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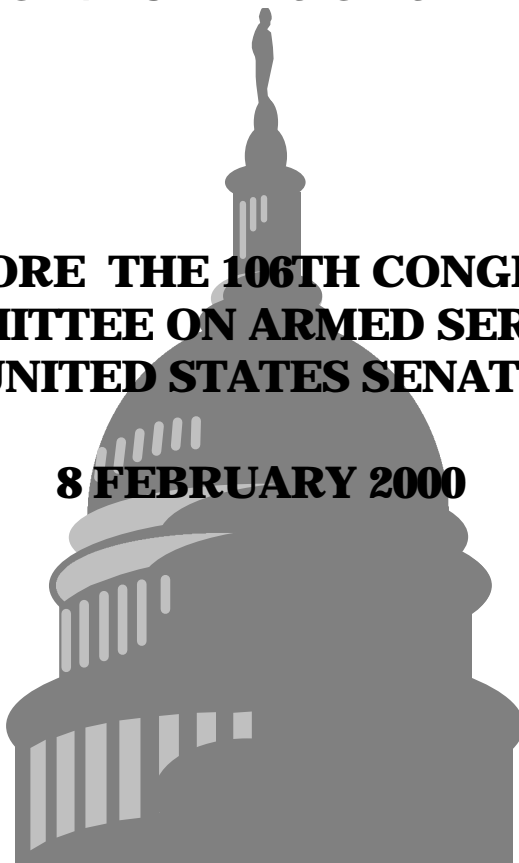


**POSTURE STATEMENT OF
GENERAL HENRY H. SHELTON, USA
CHAIRMAN OF THE
JOINT CHIEFS OF STAFF**

**BEFORE THE 106TH CONGRESS
COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE**

8 FEBRUARY 2000

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It is an honor to report to the Congress today on the state of the United States Armed Forces. At the outset, I would like to pay tribute to our men and women in uniform. As always, they serve our country selflessly, often far from home and loved ones, defending our Nation and its interests and helping to keep the peace in a still dangerous world. America can – and should – take great pride in its soldiers, sailors, airmen, and marines. They represent the United States at its very best.

I intend to discuss three broad categories of concern in this statement: (1) **Sustaining a Quality Force**, concentrating on those programs that benefit our people and are critical to maintaining the health of the force; (2) **Supporting the National Security Strategy**, specifically the readiness of the force to meet often-competing demands of this strategy; and (3) **Building Tomorrow's Joint Force** -- what we are doing today to prepare for tomorrow's challenges.

SUSTAINING A QUALITY FORCE

America's military strength is built on a foundation of quality people, trained and ready forces, and an effective modernization program. While each of these elements is absolutely essential, one is first among equals – people! Without motivated, skilled, and committed people, we cannot exploit the full potential of our advanced weapons systems on the battlefield. Further, without the support of strong military families, we cannot sustain a force capable of meeting the demands of this new century. To preserve a high quality, professional military we must provide the quality of life that our service members and their families expect – and deserve.

As I have in the past, allow me to express my appreciation of Congress' strong support of America's uniformed men and women through the passage of several significant pieces of legislation in 1999. The first systematic reform of pay tables in half a century; the almost \$14.0 billion in military pay increases - - the highest in 18 years; and the \$5.9 billion in retirement reform were bold steps that recognized the value of our high-quality, hard-working personnel, especially our experienced mid-career service members. I hear a lot of favorable remarks from the troops when I visit them, as I'm sure you do. Taken together, this pay and retirement reform package was an essential step in sustaining a viable All Volunteer Force. We must continue to meet this challenge in the future.

Military Health Care

Last year, I testified that we were in the midst of a long-term program to restructure the military medical community's ability to better support its wartime mission and assess whether our managed health care system – TRICARE – was meeting its twin goals of improving access and holding down costs. We ask our service members to be ready to serve anywhere; they and their families deserve no less than an adequate health care system.

In survey after survey, we have learned that TRICARE simply is not user-friendly. While service members and their families are normally pleased with the care they receive from doctors, nurses, and other health care providers, they are frustrated by other aspects of TRICARE. It is, quite frankly, immensely complex, administratively confusing, and not customer-friendly. Due to the region-based structure of TRICARE, there is no consistency or standardization for appointments, benefits, claims, and enrollments across duty stations.

To significantly improve how we meet the health needs of both our active duty and retired service members, and their families, we are recommending a phased approach. In the near term, we would include implementing business practice improvements and fully funding the Defense Health Program. Several of these improvements are already underway and include: automatic enrollment for all Active Duty Family Members into TRICARE Prime and making easy-to-understand enrollment materials available across all TRICARE regions. To ensure that all of our members know who is responsible for their care, those enrolled in TRICARE Prime will know who their Primary Care Manager (PCM) is by name. Active duty members and their families assigned to remote areas need to have the peace of mind that the same benefit will be provided to them regardless of where they are located. Additionally, members with complex illnesses and extensive treatment plans require clinical case management experts to help the patient successfully navigate the system, reducing delay and frustration while ensuring quality and continuity of care. Finally, TRICARE requires that members re-enroll every time they transfer from region to region. Enrollment in one region must be honored in all regions.

The claims process is another major source of frustration for our Active Duty members and their families. We must have a system that ensures the government, not the beneficiary, receives the bills. Additionally, the protracted time it takes contractors to pay provider bills creates a disincentive for providers to remain in the network. My staff is working closely with Dr. Sue Bailey, ASD (Health Affairs), to fix or remove these major irritants.

In the near-term, the Joint Chiefs would like to see improvements in the overall health care benefit. For years our recruiters have promised health care for life for career members and their families. As we all know, that is not what they receive. To honor this promise, the President's budget includes the expansion of TRICARE Prime Remote for active duty family members and the elimination of co-pays for all active duty family members enrolled in the TRICARE Prime network.

The Chiefs and I recognize the compelling need to provide more comprehensive coverage for our retirees and their family members. Where specific TRICARE coverage is not available, we must offer them other benefits. Our intent is to reduce out-of-pocket expenses.

Let me stress that the Joint Chiefs' commitment to quality healthcare for all military members, including retirees, remains firm. Keeping our promise of ensuring quality healthcare for military retirees is not only the right thing to

do, it also is a pragmatic decision because it sends a strong signal to all those considering a career in uniform.

Housing

Housing has an obvious and immediate impact on the quality of life for our servicemembers, making it an important priority. Thanks in large measure to Congress' targeted funding to improve quality-of-life of the force, the Services have established plans to eliminate inadequate housing for our unaccompanied enlisted personnel by 2008.

At the same time, almost two-thirds of all military housing, or approximately 180,000 units, are considered inadequate. The Services are preparing family housing masterplans to meet the Defense Planning Guidance requirement to revitalize, divest through privatization, or demolish inadequate housing by 2010.

The Services will be working closely with the Congress this year on a three-pronged strategy to improve family housing. These measures include the Secretary's initiative to raise allowances for off-post housing, continued funding for revitalization and construction of new units on-post, and privatization in areas where that approach is cost-effective. Congress' support of the budget request and the request to extend privatization authority for another 5 years will help improve the housing outlook for our service members and their families.

Recruiting

The need to recruit and retain quality people is the bedrock for the force and remains a significant challenge for all the Services. As the Congress well knows, recruiting and retention are often related – but they present very different sets of challenges. Let me first address recruiting.

The current recruiting challenge is complex and affected by a number of factors including a robust, job-rich economy, a reduced willingness on the part of young Americans to volunteer for military service, the much larger number of high school graduates pursuing college degrees, and the smallest cohort of 18-to-23 year olds to recruit from in the history of the All-Volunteer Force.

The Navy and Marine Corps met their recruiting objectives in 1999, while the Army fell short about 6300 soldiers, achieving 92 percent of its recruiting goals. The Army is projected to face a similar shortfall in 2000. The Air Force, meanwhile, achieved 95 percent of its goal, falling short by about 1700 airmen.

Building on the tremendous support of the Congress and the Administration, the Services are taking aggressive steps to recruit enough quality men and women for a vital All-Volunteer Force. For example, the Services have significantly increased their recruiter force and budgets to continue to achieve the quality of accessions that fall in line with DoD guidelines. The Services are also offering larger enlistment bonuses and college fund incentives, as well as pursuing new advertising strategies.

Retention

Because of the quality of the people we recruit, and the significant training they receive, the private sector is anxious to outbid us for their

services. The perception of a more stable and predictable lifestyle in the private sector also presents an attractive alternative to military service, given the increasing demands we are placing on a much smaller force. Long duty hours, frequent moves, disruptions in a spouse's employment, and extended family separations – separations that could include the risk of death, injury, or capture – are all burdens borne by our service members and their loved ones.

