

**RECORD VERSION**

**STATEMENT BY**

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VICE CHIEF OF STAFF  
UNITED STATES ARMY**

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**UNITED STATES SENATE**

**GENERAL JOHN M. KEANE  
VICE CHIEF OF STAFF, ARMY  
ON READINESS  
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Mr. Chairman and members of the Subcommittee.

Thank you for the opportunity to testify before you today on the current and future readiness of the United States Army.

Our soldiers are most appreciative of the work of the Congress and of this Subcommittee to address some of our most pressing concerns.

Soldiers, retirees, and their families sense a renewed commitment to their well being through your approval of the fiscal year 2001 National Defense Authorization Act that provides for the pay raises, health care provisions, retention incentives, and housing improvements our Army family so richly deserves. The priorities set forth in the President's 2002 amended budget for the Department of Defense will serve to further emphasize that the quality of life experience of those who have served, and those who continue to serve our Nation, is a key component of Army readiness. Though the Army must continue to balance priorities to preserve our Transformation momentum while, at the same time, protecting near-term readiness, the message is extremely positive.

With respect to our Transformation efforts, we appreciate your continued support, which has enabled us to begin procurement of Interim Brigade Combat Team capabilities and the advancement of Objective Force technologies.

**PERSUASIVE IN PEACE...INVINCIBLE IN WAR**

The United States Army is, without question, the preeminent Army in the world today and is fully prepared to meet our full-spectrum obligation to fight and win the Nation's wars, whenever and wherever the Nation calls. We also continue to execute a robust peacetime engagement that, day in and

day out, prevents crises from becoming conflicts and conflicts from becoming wars, strengthens our ties with our military friends and allies, creates stability where instability reigns, bolsters our Nation's economic prosperity, and promotes democracy abroad and the values that underpin it.

America today enjoys a vibrant standard of living that is the envy of the world, thanks in large part to the military's role in maintaining peace and stability. At significant personal sacrifice, the American soldier guarantees that way of life and, as General Shinseki has previously testified, has provided far more in readiness than our Nation has paid for.

On any given day, the Army has nearly 125,000 soldiers forward stationed in over 100 countries. In fiscal year 2000, on average, we deployed more than 26,000 additional soldiers daily for operations and military exercises in 68 countries around the world – from East Timor to Nigeria to the Balkans (The average for fiscal year 2001, to date, is 28,198 soldiers deployed in 62 countries). In Bosnia, the Texas Army National Guard's 49<sup>th</sup> Armored Division assumed the mission for the Multinational Division (North), the first time since World War II that a reserve component division headquarters has led active component forces in an operational mission. In Korea, our soldiers continue a successful security commitment made 50 years ago. In Southwest Asia, our soldiers continue to support United Nations sanctions against Iraq, stability operations in the Persian Gulf, and peacekeeping efforts in the Sinai. We also continue to maintain a presence in Bosnia, Kosovo, Haiti, Honduras, and other challenged countries in the world to assist our geographic commanders-in-chief with their peacetime engagement strategies and the promotion of peace and stability in this uncertain and dangerous world.

Today, nearly one-third of The Army's active component "go-to-war" force is forward stationed, deployed, or in the field – advancing our national interests, supporting theater engagement plans, and training for tomorrow's

warfight. But, our Army is one-third smaller, deploys more frequently, and is more likely to conduct stability and support operations than its Cold War predecessor. Accelerating operational and deployment tempos have strained Army capabilities, and over-stretched resources have leveraged our warfighting readiness on the backs of our soldiers and their families.

