

**STATEMENT BY**  
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**ASSOCIATION OF THE UNITED STATES ARMY**

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**Biography of Gordon R. Sullivan, General (Retired) U.S. Army**  
**President and CEO, Association of the United States Army**

General Sullivan is the President and Chief Executive Officer of the Association of the United States Army, headquartered in Arlington, Virginia. Since assuming his position in 1998, General Sullivan has overseen the transformation of the Association into a dynamic individual and sustaining member organization that represents Soldiers, families, and the defense industry.

His responsibilities as President and Chief Executive Officer encompass both daily business operating and strategy planning for the largest Army-oriented non-profit association. The Association promotes and advocates programs for Soldiers and their families, creates opportunities for Army-Industry and professional dialog; advocates public awareness of Army and national security issues through its educational mission and maintains an outreach program to national leadership on critical issues pertinent to Army readiness.

Born in Boston, Massachusetts and raised in Quincy, he was commissioned a second lieutenant of Armor and awarded a Bachelor of Arts degree in history from Norwich University in 1959. He holds a Master of Arts degree in political science from the University of New Hampshire. His professional military education includes the U.S. Army Armor School Basic and Advanced Courses, the Command and General Staff College, and the Army War College. In addition to his many awards on active duty, he is also the recipient of the West Point Association of Graduates' Sylvanus Thayer Award and a member of the Sergeants Major Academy's Hall of Honor.

General Sullivan retired from the Army on 31 July 1995 after more than 36 years of active service. He culminated his service in uniform as the 32nd Chief of Staff—the senior general officer in the Army—and a member of the Joint Chiefs of Staff. He is the co-author of *Hope Is Not a Method* (Random House, 1996), which chronicles the enormous challenges encountered in transforming the post-Cold War Army through the lens of proven leadership principles and a commitment to shared values. He is the Chairman of the Board of Trustees of Norwich University and the Marshall Legacy Institute as well as a member of the MITRE Army Advisory Board and a Corporate Member of the Woods Hole Oceanographic Institute.

General Sullivan is married to the former Gay Loftus of Quincy, Massachusetts; they currently reside in Alexandria, VA. He has three children and three grandchildren. He is an avid reader, amateur historian, and active sailor and sport fishing enthusiast.

**Neither General Sullivan nor the Association of the United States Army has received any federal grants or contracts relative to the subject matter of this testimony during the current or previous two fiscal years.**

Madam Chairwoman, Ranking Member Graham:

Thank you for the opportunity to present the views of the Association of the United States Army concerning personnel-related issues. This committee has provided extraordinary support of our active duty, Guard, Reserve, retired members, and veterans of the uniformed services, their families and their survivors and its efforts have had an enormously positive impact in the lives of the entire uniformed services community.

AUSA is keenly aware that Congress has had to make difficult choices while bolstering a weak economy and addressing budget deficits. And while we recognize that debt reduction is a national priority, AUSA believes that a disproportionate share of this burden has been foisted on the Defense Department as well as military members and families who already have sacrificed more for their country than any other segment of the American population - and all at the expense of our national security.

Requiring that 50 percent of mandatory budget cuts come from defense – even though the defense budget is only 17 percent of the federal budget – is patently misguided. How in such a dynamic and dangerous world can we be so shortsighted?

The result is that defense officials now face a “Hobson’s choice” between funding readiness, training, education, operational activities, and some modernization and the need to fully fund soldier and family programs. Continuing this formula for the better part of the next decade defies logic.

AUSA and its members urge that Congress and our elected and appointed officials eliminate sequestration or modify these unrealistically rigid budget control measures in ways which would enable responsible and accountable leaders to exercise their responsibilities in a manner that is consistent with the challenges they face.

### **Sequestration**

AUSA believes that the primary source of the budget challenges that face the Department of Defense (DoD) is the devastating effect of the sequestration provision of the Budget Control Act of 2011.

The Bipartisan Budget Act of 2013 mitigated the sequestration spending cuts for FY 2014 and 2015. However, the original sequestration cuts scheduled for FY 2016 thru 2021 remain in effect and will exacerbate the situation by continuing to place national security at risk.

Sequestration is having a profoundly adverse effect on the defense of the Nation – and it will do so well into the next decade.

Over the past two years sequestration has:

- Set America on a path to reduced military readiness and national security. Sequestered budgets are rapidly shrinking the nation's military forces to unprecedented and even unacceptable levels thereby creating unready forces unable to accomplish the tasks assigned by the defense strategy. All of this while the world security environment is becoming increasingly uncertain and dangerous.
- Through sequestration of the defense budget, national leaders have driven a wedge between our active military forces and our reserve and National Guard forces, most notably in the United States Army. The irresponsibility of sequestration as a deficit reduction tactic is not only reducing the military's war-winning capabilities to unacceptably low levels, it has created unnecessary divisiveness, acrimony, and demonization within the Armed Forces between service members and leaders who just months ago were serving side by side in combat. We must enable all components of the Armed Forces to be adequately manned, trained and equipped to focus on the mission – and not on fighting over an arbitrarily depressed defense budget.
- Because sequestration is so skewed against the defense budget, we now have an atmosphere of fiscal desperation that leads to false arguments and false choices when it comes to the compensation and benefits provided to the service members and families who make up the All-Volunteer Force.

## **Mobilization and the Defense Industrial Base**

Whether by design or inadvertently, sequestration has forced our Armed Forces back into a mobilization posture. Many who refuse to acknowledge that the United States will ever again become involved in a large land operation have set us on a path where a too-small active component force can just be reinforced when needed by a mobilized reserve contingent or by simply recruiting more soldiers (as the likelihood of a return to the draft is remote).