Though the jury is still out and we continue to walk a personnel tightrope, it appears we may be turning the corner on retention, thanks in large measure to the Congress' support of our efforts to improve pay and the military retirement system. We must sustain the momentum. This year we need your support on improving the military health care system.

I am pleased to report that the Army exceeded its aggregate retention goals by 5,000 personnel in 1999, which helped to overcome recruiting shortfalls and meet end strength requirements.

While the Navy met its end-strength numbers, retention of first term sailors fell short of requirements, which could spell danger for effective management of future petty officer needs. Retention of Naval Aviators, Surface Warfare Officers and SEALs also remains a continuing concern.

The Marine Corps met all of its goals, with retention concerns limited to aviators and chronic shortages in specific high-demand, low-density specialties, such as intelligence, electronic maintenance, and logistics. The Air Force missed its retention goals in all enlisted categories, causing it to fall short of the adjusted FY99 end-strength requirement by about 5,000 personnel. On a positive note, while the Air Force pilot continuation rate struggled to reach 41 percent, aviator bonus "take rates" jumped to 62 percent overall, underscoring the importance of targeted bonuses and incentives, in addition to general improvements in military compensation across-the-board.

In today's Total Force, concerns about recruiting and retention in the Reserve Component must also be addressed. While the Army National Guard, Air National Guard, and Marine Corps Reserve substantially met their recruiting goals, the Army, Naval, and Air Force Reserves fell considerably short. Additionally, the Navy and Air Force Reserves failed to meet their end strength requirements, reflecting continuing retention challenges.

Equal Opportunity

America's Armed Forces reflect American society, with its diverse experiences, goals, and expectations. Our task is to transform these young men and women into a cohesive, well-trained force, always cognizant of the right of our service members to be treated with dignity and respect. America's sons and daughters deserve the opportunity to succeed and work in an environment free of discrimination and harassment. Nonetheless, equal opportunity is more of a journey than a destination and there will always be room for improvement. The Armed Forces remain committed to providing equal opportunity and fair treatment as core values for all its members. This commitment reflects the very best of what our country offers.

SUPPORTING THE NATIONAL SECURITY STRATEGY

At the beginning of the 21st Century, the United States currently enjoys relative peace and security. The international security environment, however, remains complex, dangerous, and unpredictable. Even as the threat of global war recedes and former enemies now cooperate with us on some issues, very real threats to our citizens and interests remain. Though we currently face no peer competitor, openly hostile regional adversaries fielding potent forces have both the desire and the means to challenge the United States militarily. Transnational organizations and forces threaten our interests, our values, and even our physical security at home and abroad. And, while our military strength remains unmatched, both state and non-state actors may attempt to circumvent our strengths and exploit our weaknesses using methods that differ significantly from our own. Attacks on our information systems, the use of weapons of mass destruction, domestic and international terrorism, and even man-made environmental disasters are all examples of asymmetric threats that could be employed against us. Indeed, some already have.

To deal successfully with these challenges, the 1999 National Security Strategy stresses the fundamental need for US leadership and engagement abroad to shape the international environment and position our military to respond rapidly to a full spectrum of emerging crises. If the United States were to withdraw from international commitments, forsake its leadership responsibilities, or relinquish military superiority, the world would surely become more dangerous and the threats to American citizens and interests would increase. Within their capabilities, therefore, our Armed Forces are committed to peacetime military engagement as the best way of reducing the sources of conflict, preventing local crises from escalating, and shaping the international environment.

The National Security Strategy also recognizes that countering the wide range of threats that we face requires an integrated approach involving both interagency and multinational cooperation. An integrated approach brings to bear all instruments of national power – military, economic, information, and diplomatic – to achieve our national objectives, unilaterally if necessary. And, whenever possible, it makes optimum use of the skills, resources, and political support provided by multinational military forces, regional and international organizations, and non-governmental organizations. We will continue to improve our abilities to effectively operate as one element of unified interagency and multinational efforts, while encouraging other organizations to do likewise. At the same time, we are also improving our capabilities to support state and local civil authorities in response to growing threats to the US homeland, such as terrorism and Weapons of Mass Destruction.

Peacetime military engagement (PME) can help ameliorate potential sources of conflict, promote more efficient operations among participating nations, and ensure access to key infrastructures. Through these means, PME assists in reducing response requirements while supporting the fundamental, overarching purpose of the US military – to fight and win our Nation's wars.

The Theater Engagement Plan (TEP) process brings this “shaping” element of our National Military Strategy fully into the arena of deliberate

planning and national-level oversight. We are continuing to evolve and refine the TEP process and philosophy. A standardized automated database, the Theater Engagement Planning Management Information System (TEPMIS), is being developed to provide a tool for all CINC engagement managers to use in planning, analyzing, executing, and assessing engagement programs and activities. Additionally, the regional engagement and presence joint warfighting capabilities assessment (REPJWCA) team is planning a study that will ultimately be used to identify engagement requirements, shortfalls, and resource implications.

Peacetime military engagement, however, does not supplant the core requirement to have a military capable of deterring and, if necessary, defeating nearly simultaneous large-scale, cross-border aggression in more than one theater, in overlapping time frames. The defense of America's lives, territories, and interests is, and must remain, a cornerstone mission of our Armed Forces. This capability defines the US as a global power, ensuring that our Nation will be able to protect its vital interests or fulfill its international commitments with military power when confronted with more than one crisis. It also deters opportunistic aggression against our interests or those of our friends elsewhere in the world if we become involved in a major conflict. Furthermore, this capability provides needed flexibility and responsiveness against the possibility that we might encounter unknown threats, or threats larger or more difficult than expected.

Overall Readiness Assessment

The starting point for any assessment of the readiness of the Armed Forces must be our ability to execute this National Security Strategy, including the most demanding scenario – fighting and winning two nearly simultaneous major theater wars in overlapping time frames.

Though military readiness has been challenged in many ways over the past year, our Armed Forces remain capable of executing our military strategy. The combat operations conducted against the Milosevic regime in Serbia last year – Operation ALLIED FORCE – demonstrated once again that our deployed and first-to-fight units remain very capable. Well-trained and armed with the best equipment in the world, our forward-deployed forces in the Balkans, the Persian Gulf, and the Western Pacific executed a demanding range of missions superbly. Although we remain capable of executing our current strategy, the risks associated with the most demanding scenario have increased. We assess the risk factors for fighting and winning the 1st Major Theater War as moderate, but lower readiness levels of later-deploying forces combined with capability shortfalls in our lift and other critical force enablers result in high risk for the 2nd MTW.

As I have explained in the past, this does not mean that US forces would not prevail in either contingency. We eventually would win, but longer timelines increases the potential for higher casualties.

Readiness of the Force

In my prior testimony to the Senate Armed Services Committee, I spoke of the difficulties we experienced maintaining current readiness. At that time, we

identified problems that, if left unchecked, would have eroded the readiness of our Armed Forces.

We also identified a number of reasons for these readiness problems including the higher than anticipated OPTEMPO, increased wear and tear on our aging and overused equipment, as well as personnel and quality of life issues.

Thanks to the great support of the Congress and the Administration, the readiness picture is starting to move in the right direction. The \$112 billion increase in the FY00 President's Budget (PB) across the FYDP, and the additional funding support from Congress, arrested the steep decline in purchasing power we had experienced over the last several years. This increased buying power enabled us to fund military compensation improvements, operations in Bosnia, our most critical readiness requirements, and our efforts to increase recapitalization of our equipment and facilities.

The FY01 PB protects this \$112 billion commitment to current and future readiness. Specifically, it provides \$1.4 billion in FY01 for increases in fuel prices above those in last year's request (\$3.3 billion total in FY01-05). It also provides \$2.2 billion more for on-going operations in Bosnia, Kosovo, and Southwest Asia (\$6.2 billion of new funding in FY01-05).

The FY01 PB also builds on last year's substantial quality of life initiatives. It fully funds a military base pay raise of 3.7 percent (ECI plus 0.5%) in FY01, as well as the Congressional changes to our military retirement reform initiative. Equally important, it requests and adds resources necessary to reduce off-base housing out-of-pocket costs for our soldiers, airmen, sailors, and marines from 18.8 to 15 percent in FY01. By FY05, these housing-related out-of-pocket expenses should be eliminated. Finally, the importance of military health care is reflected in significant increases to the Defense Health Program (DHP) in FY01. Although this budget addresses most of our health care problems, there is more that we need to do in this area, as I have discussed earlier. I look forward to working with you as we tackle these problems over the next year.

Notwithstanding all these funding increases, we still face challenges primarily due to excess infrastructure, unbudgeted contingency operations, and higher than expected maintenance costs for our aging equipment and infrastructure.