## **NATIONAL MILITARY STRATEGY AND RESOURCE MISMATCH**

Many years of declining budgets, coupled with downsizing in the 1990s, and an operational tempo that has increased threefold since the fall of the Berlin Wall, continues to compel the Army's senior leadership to sacrifice far-term readiness to pay for our non-negotiable, near-term readiness contract with the American people. This mismatch between requirements and resources forces us daily to make some tough choices among operations, force structure, readiness, and modernization. In the final analysis, the Army has had no other recourse but to mortgage our future, in terms of modernization and installation support, to maintain our near-term readiness. This trend, though bred of necessity, must stop. The President's 2002 amended budget establishes the condition to reverse this trend in terms of installation support. However, the current shortfalls in our modernization and installation accounts will take years of sustained funding increases to correct.

## **IMPACT OF THE PROCUREMENT PAUSE**

From fiscal year 1989 to fiscal year 2000, Army buying power decreased by 37 percent while the pace of operations in support of the National Military Strategy significantly increased. This phenomenon, combined with the natural end of a robust procurement cycle for our major fighting systems and reduction in force structure, compelled us to substantially reduce procurement from fiscal year 1990 to fiscal year 1997.

The Army is now in the midst of a skipped modernization cycle. As one direct consequence of this skipped cycle, we estimate that Army research, development, and acquisition (RDA) accounts have contributed over \$100 billion to the Nation's growing "peace dividend." We cannot skip another cycle. The Army plans to field the first Objective Force formations within this decade and complete transition to the Objective Force a full decade earlier than previously planned. Over the next decade, the Army must significantly increase its RDA Account to make this transformation a reality.

## **RECAPITALIZATION AND MODERNIZATION**

The Legacy Force is today's Army as it is currently configured, and it guarantees near-term warfighting readiness to support the National Military Strategy. It also provides us the critical time needed to transform to the Objective Force. Today's Army must be prepared to fight and win the Nation's wars and be able to supplement the capabilities of the Objective Force until 2032 (target fielding date) – a significant challenge considering that over 75 percent of our Legacy Force combat systems exceed the half-life of their expected service. Our aging equipment is one of the reasons our operations and support costs have grown steadily over the past four years, safety of flight messages have increased, and why our depot maintenance system is under constant strain.

To maintain our strategic hedge – unmatched combat power at an affordable price as the Army fully transforms to the Objective Force – we must rebuild and selectively upgrade our currently fielded systems. We define this as recapitalization. Recapitalization will return selected systems to like-new condition and bridge Army capabilities until we field the Objective Force. To this end, the 2002 budget takes positive a step in this direction by providing additional funding to depot maintenance.

If sufficiently resourced, recapitalization is clearly a “win-win-win” proposition for the Army. First, it improves safety, supportability, readiness, and capabilities of our warfighting systems. Second, it is a cost-effective alternative to purchasing new systems. Last, the costs of recapitalization are partially recovered through operations and support cost avoidance associated with our aging systems.

Since 1988, the Army terminated or restructured a staggering 182 programs to pay for near-term readiness and Army Transformation. During the last year alone, we terminated or restructured programs that are valid requirements for today’s Army, but not for the Objective Force. In response to the procurement pause dating back to 1990, the Army has chosen to shift its investment strategy from resourcing Legacy Force capabilities to resourcing the Objective Force. We will, however, continue to selectively enhance our Legacy and Interim Force systems that serve as a bridge to or will have a direct role in our Objective Force, such as the Javelin, Medium Enhanced Air Defense System, Joint Tactical Radio System, Crusader, and Comanche.

## **INSTALLATION READINESS – A STEP IN THE RIGHT DIRECTION**

Army installations are the foundation of the force and an integral part of our warfighting readiness. They support soldiers and their families, serve as our projection platforms, and provide efficient and timely support to deployed formations. Unfortunately, over the last decade, the Army has had no other recourse than to defer the maintenance and revitalization of our facilities to pay for current readiness – clearly impairing mission performance and adversely affecting soldier and family well being.

