

TESTIMONY BY
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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 member-based organization that represents Soldiers, families, and the defense industry.

His responsibilities 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 awarded a Bachelor of Arts degree in political science from the Norwich University and was commissioned a second lieutenant of Armor in 1959. 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.

General Sullivan currently serves as 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, the MIT Lincoln Labs Advisory Board, a Life Trustee of the Woods Hole Oceanographic Institute, and Chairman of the CNA Military Advisory Board.

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 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.

Mr. Chairman, Ranking Member Inhofe:

Thank you for the opportunity to present the views of the Association of the United States Army concerning issues relating to the Army and its Soldiers and families. 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 fallen on the Defense Department.

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 no-win situation. They can fund readiness, training, education, operational activities, and some modernization but doing so requires cutting Soldier and family program funding. Continuing this formula for the better part of the next decade defies logic. Uncertain times demand agility and adaptability – look at what has suddenly occurred in Eastern Europe.

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.

“Providing for the Common Defense” is a shared responsibility among the American people, the Congress, the President and the Army. We have lost that sense of shared responsibility because of the mindless, automatic and arbitrary cuts that sequestration brings.

Military leaders in order to properly execute their national security mission need authorization authority and appropriations to be completed on time and with

regular order. Operating under a series of continuing resolutions limits the capability to properly plan and execute a budget.

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.
- Reduced the military's war-winning capabilities to unacceptably low levels, and 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.
- Created 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 might 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).

GEN George Marshall in 1956 said that "...the hardest thing in the world to train is a ground army". Marshall had it right some 60 years ago when he concluded that the complexity of land conflict (more so in today's unstable security environment) requires our land forces to maintain "a very high state of training, higher than that of any other force that I know of." George Marshall knew what he was talking about.

Unfortunately, recent history has shown us that it takes the U.S. Army as much as three 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 even today) and linger for years as in Syria. The myth of small to big in short order is just that – a myth.

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 is 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. 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 could 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 committee’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 and pay caps. No federal obligation is more important than protecting national security. And the most important element of national security is sustainment of a top-quality career military force backed by dedicated Department of Defense civilians.

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

In the matter of compensation, AUSA supports the establishment of the Military Compensation and Retirement Modernization Commission. The members of that body are fully capable of recognizing the unique contributions and sacrifices required by military service when they consider changes to military compensation and the retirement system. AUSA expects that any changes made must and will take into account the services’ need to compete for talent in the labor market.

AUSA does not want to see a return to the recent era of significant 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 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 Military Compensation and Retirement Reform, AUSA believes that any permanent changes in the military compensation and retirement system should be withheld pending the report of the Military Compensation and Retirement Modernization Commission and not be made piecemeal. Further, any changes to retirement benefits 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.

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 creates a paradox in which the nation is locked into a creaky, slow moving, lockstep budget process that is irresponsible and unaccountable and ignores the world around it, while its defense forces must be flexible and agile.

Further, sequestration profoundly affects all parts of the national security umbrella – the Department of State, CIA, NSA, VA and parts of the Department of Energy budgets. Its impact on national security writ large must be considered.

Members of the committee, 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.