We continue to have excess infrastructure, and any funds applied toward maintaining unneeded facilities diminishes our capacity to redirect those funds toward higher priority modernization programs. Closing bases is painful, but it provides the opportunity to significantly reduce excess capacity and reinvest the resultant savings in modernization and readiness accounts. Accordingly, our FY01 PB proposes and funds new base closure and realignment (BRAC) rounds in FY03 and FY05. We look forward to the Congressional support essential for BRAC to achieve needed savings.

Continued timely funding for contingency operations is also crucial to preserving the readiness of our Armed Forces. Almost a year ago, we embarked on a major buildup of forces in the Balkans in support of Operation ALLIED

FORCE. The cost of this response totaled nearly \$2 billion in unforeseen FY99 expenses.

Additionally, the follow-on mission sending US forces into Kosovo as part of KFOR resulted in an additional \$1 billion of unprogrammed FY99 expenses. These costs could not have been met within the existing defense budget without impacting readiness. However, thanks to Congress' timely approval in of an emergency supplemental appropriations in May 1999, we avoided having a negative impact on other programs.

We are currently involved in contingency operations in Kosovo and East Timor, and will soon be forwarding an FY00 supplemental request seeking additional funding to meet these requirements. Prompt Congressional approval of this supplemental is needed to protect readiness in the latter half of this fiscal year.

Current Readiness vs. Modernizing the Force

The FY01 PB has nearly a 2 percent real growth compared to the FY00 appropriated level. This is the first time in over eight years that we have submitted a budget request with real growth.

This forward-looking budget continues us on the path of achieving our Quadrennial Defense Review procurement goals. Specifically, our FY01 procurement request is \$6.1 billion above the FY00 appropriated level. This funding allowed us to achieve the QDR procurement goal of \$60 billion in FY01. This is now the fourth year of significant real growth in our procurement funding. Ultimately, these funding increases will go a long way toward fielding replacements for aging systems and gaining the new capabilities essential to continued US battlefield supremacy.

The FY01 budget seeks to reshape our forces to reflect changing threats and lessons learned. It supports the Army's new vision that stresses lighter, more lethal/agile/deployable forces that have a smaller logistical footprint. It funds a broad array of programs to protect U.S. forces and interests against terrorism, chemical-biological attack, and other asymmetric threats. It adds over \$2 billion for National Missile Defense.

The FY01 PB also funds Kosovo lessons learned. Specifically, the budget supports the formation of an additional squadron of EA-6B electronic warfare aircraft to be operational in FY03. It also provides strong funding for munitions, UAVs, and communications-intelligence-surveillance capabilities.

The budget reflects the Department's expanding efforts to improve and streamline its support activities so they function better and cost less. Under the umbrella of the Defense Reform Initiative (DRI), our efforts are showing positive results, and the substantial savings achieved or identified are being allocated to readiness, modernization, and other priorities.

In a nutshell, the FY01 PB funds key readiness indicators, supports quality of life initiatives, meets the procurement goal of \$60 billion in FY01, supports the reshaping of U.S. forces to reflect changing threats and lessons learned, and continues streamlining and reform initiatives.

Despite these efforts, I am not convinced that we have turned the corner yet. History tells us that readiness is fragile and that, once it starts down, it requires considerable resources, time, and attention to regain. There is still much that needs to be done in order to sustain the momentum. To avoid mortgaging future readiness, we must have sustained funding to meet the competing demands of maintaining current readiness, sustaining the quality force, and funding modernization.

We look forward to Fiscal Year 2001 Defense Authorization and Appropriations Bills that are a powerful endorsement on behalf of our soldiers, sailors, airmen, and marines, and their families, and sustains the readiness enhancements provided in the Fiscal Year 2000 bills. Doing so will allow us to keep our current readiness posture high while preparing for tomorrow's challenges.

OPTEMPO Concerns and Readiness Reporting Improvements

It is clear that the current tempo of operations, or OPTEMPO, continues to have a significant impact on service members and their families, and therefore remains a concern for the Joint Chiefs and the CINCs. Frequent, often unexpected, and persistent deployments stress the force and stretch scarce mobility assets, ultimately degrading readiness and increasing the risk to our ability to execute the most demanding MTW scenarios. In the long run, too many protracted deployments will inevitably disrupt operating budgets, cause lost training opportunities, and accelerate wear and tear on equipment. Most importantly, unchecked OPTEMPO impacts quality of life and could jeopardize our ability to retain the high-quality people we need for tomorrow's force.

Measuring readiness is an ongoing process and we continue to assess how Operation ALLIED FORCE and the long-term deployments to both Bosnia and Kosovo affect the force. In the aggregate, ALLIED FORCE may delay readiness improvements we sought through the emergency supplemental and top line increases. For example, though the supplemental budget request was fully funded this year, it will take up to two years to manufacture replacements for certain types of munitions. In addition, long-term deployments to the region represent a major force commitment that will be with us for some time to come.

Our experience in the Balkans underscores the reality that multiple, persistent commitments place a significant strain on our people and can erode warfighting readiness. Rapidly withdrawing from a commitment like Bosnia or Kosovo to support a major theater war would require a quick decision by the National Command Authorities to allow time for units to withdraw, retrain, redeploy, and be used effectively. This could mean the late arrival of some forces for MTW employment.

While operational tempo is often a function of unpredictable world events and our global commitments, the Services, Joint Staff and CINCs are all taking steps to reduce its impact on the force.

First, we have increased our global sourcing of units to fill deployment commitments, and more equitably distribute the workload across the force.

This includes substituting units with similar capabilities and increasing the use of the Reserve Component, contractor support, and coalition or host nation support.

Second, we have expanded our Global Military Force Policy, or GMFP, to improve worldwide management of Low Density/High Demand (LD/HD) assets. These include U-2 and RC-135 surveillance aircraft and crews, Psychological Operations (PSYOPS) and Civil Affairs specialists, EA-6B electronic warfare aircraft, and other units and platforms with unique or preferred capabilities. GMFP ensures senior level visibility into LD/HD allocation and provides top-down direction to prioritize requirements and balance them against available resources in order to preserve the long-term readiness of these critical assets. The Joint Staff, in conjunction with the Services, is assessing each of our LD/HD capabilities to determine which force structure increases will best meet CINCs' requirements. For some of our most overworked assets, we have already acted through the POM process to increase our numbers.

Third, as we closely monitor current overall readiness, we continue to refine the tools and procedures to improve our readiness reporting and assessment process. We have developed, in conjunction with the Services, an improved Tempo Management process that provides senior level visibility into how we are using the force. Tempo thresholds and metrics are regularly briefed within our Joint Monthly Readiness Review (JMRR) forum. The focus of our readiness reporting system remains assessing and managing risk in executing the National Military Strategy by placing resources where they are needed most. We have increased the level of detail available within our readiness assessment systems and reports to Congress to ensure problem areas are highlighted to senior leadership within the Services, my staff, OSD, and Congress.

In the future, and in consonance with Congressional reporting requirements, we will assess readiness over three broad areas: unit readiness, institutional training, and defense installations. We will do this by enhancing the current Global Status of Resources and Training System or GSORTS computer reporting system. Our aim is to leverage emerging technologies to make reporting more timely, accurate, and user-friendly. Although new reporting requirements as outlined in the FY 2000 Defense Authorization Act may not be complete in every detail, the Department expects to meet the required implementation date of April 2000.

Capability Concerns

Joint Staff, CINC, and Service assessments have confirmed that much of the risk in executing MTW scenarios is driven by significant capability shortfalls. These fall into six areas: (1) intelligence, surveillance, and reconnaissance; (2) logistics sustainment; (3) command, control, communications and computers; (4) mobility and en route infrastructure; (5) defense against terrorism and weapons of mass destruction; and (6) information vulnerabilities.

For each of these areas, where possible, we have implemented measures that will reduce the impact of these capability shortfalls. For the most part,

long-term fixes in these areas are funded within the FYDP, but will not be fully implemented until FY09. A continued commitment to increased resourcing will help alleviate these capability deficiencies. While recent funding increases should prevent further deterioration of current readiness, they will not guarantee the levels of readiness needed to significantly reduce risk in executing the National Military Strategy.

Airborne Intelligence, Surveillance, & Reconnaissance (ISR)

Over the past year, many theater CINCs have consistently raised concerns about ISR asset shortages, specifically, the availability of airborne reconnaissance platforms, trained aircrews, pilots, linguists, and sensors.

Many ISR assets are categorized as Low Density/High Demand (LD/HD) because demands for these assets continue to outpace the current inventory. To more efficiently and effectively use current airborne ISR assets, the Joint Staff developed a peacetime airborne ISR reallocation plan that responded to CINC peacetime requirements. In addition, a more detailed requirements-based request process was put in place to better assess and prioritize CINC needs. This new process should ensure the most critical CINC information needs are met while managing tasking on limited ISR resources. We are also evaluating alternate collection means such as allied or non-airborne ISR capabilities to reduce demand on LD/HD ISR systems. Finally, an ongoing effort to increase the numbers of airborne ISR assets will increase their availability.

