails a strengthening across all aspects of the war effort – military and non-military – including the economic, governance and political areas. Overcoming the challenges in Iraq cannot be achieved simply by military means – no matter how large or sustained – without progress by the Iraqis in addressing the underlying issues dividing that country.

Second, we must keep in mind the consequences of an American failure in Iraq. Multiple administrations of both political parties have concluded that what happens in southwest Asia, the Gulf region, and the Middle East more broadly is of vital interest to the security and prosperity of the American people. As I said in my confirmation hearing, developments in Iraq over the next year or two will shape
the future of the Middle East and impact global geopolitics for a long time to come.

Whatever one’s views of the original decision to go to war and the decisions that brought us to this point, there is broad agreement that failure in Iraq would be a calamity for our nation of lasting historical consequence.

The violence in Iraq, if unchecked, could spread outside its borders and draw other states into a regional conflagration. In addition, one would see:

- An emboldened and strengthened Iran;
- A safehaven and base of operations for jihadist networks in the heart of the Middle East;
- A humiliating defeat in the overall campaign against violent extremism worldwide; and
- An undermining of the credibility of the United States.

The actors in this region – both friends and adversaries – are watching closely what we do in Iraq and will draw conclusions about our resolve and the reliability of our commitments. And should we withdraw prematurely, we could well leave chaos and the disintegration of Iraq behind us. Further, governments in the region probably are already asking themselves: If the Americans withdraw in defeat from Iraq, just how much farther, and from where else, might we withdraw?
I would not have taken this position if I did not believe that the outcome in Iraq will have a profound and long-lived impact on our national interest.

Significant mistakes have been made by the U.S. in Iraq, just like in virtually every war in human history. That is the nature of war. But, however we got to this moment, the stakes now are incalculable.

Your senior professional military officers in Iraq and in Washington believe in the efficacy of the strategy outlined by the President Wednesday night. They believe it is a sound plan that can work if the Iraqi government follows through on its commitments and if the non-military aspects of the strategy are implemented and sustained.

Our senior military officers have worked closely with the Iraqis to develop this plan. The impetus to add U.S. forces came initially from our commanders there. It would be a sublime, yet historic, irony if those who believe the views of the military professionals were neglected at the onset of the war were now to dismiss the views of the military as irrelevant or wrong.