That trend is changing course, as reflected in the proposed 2002 budget. In fact, we are willing to assume a modicum of risk in current readiness to improve the conditions of our facilities by slightly reducing our flying hours (14.5 to 14 per crew/per month) and annual home station tank

miles (800 to 730). Transferred savings from this reduction, coupled with significant increases in our facility Sustainment, Restoration, and Modernization (SRM), Military Construction (MILCON), and Base Operations (BASOPS) accounts, will begin to arrest the decade-long hemorrhaging of our facilities and provide needed new ones.

The Department of Defense standard for complete renewal of facilities is every 67 years. With proposed fiscal year 2002 funding levels, it will take the Army approximately 90 years to fully revitalize our infrastructure – a better proposition than 150 years with current funding levels, but well above the 67-year standard. Today, installation commanders only receive approximately 70 cents on a dollar to fix those things that are broken on their installations and 90 cents on a dollar to operate them. The resultant effect of this funding shortfall is that they only have enough money to fix critical deficiencies that require immediate attention, such as broken sewer lines and water, heat, and electrical failures. They certainly do not have the funding to place necessary sustainment dollars into their facilities that were beautifully constructed some three years ago – buildings that are already showing signs of decay.

The proposed 2002 budget will provide our commanders with 90 cents on a dollar to fix those things that are broken on their installations and 96 cents on a dollar to operate them. Clearly, these increases will improve the well being of our soldiers and their families in the near term and, if sustained over a period of years, will move our C-3 and C-4 (meaning that mission performance is impaired or significantly impaired) installations towards C-2 and C-3. Notwithstanding, until our SRM accounts are fully funded to 100 percent of our requirements, our restoration and modernization backlog will continue to grow – a backlog that currently totals \$17.8 billion.

We are most appreciative of the President's approval for fiscal year 2001 supplemental funding and his 2002 budget submission. The President's support clearly demonstrates his concern for the well being and readiness of the force. Steady state SRM, BASOPS, and MILCON funding, combined with projected savings associated with better business practices, privatization, and elimination of excess infrastructure, will provide our soldiers and their families with the living and working conditions the preeminent land force in the world deserves.

### **ENCROACHMENT ON OUR RANGES...A GROWING CONCERN**

Training is a critical pillar of Army readiness, and it is incumbent upon Army leaders to ensure that our soldiers and units are afforded every opportunity to train as we fight – in combat-like conditions. These conditions can only be replicated via realistic, challenging, and demanding live-fire and maneuver training. Any reduction in this type of training will degrade our readiness and place our soldiers at serious risk on future battlefields or in distant lands conducting peacekeeping operations. Some have suggested that increased use of simulations can offset live weapons firing and maneuver training. While we have made a significant investment in simulations, they do not adequately address the extreme rigors and demands of combat. Simulation can and does complement live-fire training, but it is not yet viable as a full replacement.

The amount of live-fire training that individual soldiers and units are required to complete is based on the common sense premise that certain skills are perishable and must be periodically exercised. The Army has established standards that identify the minimum number of times and specific firing events that a soldier must train to achieve a prescribed level of proficiency. Currently, the Army has difficulty meeting these minimum standards because of limited time and ranges – ranges that are in danger of being further scaled-back due to encroachment. The Army's primary

encroachment concerns are urban sprawl, threatened and endangered species, and restrictions because of unexploded ordnance that impact use of munitions. The cumulative and aggregate effect from this list of concerns, among others, have recently come to the forefront for the Department of Defense and Army leadership as a serious threat to future training and testing of our Army because of restrictions and limitations imposed by them.

The Army's primary initiative to meet the challenges of encroachment is the creation of a Sustainable Range Management program designed to integrate environmental compliance and stewardship, facilities management, and training management on ranges and training lands. We are improving the way we design, manage, and use ranges, and this effort will certainly help us maximize their capability, availability, and accessibility to meet doctrinal training requirements. Sustainable Range Management is the foundation for sustaining live-fire training and the environment on our ranges. As we have in the past, we will continue to improve range operations, range modernization, state-of-the-art land management, research on munitions effect and unexploded ordnance management, and public outreach. Although final funding levels have not yet been established, we ask Congress to support this important program.