For the longer-term, my staff is assessing ISR deficiencies as the basis for my recommendations to the Secretary of Defense. We will continue to closely monitor and manage these crucial warfighting enhancement assets to ensure we can meet our most pressing needs.

CJCS Exercise Program Reductions

An important component of joint readiness and the CINCs' theater engagement strategies is the CJCS Exercise Program. This is my principal vehicle for achieving joint and multinational training. It provides combatant commanders with their primary means to train battle staffs and forces in joint and combined operations, to evaluate war plans, and to execute their engagement strategies. This critical program also provides a vehicle for DoD to assess the military's ability to satisfy joint national security requirements and to enhance and evaluate interoperability between the Services.

To reduce the impact of OPTEMPO on people, I directed an overall 30 percent reduction in joint exercise man-days between FY96 and FY01 – a goal that has already been met. Additionally, this directive resulted in reducing the number of joint exercises from 277 in FY96 to 189 in FY00.

The additional FY00 Congressional reductions in the CJCS Exercise Program Service Incremental Funding make it more difficult for this important program to match essential training with the need to reduce OPTEMPO/PERSTEMPO. The CINCs are unanimous in their concerns about the impact that these further reductions will have on the readiness of the first-to-fight forces. We seek Congressional support in restoring this program to its former level.

Headquarters Reductions

The FY98 National Defense Authorization Act, as continued for FY99 and FY00, mandated headquarters reductions. The current language requires an additional 15 percent cut over three years. While reductions in headquarters staffs are generally a good idea, there are compelling reasons why we seek relief for the Joint Staff and the combatant commander staffs from this mandate.

Specifically, the Goldwater-Nichols Act, and subsequent legislation, and implemented accommodations of the Packard Commission greatly increased my responsibilities and those of my staff, as well as the combatant commanders. The Joint Staff, for instance, assumed significant additional responsibilities for force integration and budgeting.

Each succeeding Unified Command Plan also added commands and missions, to include theater engagement, space planning/operations, and joint force integration and training. For example, the Strategic Air Command was transformed from a specified command into a new unified command, STRATCOM. TRANSCOM was activated to assume global airlift, sealift, and traffic management responsibilities.

Additionally, continued joint mission increases, as well as emerging missions, typically come with a need for a high degree of combatant commander headquarters support. Mission area increases include counter-drug, theater engagement, force protection, missile defense, computer network defense, and development of joint warfare concepts, capabilities, and doctrine.

The combination of increased responsibilities, more mission areas, and the cuts already taken mean that further reductions come with serious risk, and will impede our ability to provide effective management and oversight of readiness, force development, and operations.

AC/RC Integration

In coping with an increasingly demanding security environment, the role of our Reserve Components has grown markedly as the active force has drawn down. In virtually every domestic and overseas mission, from disaster relief in the continental US to humanitarian assistance in Central America to ongoing operations in Iraq, Bosnia, and Kosovo, our Reservists and National Guardsmen have performed magnificently in important and, in many cases, indispensable roles. Since the beginning of operations in Bosnia and Kosovo, a total of more than 19,000 Reserve Component personnel have been activated for duty in the Balkans. Another 5600 were activated for NATO's Operation ALLIED FORCE against Milosevic's forces under the authority of a Presidential Reserve Call-up (PRC). Almost 10,000 Reservists and National Guardsmen have served throughout Southwest Asia since the end of the Gulf War.

Effective integration and utilization of the men and women in our Reserve Component will continue to be key elements of Joint Personnel Readiness and are critical to the success of the Total Force. Often the capabilities they provide -- such as civil affairs, psychological operations, and civil support -- are found predominantly in the Reserve Components. We have made a number of steps in creating a true Total Force, and I am enthusiastic about the opportunities inherent in the "Chairman's Ten" -- the Reserve Flag and General officers provided by the Congress for assignment to the CINCs. This program will allow us to tap the tremendous skill and expertise in our Reserve and Guard officers, and aid the CINCs in the full range of their responsibilities. The first assignment -- Commander, Joint Task Force Civil Support -- has already been made. We will have the rest in place by the end of this calendar year, including such key positions as Deputy Director for Operations, Plans, and Policy at SOCOM, Chief of Staff to TRANSCOM, and the Director for Logistics for STRATCOM.

Clearly, the wide range of contributions by the Reserve Components continues to be a bright spot as we strive to match available resources to a demanding mission load. Their service also demonstrates the enduring value and relevance of the citizen-soldier. We will continue to look for innovative ways to capitalize upon the strengths of our Reserve Components, our trump card for maintaining high readiness levels in these challenging times.

Force Protection

Whether the units deployed are Reserve or Active, wherever our troops go force protection is a top priority for commanders. The tragic bombings of our embassies in Tanzania and Kenya in 1998 reminded us again that terrorists can strike anywhere, at any time. During my testimony last year, I noted that our adversaries -- unable to confront or compete with the United States militarily -- spend millions of dollars each year to finance terrorist organizations that target US citizens, property, and interests. Consequently, our Combatant Commanders and the Services continue to focus on force protection issues as a first order priority.

Six important force protection initiatives have increased our antiterrorism efforts. First, the Joint Staff Integrated Vulnerability Assessment Teams and CINC and Service Vulnerability Assessment Teams assist installation commanders and force protection officers in refining existing plans and providing assessment lessons learned which are made available to all commands.

Second, we continue to improve our Antiterrorism Force Protection Training Program which provides antiterrorism awareness training to all DoD military and civilian personnel and their families, specialized training to Antiterrorism Force Protection Officers, "pre-command training" to prospective Commanders, and operational level seminars to our most senior officers.

Third, the Combating Terrorism Readiness Initiative Fund provides an important means for our Combatant Commanders to fund time-critical, emergent requirements that cannot wait for the normal budget or acquisition processes.

Fourth, the Operations and Intelligence Fusion Initiative recognizes the importance of timely dissemination of terrorist threat information from the intelligence community to the operators in the field. We are making progress toward the goal of having fully coordinated Joint Operations and Intelligence Fusion Cells at all levels.

Fifth, we have embarked on a major effort to provide minimum force protection standards for Military Construction (MILCON) projects. DoD has recently approved prescriptive standards for construction of new high occupancy buildings, including barracks, dining halls, and recreation facilities. The additional cost involved depends upon such things as construction location, required vehicle standoff distance, and the threat level, but is not expected to significantly increase the overall construction cost.

Finally, during the past year we completed an Antiterrorism Best Practices Study that examined some of our allies' best efforts to combat terrorism at the strategic, operational, and tactical levels. We discovered several different approaches that merit closer evaluation. For example, several of our allies' antiterrorism strategies include more proactive engagement with local communities in higher threat areas. They found that gaining the trust and confidence of local citizens makes it far more difficult for terrorist organizations to effectively operate within their communities. As we consider the lessons from this study, we must continue to carefully balance any potential increased risk to our men and women against expected force protection benefits.

Key technology enablers, such as threat analysis and warning, explosive device detection, and early detection of WMD, also enhance our ability to counter terrorism.

Our best efforts notwithstanding, we know that terrorism will remain a serious threat as we move further into the 21st century. We cannot afford to subscribe to a "zero casualty" mentality. Our enemies will continue to test our resolve, both at home and abroad. While we cannot prevent every attack, we can lower both the threat and the consequences of terrorist incidents.

Therefore, it is imperative that we have the resources and training needed to put appropriate procedures in place.

Counterdrug Forward Operating Locations

Progress continues on US Southern Command's Forward Operating Locations (FOLs) to replace counterdrug aerial detection and monitoring missions formerly flown by DoD and interagency aircraft from Howard Air Force Base in Panama. Since the first of May, we have staged air operations from Curacao and Aruba, and Manta, Ecuador. Additionally, plans for a third FOL in Central America are under way. Thus far, our total numbers of hours on station are equal to or greater than when we flew from Howard. However, we need to increase our operations in the "source zone" (SZ): Colombia, Peru, and Bolivia.

The SZ is our number one counterdrug (CD) priority and we are taking several steps to increase our presence there. Our detection and monitoring coverage shortfall is mainly driven by the physical condition of FOL Manta, Ecuador, which restricts our forces to single plane, Day Visual Flight Rules operations. The result has been fewer hours flown over southern Colombia and the rest of the SZ than desired. USCINCSO has directed his Air Force component commander to develop a plan to increase the capability of the airfield as soon as possible. By 31 March of this year, we expect to have the capability to fly 3 aircraft from Manta at night and in any weather. This will go a long way toward overcoming the current coverage shortfall. Longer-term, we will need to address some other infrastructure deficiencies at the FOLs, such as ramp space and support, operations, and maintenance facilities.