Unfortunately, recent history has shown us that it takes the U.S. Army as much as two years to organize, train, and equip a newly formed brigade combat team – that’s not rapid enough in today’s security environment where crises like the Crimea can emerge in literally days (think Korea in June 1950) and linger for years as in Syria.

So, we must rely entirely on the force we have in being – active, Guard, and reserve. But with the effects of sequestration steadily decreasing the size and readiness of our military, the depth of the force and its ability to mobilize is being severely degraded.

What’s needed is a balanced force – balanced among land, air, maritime, space, cyber, and special forces. Balance is also required between active and reserve forces. And equally important is the balance between mission readiness and soldier and family programs. But sequestration is throwing that necessary balance out of whack, especially with land forces, and is creating risky, even dangerous vulnerabilities.

Likewise, sequestration is having a devastating effect on the defense industrial base. In both the Department of Defense’s own organic industrial base and the commercial industrial base, sequestration cuts are putting our ability to equip a mobilized force when it is needed at growing risk. I am alarmed that there is a gross lack of awareness among national leaders how dire this situation is becoming. Only legislative relief from sequestration can rectify this.

## **A Crisis of Credibility**

Not only is sequestration and a declining defense budget having an adverse effect on military readiness, we are also seeing an emergence of international doubt as to the credibility of the United States as a reliable ally and partner. I am convinced we must be seen as a credible ally - if not, we are on a very slippery slope to disaster. Credibility in this context is found in the perception of strength and national resolve to be responsive to our treaty commitments with balanced, trained, and ready forces.

Similarly, adversaries are most certainly watching the steady decline of American military power and will likely take more and more risk to challenge U.S. leadership. Moreover, the decline in United States military strength can lead to strategic miscalculation by potential adversaries. A credibly sized force – not just a reasonably sized force – provides a deterrent effect that is withering under the constraints of sequestration.

## **Viability of the All-Volunteer Force**

Sequestration has created a perception that the troops “cost too much” and are to blame for our growing military unreadiness. The facts do not bear this out and the troops know it. But it has sown a growing distrust among service members who are increasingly and unfairly portrayed as an entitlement special interest group.

The past 12 years of unprecedented demands and sacrifices highlight how radically different military service conditions are from civilian life. And decades of dire predictions about “unaffordable” personnel costs have proved consistently wrong. Yet budget critics persist in asserting military pay, retirement, and health care benefits are unsustainable and should be slashed to resemble civilian benefit packages.

Existing career incentives have sustained a strong national defense through more severe and protracted wartime conditions than even the strongest volunteer-force proponents thought it could survive.

Despite extraordinary demands, men and women in uniform are still answering the call – thanks in no small measure to the Subcommittee’s strong and consistent support – but only at the cost of ever-increasing personal sacrifices.

And as you know, service personnel are now facing even greater uncertainties with force reduction measures, pay caps, proposed reductions in housing allowances, as well as calls for health care and commissary benefit changes. No federal obligation is more important than protecting national security. And the most important element of national security is sustainment of a dedicated, top-quality career military force.

America will remain the world's greatest power only so long as it continues to fulfill its reciprocal obligation to the only weapon system that has never let our country down — our extraordinarily dedicated, top-quality, All-Volunteer career force.

Congress has consistently recognized that the cost of sustaining the current military career incentive package is far more acceptable and affordable than the alternative.

### **Compensation and Benefits**

AUSA is a member of the Military Coalition and concurs with almost all of its testimony offered today except:

In the matter of compensation, AUSA supports the 1 percent pay raise proposed by the Administration. While AUSA does not want to see a return to the era of enormous pay gaps, at this critical juncture in the life of the Army and DoD it is imperative that funding be available for training and maintaining a ready national defense force. The capability to accomplish the mission is of paramount importance.

Pay caps must not be permanent. Military pay comparability is important to the recruiting and retention of high-quality soldiers and will become more so as the economy rights itself. AUSA is committed to military pay raises that match the Employment Cost Index (ECI), but this year because of the vice that is sequestration, the funds freed by a slightly smaller pay increase is the price that must be paid to have Soldiers who are trained and ready. However, Congress must ensure that this type of budgeting does not become routine as it will have long term detrimental effects on the All-Volunteer Force.

In the matter of DoD Resale operations, AUSA believes military commissary, exchange and Morale Welfare and Recreation (MWR) programs contribute



significantly to a strong national defense by sustaining morale and quality of life for military beneficiaries both within the United States and around the globe. AUSA supports continued outreach by the Defense Commissary Agency to increase patronage and enhance access to the commissary for all components/branches and their families.

In the matter of Military Retirement Reform AUSA believes that any changes in the military retirement system should be withheld pending the report of the Military Compensation and Retirement Modernization Commission and not be made piecemeal. Further, any changes must apply only to those who volunteer after the changes are implemented. Grandfathering of the currently serving force and current retirees is imperative. Finally, any change must recognize the unique and extraordinary demands and sacrifices that military service requires. The profession of arms is **not** equivalent to a civilian job.

### **Sequestration**

I end my testimony as I began it, with final thoughts on the enormity of the need to end sequestration.

Sequestration is a disruptive piece of legislation indicative of a government seemingly unable to function as a responsible democracy. Furthermore, sequestration is patently unresponsive to the needs of a nation that is part of a rapidly changing world in which we cannot predict the future. It locks the nation into a creaky, slow moving, lockstep budget process that is irresponsible and unaccountable and ignores the world around it.

Members of the subcommittee, as you pursue your duties related to the personnel issues of the Department of Defense, I urge you to get at the root cause of the budgetary problems consuming DoD and end sequestration permanently before more damage is done and before we are left with an inadequate national defense force in 2021.

Thank you again for your support of the uniformed services and for considering this testimony of the Association of the United States Army.