The Army's leadership recognizes that societal changes, demographics, and environmental issues will continue to impact the way we train our soldiers and units. We will continue to fulfill our role as a responsible environmental steward and to do our best to ensure that our practices do not endanger the health or well being of any American. At the same time, the Army is legally and morally obligated to fulfill its primary role – to fight and win our Nation's wars, decisively. I believe there are ways to balance these competing requirements. Just as our Nation needs a well-trained military force, it also needs a healthy environment. In light of the Secretary's current strategic review, it would be premature to discuss

specific proposals, but I look forward to working with other federal agencies and Congress.

## **FORCE PROTECTION**

Foreign and domestic terrorist groups remain the biggest danger to Army installations and operations around the world. Despite the absence of significant terrorist activities in the United States this year, domestic Army installations remain at risk.

The Army made remarkable progress in anti-terrorism (AT) readiness last year, and that progress continues in 2001. All Army installations now report having AT and weapons of mass destruction incident response plans. AT exercises have increased in frequency and quality throughout the continental United States. Major Commands and installations have demonstrated notable improvement in AT training and education. However, the last year's terrorist attack against the USS Cole provided a grim reminder that the threat remains active, lethal, and unpredictable and, despite improvements in the overall Army AT posture, there is still work to do. General Shinseki set a goal "to ensure appropriate security measures are established, continuously reviewed, and sustained." A heightened sense of purpose, and recent initiatives in planning and technological improvements, aim to continue advancement towards meeting that obligation and achieving General Shinseki's goal.

One issue we continue to address that impacts every unit and installation worldwide is access control to our installations. The Army Staff has been working access control to Army installations since March 2000 and advising the senior leadership as we progress. I recently sent a message to the field mandating installation vehicle registration by July 2001 and to immediately initiate action to achieve complete installation access control.

## **FORGING AHEAD...ARMY TRANSFORMATION**

In the past 18 months, we have made great strides in pursuing the Vision for the Army's future. Our vision fundamentally changes the way we intend to fight, and the 2002 budget will enable that Transformation effort, although not at the optimal level. To meet the challenges that lie ahead for us in this dangerous and uncertain world, we require a force that is more responsive, deployable, agile, versatile, lethal, survivable, and sustainable – a force that will be strategically responsive and dominant across the full spectrum of military operations. We call that force the Objective Force.

In an effort to field the first units of the Army's Objective Force by the end of the decade, the Army has redirected its research, development, and acquisition to support Transformation. The goal is to use this new approach to obtain overwhelming organizational combat power. We are optimistic, based on Army Science Board findings, that technologies needed to support the Future Combat System (FCS) will mature to the point that the Secretary of the Army and the Chief of Staff will be able to make a technology readiness decision in the near future – a decision necessary to proceed to the system development and demonstration phase for the FCS. The 2002 budget funds FCS demonstrations of system-of-system functions and cost sharing technologies. Over the next six years, the Army will demonstrate and validate FCS functions and exploit high-payoff core technologies, including composite armor, active protection systems, multi-role direct and indirect fire cannons, compact kinetic energy missiles, hybrid-electric propulsion, human engineering, and advanced electro-optic and infrared sensors.

In the meantime, the Interim Force, a transition force with distinct advantages in higher-end, small-scale contingencies and a major contributor in major theater war employment, will be more strategically responsive than today's heavy forces, but more lethal and survivable than the Army's current light forces. To this end, the Army is continuing to refine its doctrinal foundations for Transformation and the organization and operational design

for the Interim Brigade Combat Teams (IBCT). Results of these revisions will steer our efforts to design the rest of the Interim Force.