USCINCSO's implementation concept is a phased approach. He recognizes the requirement to operate from the FOLs in an expeditionary manner, but also believes that such operations are not sustainable in the long term. Certain safety and infrastructure improvements will need to be completed before commencing full-scale operations to maximize our use of these airfields, but construction is planned only where existing host-nation facilities are unavailable. For example, we are planning for "expeditionary construction" of structures using concrete foundations and metal skin siding exteriors. All of this is designed to meet minimum requirements while minimizing costs. When the projects are completed, we fully expect to replicate the level of detection and monitoring flown from Howard Air Force Base, without increasing costs or OPTEMPO of the Services.

The Department of State (DOS), which has the lead on securing long-term access agreements, concluded a 10-year agreement with Ecuador in November, 1999 and they are close to a Curacao/Aruba agreement with the Dutch. Official negotiations have not begun for the Central American FOL.

FOLs are not bases, but staging airfields, owned and operated by the host nation as part of our collective efforts to stem the flow of illegal narcotics into the United States. Without these FOLs, we would be unable to effectively carry out our detection and monitoring mission and would fall well short – 50 percent – of the historical coverage provided from Howard AFB. Coverage in

the deep source zone, the area identified as “critical” in the President’s National Drug Control Strategy, would be severely degraded.

Personnel Recovery

Recovery of our personnel behind enemy lines, or in the vicinity of enemy forces, is one of our most important tasks. And it is one we take very seriously. To consolidate personnel recovery responsibilities under one agency, the Joint Personnel Recovery Agency was established as an entity under US Joint Forces Command on 1 October 1999.

In addition to organizational changes, we are working to accelerate the fielding of new-generation handheld survival radios with integrated communications and GPS capability to increase the probability of survival and successful recovery. Additionally, the V-22 Osprey holds great potential for combat search and rescue operations, and the Air Force is exploring its utility in this area. Finally, we are looking into some areas that merit increasing interaction between DoD and the interagency, such as standardized survival, evasion, resistance and escape training for non-DoD personnel at risk of capture.

Global Hot Spots

While there are many areas of interest around the world, three specific regions continue to occupy much of our attention and resources: the Korean peninsula, the Balkans, and Southwest Asia. Instability and tension in these areas pose the greatest potential threats to US interests, and consume more energy and resources than any others. Additionally, East Timor bears some discussion, since US forces remain involved in the peacekeeping effort there.

Korea

Despite a collapsed economy and an ongoing struggle to feed its own population, the North Korean government continues to pour its limited resources into the military and to pursue a policy of confrontation with South Korea and neighbors in the region. Additionally, it represents a nation capable of launching a significant conventional attack on US forces with minimal warning.

More than one million North Korean troops serve on active duty, the vast majority deployed within hours of the DMZ and South Korea’s capital city, Seoul. Infiltration by North Korean special forces and provocations such as last year’s Yellow Sea clash over fishing rights continue to exacerbate tensions between the two governments, while ongoing development of long-range ballistic missile technology worries all countries in the region. Finally, North Korea’s repeated threats to walk away from the Agreed Framework that curtailed their nuclear production program have been unsettling to the international community.

The North Korean challenge remains one that we must – and do – take very seriously. We have pursued a number of initiatives in recent years to enhance the capabilities of both our forces forward deployed on the peninsula and our reinforcing elements, as well as the forces of our South Korean Allies. As I testified last year, we now have better US tanks, better infantry fighting vehicles and better artillery, as well as improved attack helicopters and aircraft,

on hand in Korea. We have also deployed Patriot missile defense systems, improved surveillance capabilities, and assisted with a number of upgrades to South Korean forces. Our naval forces have greatly stepped up their anti-SOF activities, while forward-deployed Marine forces stand ready to reinforce the peninsula on short notice. We have upgraded our prepositioned stocks as well, substantially improving our ability to reinforce the peninsula with ground troops from the continental United States.

These measures are particularly important to support the dramatic shift in US policy toward Pyongyang proposed by former Secretary of Defense William Perry following his visit to North Korea in May of last year. He concluded that North Korea's development of long-range missiles and the capability to build nuclear weapons created an instability that compromised previous policies. Mr. Perry advocated a new, dual-track strategy: a positive path, called Mutual Threat Reduction, designed to improve relations leading ultimately to normalization; and a negative path, called Threat Containment, consisting of increasing containment, isolation, and military readiness. The US is currently pursuing the Mutual Threat Reduction path, which promises improved bilateral relations in exchange for a Democratic Peoples Republic of Korea commitment to continue negotiations to eliminate their long-range missile program and enter into discussions about their nuclear weapons program. If this approach fails, then the Threat Containment path will be pursued.

While this strategy holds promise, our defensive posture in Korea must remain both viable and strong as long as the threat remains. North Korea's substantial chemical and biological weapons capability, coupled with its continued pursuit of ballistic missile technology, will demand our attention for the foreseeable future.

Southwest Asia

Long-term US interests and the potential for instability combine to focus our attention and concern in Southwest Asia as well. Saddam Hussein's continuing disregard for the United Nations and the agreements he previously signed, his belligerent actions to challenge enforcement of UN sanctions, and the military threat he poses to the neighboring states all require that the US and our allies maintain a substantial, capable, and ready military force in Southwest Asia. Additionally, powerful reinforcing units in the US are prepared to move quickly should conditions warrant a rapid deployment of any additional assets.

Our resolve and the ability of our forces in Southwest Asia have been tested throughout 1999. In the wake of Operation DESERT FOX at the end of 1998, Saddam Hussein has increased his belligerence against US and coalition forces enforcing the Iraqi No-Fly-Zones. On a regular basis, Iraqi forces fire anti-aircraft artillery and surface-to-air missiles against US and coalition aircraft, forcing them to act in self-defense.

The US military presence in the region includes land-based fighter and bomber forces, an aircraft carrier battle group with strike aircraft and cruise missiles, and substantial ground forces that can be reinforced within days. In

recent years we have built up our pre-positioned stocks of weapons and supplies, considerably improved our strategic lift, and developed a crisis response force in the United States that can deploy to the Gulf region on very short notice.

The current posture of our deployed forces in the Persian Gulf is one example of our efforts to reduce the number of soldiers, sailors, airmen, and marines deployed overseas on contingency operations, while still maintaining sufficient capability to meet our security responsibilities and commitments around the world.

Balkans

The Balkan region continues to be a key area of interest and involvement, and US forces remain committed throughout the area. In Bosnia-Herzegovina, up to 6,200 US servicemen and women are supporting the NATO multi-national Stabilization Force, or SFOR. Approximately 5500 personnel are deployed to Kosovo, and another 1500 are deployed to Macedonia, Greece, and Albania, all in support of NATO's Kosovo Force, or KFOR.

In Bosnia, while NATO military units continue to maintain a safe and secure environment, progress in civil implementation remains slow. A restructuring of SFOR will reduce the US contribution by about 25 percent to 4600 this year.

The KFOR mission in Kosovo has significantly increased the US presence in the region, not just in Kosovo, but in the Former Yugoslav Republic of Macedonia and Albania as well. While some violence continues, US forces - along with NATO allies and coalition partners - have contributed to establishing a safe and secure environment in Kosovo, and enhanced regional stability. To create a lasting and durable solution, however, a host of civil, political, and economic tasks still must be accomplished to build a better future. The United Nations Mission in Kosovo is helping in this recovery process and one of the next challenges for the international community will be to properly fund, organize, equip, and train the new Kosovo Protection Corps.

The Milosevic regime in the Federal Republic of Yugoslavia remains a source of tension throughout Southeastern Europe. The ability of the United States to use all the instruments of national power - political, economic, as well as military - while convincing our Allies to do the same, may help prevent another conflict in the region. Positive developments in regional stability, democratization, and economic revitalization include NATO's Southeastern Europe Initiative - initiated at the Washington Summit - and the European Union-sponsored Stability Pact for Southeastern Europe. Both initiatives look toward regional integration and cooperation in finding regional solutions to the challenges in the Balkans.

East Timor

Following cessation of open hostilities in East Timor, the challenge for the international community is to help rebuild a civil structure, essentially from scratch. The United Nations Transitional Authority for East Timor (UNTAET) has this responsibility. The UN mandate for the peacekeeping component of UNTAET calls for a force of up to 8950 troops plus 200 military

observers. We supported the transition from the International Peacekeeping Force (INTERFET), currently in East Timor, to the UN-led UNTAET with civilian-contractor heavy-lift helicopters and military communications support. The UN anticipates a transfer of authority from INTERFET to UNTAET later this month. The final form of the US contribution to the UNTAET peacekeeping force is being evaluated.

The central security issue for East Timor remains the maintenance and security of the border with West Timor. We remain cautiously optimistic of eventual stability in light of the Wahid government of Indonesia's expressed intentions to disarm and sever relations with the militias.

BUILDING TOMORROW'S JOINT FORCE

Even as we focus on the present we must look to the future to ensure that tomorrow's force is as ready, and even more capable and versatile than today's. Today's force benefits from some of the tough decisions made by my predecessors and yours. We have an equal obligation to make the right choices today to pave the way for our successors. Given finite resources, balancing current readiness and taking care of our quality people against modernization for the future will often conflict – but all are equally important. To ensure that tomorrow's Joint Force remains the world's best, we are moving forward to make Joint Vision 2010 – our conceptual framework for future joint operations – a reality. Additionally, we are engaged in developing the next Joint Vision document that builds on the JV2010 foundation and maintains the momentum forward toward the future.

Joint Experimentation

The Secretary of Defense has assigned the Commander-In-Chief, U.S. Joint Forces Command (JFCOM) to serve as the executive agent for joint warfighting experimentation. Joint Experimentation is the principal mechanism for translating JV2010 into reality. The Joint Experimentation Program will complement – not replace – existing Service experimentation efforts. Experimentation will also include efforts to improve our interoperability and effectiveness with multinational partners.

To facilitate joint, service-leveraged, and multinational experimentation efforts, JFCOM has developed and published a cornerstone document depicting the way ahead. Campaign Plan 00, a comprehensive six-year effort covering the years 2000-2005, is designed to identify new concepts, processes, organizations, capabilities, and technologies that will enable dramatic improvements in our joint warfighting. The results of these experiments will be captured within an interdependent package of doctrine, organization, training, materiel, leadership and education, people, and facilities recommendations. Following the completion of each series of experiments, a package of recommendations will be delivered to me for approval and follow-on implementation, where applicable, within the joint force.

The annual JFCOM campaign plans are bold approaches to joint force and operational concept development. The plans emphasize experimentation in two areas: (1) integrating concepts and (2) functional concepts. Integrating concepts describe an overarching warfighting approach and provide the context and focus for the functional concepts. The functional concepts are critical to achieving the overarching integrating concept capability.

In the near term, JFCOM will be experimenting with its first integrating concept: Rapid Decisive Operations. This concept focuses on the joint force at the operational level. It describes how a Joint Force Commander can determine and employ the right balance of air, land, sea, amphibious, space, and information-based capabilities in an intense non-linear campaign to defeat an adversary's strategic and operational centers of gravity. The Rapid Decisive Operations Integrating Concept emphasizes the following four functional concepts considered critical for the future:

Attack Operations Against Critical Mobile Targets. A system with advanced sensors, near-instantaneous sensor-to-shooter data flow, and high speed, long range accurate weapons that allows rapid identification and engagement of armor, Surface-to-Air Missiles, Theater Ballistic Missiles, and other mobile targets to enhance offensive operations and improve force protection.

Common Relevant Operational Picture. Provide timely, fused, accurate, consistent, and relevant information from multiple sources into a readily understandable, scalable, and interactive depiction of the joint battlespace. This picture depicts information on friendly and enemy force dispositions while enhancing attack operations and minimizing fratricide.

Joint Interactive Planning. A virtual, collaborative system which enables planners to access a wide array of information and planning efforts from numerous sources to improve decisions, enable faster response time and allow commanders to react quickly to changing events.

- **Adaptive Joint Command and Control.** Leverages advances in information technologies to revolutionize the structure of the Joint Task Force Headquarters and the dissemination of information to the Joint Force, as well as provide the joint warfighter with the most effective and efficient operational command and control.

The capstone event within the joint experimentation program for this year will be Millennium Challenge 00. This joint experiment provides an overarching joint context and scenario for the integration of four Service-based experiments into a single joint event. The Service events are the Army's Joint Contingency Force Advanced Warfighting Experiment, the Navy's Fleet Battle Experiment Hotel, the Air Force's Joint Expeditionary Force Experiment 00, and the Marine Corps' Millennium Dragon.

Ultimately, the joint experimentation process will influence everything about the Joint Force of 2010 including strategy, doctrine, organizations, training, materiel, leadership and education, facilities, and recruiting. By

examining our assumptions and refining our future warfighting concepts in the crucible of joint and multinational experimentation, we can best achieve the full potential of JV2010. Our objective remains the same: a Joint Force that is persuasive in peace, decisive in war, and preeminent in any form of conflict.

Military Transformation

Department of Defense transformation will result from the Revolution in Business Affairs (RBA), which modernizes Department-wide business practices, and the Revolution in Military Affairs (RMA), which profoundly changes military forces and capabilities. As reported to the President and Congress, this military transformation relies upon progress and change within six critical areas. Development and experimentation by the Services, CINCs, and JFCOM will eventually enable the Services to provide a truly interoperable and compatible joint force with Joint Vision 2010 operational capabilities. These critical areas include:

Science & Technology. We will exploit the information revolution and our Nation's dynamic and innovative technological capabilities to achieve new levels of force integration and force effectiveness.

Service Concept Development. We will work closely with the Services to provide a compatible joint force framework that maximizes Service core competencies, while maintaining a highly effective, interoperable and compatible joint and combined force in execution.

Joint Concept Development. We will strive for joint interoperability and compatibility through Service-based and joint-leveraged experimentation designed to produce interdependent initiatives.

Robust Implementation. Service, joint, and multinational experimentation is a long-term investment that will yield recommended breakthrough capabilities and force enhancements for military transformation. The specific processes for the recommendation and approval of experimentation results are currently under development. We seek the means to thoughtfully, but rapidly, institute a package of recommended changes within our forces in the areas of doctrine, organizations, training, materiel, leadership and education, personnel and facilities.

Multinational Transformation Activities. We seek to encourage and support multinational transformation activities among our potential partners. We will develop the means to interface with and enhance the interoperability of combined forces.

Exceptional People. Our people are the key to lasting institutional change. We will continue to invest heavily in leading, educating, training, and caring for our military and civilian personnel and their family members in every affordable way.

Additionally, I am undertaking initiatives that will further institutionalize military transformation through:

- **Metrics Development.** We are in the process of developing metrics for military transformation. Metrics are the key measures to judge the overall progress of transformation in so many inter-related and interdependent

areas. In this effort, we will be supported by a 21st Century information and decision center known as the Joint Vision Integration Cell.

- **Joint Doctrine Process Improvement.** Joint doctrine is the engine of change and is key to the transformation effort -- it wins wars, saves lives, saves money, and is the foundation of all military operations. We are transforming the joint doctrine development program to ensure that we get doctrine into warfighters' hands in a timely manner. We are in the process of modifying the development process by leveraging information technologies to reduce the development timeline for a joint publication. In the area of joint doctrine development, we are working hard to include the contributions of our interagency and multinational partners to ensure that our joint forces are capable of operating as part of combined joint task forces within an interagency environment.
- **Joint Doctrine Training and Education.** Technology will play a leading role in transforming joint doctrine. The emerging capability to distribute information and apply doctrine knowledge heralds a new era of opportunity in the military. The Internet and CD-ROM based distributed learning methodology employed to enhance doctrine awareness promises quality doctrine education to every member of the US military. Information and hands-on training formerly available only to those people able to participate in resident education now will be available to all participants. The critical elements of efforts to achieve these objectives are already under development. These include the Joint Electronic Library (JEL) and Joint Doctrine Electronic Information System (JDEIS) - repositories of joint doctrine information, Doctrine Networked Education and Training (DOCNET) - on-line multimedia joint doctrine instructional modules, and the Joint Doctrine Interactive Practical Application - a CD-ROM based doctrine war game.
- **War Planning.** Comprehensive plans that allow for employment of forces across the full spectrum of military operations are critical to support our National Security Strategy and Engagement Objectives. As we prepare our Armed Forces for a challenging future we will continue to refine and improve our planning process to leverage technological advances and achieve new levels of integration and effectiveness by: (1) conducting a quality review of all plans to ensure synchronization with strategic documents; (2) integrating all elements of National Power into the DoD deliberate planning process; (3) participating with the Contingency Planning Interagency Working Group (CP IWG) in the production of politico-military plans; (4) conducting thorough reviews of operation plans submitted by international treaty organizations; and (5) incorporating emerging technologies to achieve real-time information flow for collaborative planning.

Intelligence Interoperability

Intelligence interoperability is the linchpin of our efforts to achieve the goal of Information Superiority – a key enabler of the four operational concepts

of Joint Vision 2010 – and the foundation for providing the commander with dominant battlespace awareness.

To be fully interoperable in the context of Joint Vision 2010, intelligence must be produced and delivered in a fashion that immediately supports command decision making and mission execution. Barriers to interoperability between intelligence and operations systems and environments are being eliminated to ensure we are able to provide a Common Operational Picture – which will tremendously enhance the Joint Task Force commander’s ability to exercise command and control.