Two Interim Brigades, organized last year at Fort Lewis, Washington, have been using surrogate vehicles (until the Interim Armored Vehicle, LAV III, is fielded) and off-the-shelf technology to evaluate and refine this design and develop tactics, techniques, and procedures; thereby establishing the conditions necessary for the Interim Force. The IBCT's primary platform is the Interim Armored Vehicle (IAV) – a vehicle that will provide the Army with a major combat system capable of arriving anywhere in the world within 96 hours, ready to fight. The 2002 budget continues funding of IAVs for the second IBCT, providing a worldwide deployment capability in combat configuration within 96 hours.

In conjunction with the IBCT initiative, we recently conducted an advanced warfighting experiment at Fort Polk, Louisiana, and the 4<sup>th</sup> Infantry Division's capstone exercise at the National Training Center. These exercises have demonstrated increased combat effectiveness through advanced technologies and improved leader development and warfighting concepts.

## **INSTITUTIONAL TRANSFORMATION**

While the intellectual force behind Transformation is how we are going to change the way we fight the Army, we are certainly cognizant that this change will bring about a plethora of logistic, organizational, doctrinal, training, and leader development challenges. We are pleased that the 2002 budget funds our schoolhouse training at 100 percent. It also funds TRADOC transformation initiatives to include expansion of one station unit training, establishment of a land warfare university, basic officer leadership course enhancements, establishment of an accession command, and quality assurance initiatives. As we continue to change the way our Army fights, we must ensure that those who will be prosecuting the next war are prepared to

do so in a decisive manner. Thanks to the 2002 budget, we have jumpstarted that learning process.

## **PEOPLE...THE ARMY'S MOST IMPORTANT ASSET**

In addition to the momentum the Army has attained with respect to Transformation, we, along with the Congress and this Administration, have not lost sight that people are our most important asset. The physical, material, mental, and spiritual well being of our soldiers, families, and civilians are inextricably linked to our readiness. Fiscal year 2002 increases in pay raises, housing allowances and improvements, and enlistment and retention bonuses are some of the proof-positive examples of our commitment to take care of those who are willing to risk it all for the defense of our Nation. Sustained Congressional support for important well-being initiatives like these help us recruit and retain quality soldiers and Army families.

As for recruiting and retention, the Army met its goal in fiscal year 2000, and we will meet it again in fiscal year 2001. Notwithstanding, we will continue to closely monitor our recruiting efforts because the same challenges associated with an all-volunteer force that existed five years ago, still exist today. Our "An Army of One" advertising campaign is one of the innovative approaches the Army is using to draw the youth of America into our ranks. Although this campaign has had some skeptics, the initial returns are encouraging – realizing that it is certainly too soon to ascertain its full impact. Web site visitors per day, recruiter chats, and caller volume to our recruiters have increased 167 percent, 92 percent, and 42 percent, respectively. Furthermore, we have assessed 1,600 more recruits than we had at this time last year.

## **MANNING**

Beginning in fiscal year 2000, we increased the readiness in our active component combat divisions and cavalry regiment by fully manning them in the aggregate, but in doing so, we accepted some risk in the institutional base. Our next step is to similarly man our early deploying units that support our active divisions and armored cavalry regiment. Fully manning the active component, however, is not enough. As mission demands necessitate increased use of our reserve components, we must bolster their full-time support requirements to better maintain their readiness and availability. Our ultimate goal, of course, is to fill the entire force to meet all of our manning requirements – thereby reducing operational and personnel tempo and improving both readiness and well being.

## **CONCLUSION**

For 226 years, the Army has kept its covenant with the American people to fight and win our Nation's wars. In all that time, we have never failed them and we never will. Building and maintaining an Army is a shared responsibility between those of us in uniform, the Congress and the Administration, and the American people. With the help of Congress and the Administration, we will keep the Army ready to meet today's challenges and continue to make significant strides toward achieving the Vision we announced in 1999.

Thank you, Mr. Chairman and distinguished members of the Subcommittee for allowing me to appear before you today. The statements made in this testimony are contingent upon the results of Secretary Rumsfeld's strategic review. Please consider them in that light. I look forward to working with you on these important issues.