As interoperability requirements expand, we are aggressively working through a wide-range of opportunities. Today, I can report that we are on the cusp of a significant leap forward in redressing interoperability shortfalls with the fielding of the Global Command and Control System, or GCCS, which will provide integrated imagery and intelligence to the Common Operational Picture.

Intelligence Support for Precision Engagement

Successful employment of modern weapons systems, new operational concepts, and innovative combat techniques -- particularly those involving forces that are lighter, faster, more agile, and more lethal -- also depends on rapid, precise, accurate, and detailed intelligence. The persistent demand for very-high-resolution intelligence data is driven by a combination of factors: the inventory of increasingly precise weaponry; a mission mix that requires the “surgical” application of force; and the growing use of high-fidelity modeling to support mission planning. In addition, future trends -- such as the weaponization of information technologies or the increased probability of combat operations in urban terrain -- foreshadow a dramatic growth in requirements for fine-grained, time sensitive intelligence collection and analysis.

This evolving focus on pinpoint accuracy extends beyond precisely striking a target with explosive ordnance. The JTF commander must be able to understand the situation, select an appropriate course of action and the forces to execute it, accurately assess the effects of that action, and re-engage as necessary. Such situations and actions encompass the full range of military operations – from full-scale combat to humanitarian relief missions. Detailed intelligence is needed to expand the options available not only to the operator but also to the policymaker or peacekeeper. Achieving this degree of granularity will require continued investment in, and modernization of, intelligence collection and analysis capabilities. The defense intelligence community is working to reshape its workforce, reform its processes, and refine its capabilities to improve both precision and efficiency. We will need the continued help of the Congress as we shepherd the resources necessary to ensure that intelligence keeps pace with the demands of modernized military capabilities.

Information Operations

Emerging threats and increasing dependence on information systems make Information Operations (IO) an area of intense interest for DoD. Information Operations consist of actions taken to affect adversary information and information systems while defending one's own information and information systems. A significant force multiplier, both offensively and defensively, IO offers great potential across the spectrum of conflict from peace to war. In a noncombat or ambiguous situation, IO includes the actions taken to preserve one's own information and information systems, as well as those taken to influence a target's systems. Focusing on the decision-maker and/or decision making process, IO integrates traditional military activities and capabilities; such as Electronic Warfare (EW), Psychological Operations, Operations Security, Physical Destruction, and others, with the newer mission of Computer Network Defense/Attack (CND/CNA). The emergence of this new realm of conflict brings significant vulnerabilities as well. An adversary using CNA techniques could gain a significant advantage by attacking portions of the US military and/or commercial information infrastructure.

To avert such a scenario, DoD has focused a great deal of attention on Information Assurance (IA): measures aimed at protecting and defending information and information systems. Effective IA transcends DoD and requires coordination throughout the government as well as a rational approach to integrating commercial sector efforts. The nature of modern information technology makes identification of adversary actors and motives difficult. Joint Task Force - Computer Network Defense was established in 1999 to address this threat. Assigned to SPACECOM, it works in concert with the National Infrastructure Protection Center (NIPC) to ensure the security of vital DoD Information systems.

The role of the DoD and other agencies, as well as the role of the federal government in general in protecting our country's information and information systems while preserving individual rights, needs further study and clarification. We are involved in several senior level venues to shape DoD IO efforts. The DoD IO concept white paper, when completed, will provide a framework for future DoD IO policy and a stimulus for greater interagency coordination.

Global Information Grid

An important aspect of future operations will be the development of a Global Information Grid, or GIG, to provide the network-centric environment required to achieve information superiority. The GIG is the globally interconnected, end-to-end set of information capabilities, associated processes, and personnel to manage and provide information on demand to warfighters, policy makers, and supporting personnel. It will enhance combat power through greatly increased battlespace awareness, improved ability to employ weapons beyond line-of-sight, employment of massed effects instead of massed forces, and reduced decision cycles. It will contribute to the success of non-combat military operations as well.

Though the GIG is not yet a reality, the way ahead is clear. For example, JFCOM has been given the lead and is currently writing the GIG Capstone

Requirements Document. This is the first time a single, overarching document will drive all future C4 requirements and provide the framework for increasing numbers of new capabilities to be “conceived and born joint.”

Global Positioning System

To preserve our ability to prosecute military operations with precision at standoff ranges in all weather conditions, we are embarking on a Global Positioning System (GPS) modernization program. This modernization effort will include a new military navigation signal from space that will increase the performance of weapons systems in the presence of enemy jamming. In our role as the stewards of the GPS constellation, these modernized satellites will also include additional civil signals to meet the national goal of enhancing the utility of GPS across commercial, scientific, and aviation communities.

Unified Command Plan

A major part of our transformation effort is our long-range vision of how to organize for the future. Last October, Joint Forces Command was established to focus on joint training, experimentation, interoperability, and doctrine. At the same time, we also established the Computer Network Defense Joint Task Force to help protect our critical defense information systems, as well as the Joint Task Force for Civil Support (JTF-CS) which will become fully operational by April 2000.

JTF-CS, located in Norfolk, Virginia, has a staff of 36 and is led by an Army National Guard Brigadier General. JTF-CS will assume overall responsibility for coordinating DoD's Consequence Management support efforts to civil authorities for WMD incidents within the US, its territories, and possessions. It will also train forces, develop doctrine, and serve as a command and control headquarters for military units deployed in support of consequence management efforts. During routine, day-to-day operations, JTF-CS will act as JFCOM's primary point of contact for all WMD consequence management matters.

This DoD organizational change will provide the best possible military support to our country's WMD consequence management effort. I want to underscore, however, that this action in no way alters our relationship with the Lead Federal Agency (LFA) during a CM operation. JTF-CS will always be in a supporting role to the LFA, and civilian control will always be firmly maintained.

As part of the Unified Command Plan (UCP) review cycle, my staff also worked with the CINCs and Services to study a wide range of options for the future. The results of this review, called UCP 21, provide a flexible, evolutionary path designed to improve jointness and protect our national interests against evolving threats well into the early part of this new century.

Ballistic Missile Proliferation

The global proliferation of technology and the ballistic missile programs underway in many nations mean that we must take steps now to counter emerging threats to the US, our forward deployed forces, and our allies. Future strategic and regional threats are characterized by the increasing potential for an opponent's use of weapons of mass destruction (WMD) across the spectrum

of conflict. Counterproliferation (CP) refers to DoD efforts to combat proliferation, including: (1) the application of military power to protect US forces and interests; (2) intelligence collection and analysis; and (3) support to diplomacy, arms control, and export controls. We must be fully prepared to counter the military threats posed by WMD. CP helps shape the international environment by deterring proliferation and use of WMD. Nuclear capabilities serve as a hedge against an uncertain future, a guarantee of security commitments to allies, and a disincentive to those who would contemplate employment of WMD. While the US may not be successful in preventing proliferation all the time and in all places, when proliferation does occur and national interests and commitments are threatened, we must be in a position to respond and prevail during a crisis or on the battlefield.

To prepare now for an uncertain future, our CP strategy focuses on: (1) preventing proliferation from occurring; (2) protecting US forces, interests, and citizens against WMD; and, (3) being able to respond against those who would use WMD against the US or its allies. This strategy is characterized by a set of mutually supporting capabilities: counterforce, active defense, passive defense, and consequence management.

Theater Missile Defense (TMD) and National Missile Defense (NMD) are important components of the active defense capability mentioned above. TMD is designed to protect US and allied forces against ballistic missile threats within theaters. The CINCs require a family of systems for Theater Ballistic Missile Defense (TBMD) consisting of a mix of interoperable air, land, and sea-based capabilities. This architecture is both complementary and flexible, allowing the CINCs to adequately defend assets across the continuum of peacetime operations, through crisis response to a major theater conflict. The Department's priorities for TBMD remain unchanged – lower tier capability (Patriot Advanced Capability-3 and Navy Area Defense System) is still our highest priority, followed by upper tier capability (Theater High Altitude Area Defense System and Navy Theater Wide Defense System). However, the development and deployment of an upper tier capability by FY07 is operationally critical to ensure protection against the projected Medium Range Ballistic Missile threat, to provide wide-area coverage, and to enhance theater air and missile defense protection.

Moreover, TMD enhances regional stability. As part of broader efforts, the US is actively engaged in cooperative programs with Japan, NATO, Israel, and Russia. Cooperation with Japan is presently limited to Shared Early Warning (SEW) information on theater ballistic missile launches and the Navy Theater Wide Block II cooperative research effort. NATO and Israeli cooperation includes SEW. Additional cooperative programs include the co-development of the Medium Extended Air Defense System (MEADS) with Germany and Italy, and the ARROW weapons system with Israel. Finally, cooperation with Russia includes a TMD exercise program and discussions on strategic and theater SEW.

The NMD program will continue to develop and maintain the option to deploy an anti-ballistic missile defense to protect all 50 states against limited

strategic ballistic missile threats from rogue states. This will also provide some capability against a small accidental or unauthorized launch from a nuclear-capable state. The objectives of the NMD program are threefold: (1) to develop and demonstrate a system capable of protecting against small-scale ballistic missile attacks; (2) to complete system development and, if directed, field an initial capability system by 2005; and (3) to maintain a system development path that allows evolutionary upgrading of system capabilities commensurate with the threat. The NMD program is progressing toward the Jun 00 Deployment Readiness Review and a subsequent deployment decision by the President. The decision to deploy will be based on an assessment of the system's technical maturity, status of the threat, operational effectiveness, cost, and international security considerations.

Integrating Interagency Planning

In the ten years since the end of the Cold War, the United States has been engaged in planning and executing a series of Complex Contingency Operations (CCOs). During these operations, it has become increasingly clear that an integrated approach for the application of USG policy and assets must be made to optimize scarce resources and ensure success. Several initiatives are currently being coordinated and developed that will better integrate DoD with other agencies in conducting complex, and small-scale contingencies, as well as Major Theater War (MTW).

The first step in establishing dedicated mechanisms and integrated planning processes needed to ensure rapid, effective, well-structured, multi-agency efforts in response to crises was the publication of Presidential Decision Directive - 56 (PDD-56) - Managing Complex Contingency Operations -in 1997.

Since then there have been four PDD-56 training events to link the Interagency with the CINC. The most recent was done in conjunction with EUCOM's "Brave Knight" exercise last spring. This event was exercised at the Deputy Assistant Secretary level, and addressed a WMD crisis in Europe. We have learned many lessons from these exercises, but among the most important may be the need to have senior officials routinely participate.

In November 1999, the President directed the Secretary of Defense to forward to the National Security Council those politico-military issues deemed necessary for interagency review and appropriate action. This will be accomplished by the development of an Interagency Coordination Annex (Annex V) to all CJCS-approved plans. Annex V does not duplicate operations covered in other annexes, appendices, or tabs, but, rather, provides a single source reference for the CINCs to identify Interagency requirements and lays the groundwork for potential coordination with international civilian organizations and private voluntary organizations. These Annex Vs, when approved, will be repackaged into politico-military strategic concepts and forwarded through OSD to the NSC.

These politico-military strategic concepts are the mechanism to facilitate

the development of contingency politico-military plans. Spelling out the CINCs' Interagency requirements enables other agencies to conduct detailed advanced planning in concert with DoD. These contingency politico-military plans can be maintained for use in a future crisis. At the onset of a crisis, the PDD-56 process is initiated. The starting point to conduct PDD-56 planning will be these politico-military contingency plans. This advance planning will greatly enhance our ability to rapidly resolve crises as they emerge.

In December 1999, the National Security Advisor established a new standing Contingency Planning Interagency Working Group (CP IWG), chaired by the NSC staff, whose goal is to improve the PDD-56 process and receive these politico-military strategic concepts in order to do advance interagency planning. This CP IWG will include Assistant Secretary level representation from Departments within the Interagency. The CP IWG will meet regularly to:

- Assess potential contingencies and make recommendations for the development of political-military plans to manage them.

- Oversee political-military contingency planning and provide reaction and comment to DoD regarding Interagency involvement contained in CINC plans.

- Review and provide advice and recommendations to senior leaders on possible follow-on efforts.

- Provide policy guidance on the implementation of the interagency training and after-action review components of PDD-56.

Our experiences in Kosovo and elsewhere have demonstrated the necessity to ensure that all concerned government agencies conduct comprehensive planning to encompass the full range of instruments available to decision-makers. We all must move forward with our efforts to achieve increased levels of integrated interagency planning now. To better support other agencies, DoD needs to give greater consideration to political, diplomatic, humanitarian, economic, information, and other non-military activities in defense planning. In addition, the US government must establish dedicated mechanisms and integrated planning processes to ensure rapid, effective, well-structured, multi-agency efforts in response to crises. Finally, we must continue to emphasize that our senior officials routinely participate in rehearsals, gaming, exercises, and simulations, as well as the CP/IWG – which has become a genuine leap forward in the effort to establish a sound system to incorporate crisis and deliberate planning across the interagency.

Joint Officer Management

Arguably, one of the most important pieces of legislation that affected not only the structure of the Department, but also the way we execute our responsibilities and manage our personnel, was the Goldwater-Nichols Defense Reorganization Act of 1986. I am convinced that the many operational successes the military has enjoyed since its passage, including Operations

DESERT STORM and ALLIED FORCE, are attributable to the remarkable vision inherent in this Act.

We have had 13 good years of experience in the joint arena under this Act, and we have come a long way to achieving its original intention. It is time to consider evolutionary changes to the joint officer management process to ensure that our warfighting commanders-in-chief have the best men and women possible to meet their daunting responsibilities.

The Goldwater-Nichols Act originally presumed joint operations would require an extensive joint bureaucracy and an associated cadre of joint specialists to sustain it. What we have learned, however, is that our joint warfighting CINCs need officers with fresh experience in their area of functional expertise and a strong grounding in their Service's core competencies. The joint officer management process, as it exists today, is preoccupied with meeting quotas, not matching skill sets to requirements. We will be submitting several changes this year, each of which I believe will strengthen Goldwater-Nichols objectives by changing the existing process to address joint requirements.

For example, we would like to match the joint tour length requirement to the established DoD tour length for a particular location, not the arbitrary 36 months that is established in current law. As it exists today, officers who are posted to joint assignments in remote, but nonetheless critical, locations such as Korea and Southwest Asia do not typically receive joint credit.

Let me assure the Congress that we are not trying to circumvent or weaken what has become a vitally important part of how we defend our Nation's interests. To the contrary, we are working not only to improve jointness, but to champion it, as well. For example, though permitted by internal DoD policy, we are seeking to limit even more the number of waivers for those officers promoted to Flag and General officer rank.

JPME 2010

In 1998, we conducted an extensive review of Joint Professional Military Education (JPME) with a view toward defining requirements and identifying better ways to prepare officers for current and future challenges. The results of this study revealed a need to develop a JPME continuum that would expand the JPME audience to include Active and Reserve components, deepen and broaden JPME content, simplify joint officer management, and make JPME more accessible through distance learning and broader opportunities to receive JPME Phase II at Intermediate and Senior Service Schools.

We intend to work closely with the Congress this year to enact these important initiatives to improve joint education throughout the force.

Logistics Transformation

While the United States military continues to have the most effective logistics system in the world, this is another area where we are striving to become better. In the past logistics information systems were traditionally Service and function specific. These "stovepiped" systems are invaluable to the respective Service component commander, but fragmented at the joint task force (JTF) level. Today, CINCs, Components and JTF Commanders do not

have an integrated logistics information system that fully supports joint operational requirements; nor is there a repository of accurate, real-time, and seamless logistics information on which such a system can be based.

We are developing a strategy, in conjunction with OSD, the Services, and the appropriate Defense Agencies to: (1) adopt commercial solutions reflecting best industry practices; (2) review and optimize our logistics processes at all levels; and (3) arrive at a cohesive, web-based, network-centric, real-time, integrated logistics information environment by FY 2004.

Our goal is to provide the joint warfighter real-time logistics situational awareness by leveraging technology as we optimize our logistics processes while minimizing disruptions. To achieve this aim, we have recommended several intermediate steps:

- Implement Customer Wait Time as a new logistics metric.

- Establish a time-definite delivery based on a user established required delivery date.

- Continue to integrate Automatic Identification Technology (AIT) and Automated Information Systems (AIS) at all levels to capture accurate and timely information thereby obtaining true joint asset visibility.

- Develop and field a web-based, shared data environment providing seamless, interoperable, real-time logistics information to ensure the joint warfighter has the ability to make timely and confident logistics decisions.

Implementing these measures will significantly enhance modernization initiatives within the logistics community. I am optimistic that we will be making significant progress in this important area in the year ahead.

Conclusion

The US armed forces remain fundamentally sound and capable of fulfilling their role in executing our national security strategy. However, the combination of multiple, competing missions, recruiting and retention shortfalls, aging equipment, and fixed defense budgets has frayed the force. With the support of this Committee and the Congress as a whole, we can continue to apply the right kind of corrective action now and avoid a downward spiral that could take years to overcome. As I have outlined above, we have a clear vision and a plan for achieving that vision. Together with the Congress and the Administration, the Department will transform our military forces to ensure that we meet all threats to America's security in the 21st Century – just as we have for the past two centuries. And as we move forward, we do so with complete confidence in America's sons and daughters in uniform. They represent the heart and soul of our Armed Forces; it is incumbent upon us collectively to ensure that their sacrifices are not in vain.