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**POSTURE STATEMENT OF
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CHAIRMAN OF THE
JOINT CHIEFS OF STAFF**

**BEFORE THE 107TH CONGRESS
SENATE ARMED SERVICES COMMITTEE**

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It is an honor to report to Congress on the state of the US Armed Forces. The United States is engaged in a multi-front war that includes operations in direct defense of our homeland and a sustained military campaign overseas. All elements of our force – Active, Reserve, and National Guard – are taking part in this struggle to maintain the safety and security of our Nation, and the initial results have been promising. While there are relatively few American troops deployed “on the ground” in Afghanistan, it is important to note that a significant percentage of the force is directly engaged in some aspect of the global war on terrorism. At the same time, other threats to US interests remain a part of the strategic environment. Thus, elements of our force are committed to other missions, such as defense of the Korean peninsula, protection of US interests in Southwest Asia, and peacekeeping operations in the Balkans.

With our friends and allies, we continue to gather intelligence and prepare for action against the Al Qaeda network and other terrorist organizations that threaten nations around the world. As President Bush has reminded us on several occasions, the global war on terrorism will require great effort over an extended period of time – and it will require all elements of our national power. The US Armed Forces are steeled and ready to engage the enemy for as long as it takes to complete the mission. The threat that we face and the effort that will be required remind me in some ways of the situation faced by the United States after the attack on Pearl Harbor.

While there are significant differences between that global war and this one, there is at least one key lesson to be remembered. During World War II,

the Services showed a remarkable capacity to learn from experience. At the beginning of the war, they faced conditions they had not prepared for, but managed to adapt themselves in the midst of the fight and within a short time had established an extraordinary degree of teamwork and combat efficiency. We face a similar task today – to defeat multiple enemies who are capable of striking us with asymmetric means from locations around the world. Winning this new global war will require us to exhibit the same flexibility in adapting to changing conditions and considering new technologies and procedures to enhance our combat capabilities. An equally important imperative in the midst of this war is to continue to modernize and transform our force to meet future challenges in this rapidly changing 21st century.

These imperatives dictate my priorities as Chairman – to win the global war on terrorism, to improve the joint warfighting capabilities of the US Armed Forces, and to transform those forces so they are ready to face future challenges. I look forward to working with President Bush, Secretary Rumsfeld, and Congress in the months ahead to achieve these goals and to address other critical issues facing the US military. To keep our forces superior to those of any other nation, we must maintain our quality force today and create the capabilities needed to meet the challenges of tomorrow. Guiding our efforts is the thought of the brave soldiers, sailors, airmen, marines, and coastguardsmen who are defending our way of life and who are counting on us to make the right decisions.

GLOBAL WAR ON TERRORISM

As you well know, we are engaged in only the first phase of the global war on terrorism. In this new kind of war, we face adversaries who refuse to adhere to the norms of international behavior, who have sought access to weapons of mass destruction (WMD), and who have demonstrated both the capacity and the will to use those weapons. Our objectives in this war are simple: to disrupt and destroy global terrorist organizations, eliminate safe havens for terrorists, and prevent access to WMD by terrorist groups.

In response to the terrorist attacks of 11 September 2001, we have been conducting both offensive and defensive operations. The Reserve Components have been essential to these actions. As of late January 2002, we had alerted just over 97,000 individuals for activation and completed the call-up of 64,013 people. Additionally, since 11 September, the number of personnel, both active and reserve component, deployed to the US Central Command area of responsibility increased from approximately 22,000 to about 60,000.

The direct defense of the American homeland is called Operation NOBLE EAGLE. This operation, comprised of actions to protect civil population centers, critical infrastructure, and special events, began with the dramatic shift in operational focus that the North American Aerospace Defense Command (NORAD) executed on 11 September. When the day began, NORAD's attention was on a large Russian air exercise in the Arctic. As the magnitude of the terrorist attacks quickly became apparent, the command "shifted gears" completely – to prepare to respond to further attacks, establish

combat air patrols over key domestic locations, expand air operations, and accept command and control of active component forces, including US Navy ships with anti-aircraft systems to enhance the security of US domestic airspace. NOBLE EAGLE also includes Coast Guard inspections of cargo vessels and patrols in defense of major sea ports. Additionally, there is widespread augmentation of civil site security with both active duty and reserve component military personnel. Familiar examples of these actions are the 7200 National Guard troops augmenting security at 444 airports, which will continue at least through March of this year. We have also enhanced security at military and other government installations and for space launch operations at Cape Canaveral. The North American Treaty Organization (NATO) has provided airborne early warning aircraft and combined aircrews to augment our airspace protection activities under Article 5 of the NATO treaty. This has freed US E-3 Airborne Warning and Control System aircraft to prosecute the war in forward areas. We have also established a Homeland Security Joint Task Force (JTF) to coordinate and provide command and control for homeland security operations.

Our offensive operations are labeled Operation ENDURING FREEDOM. These actions include, but are not limited to, ground, air, and naval operations in the Afghan theater and North Arabian Sea; planning and training for follow-on operations; and a host of support activities. In 2001, US forces flew over 16,700 sorties employing over 17,000 precision and freefall munitions in support of operations in Afghanistan. These operations included not only

reconnaissance and strike missions, but also simultaneous humanitarian airdrop missions by C-17s flying from Germany.

Operations NOBLE EAGLE and ENDURING FREEDOM have both highlighted many lessons that will be of great use in the subsequent campaigns of this war, as well as in our planning, programming, and transformation efforts. Foremost among them is the importance of versatility and flexibility to achieving operational success. Consider the examples of forward air controllers on horseback and special operations troops transporting their high-tech gear on donkeys to isolated mountain tops from which they directed strikes of precision guided munitions – illustrations of the kind of versatility and flexible thinking that we need to foster.

A second lesson is the ever-increasing importance of operations in the information domain. The actions in Afghanistan highlighted two key aspects of this topic. The first is the importance of a “networked” operations capability. We have continued the process of connecting sensors, shooters, and command and control elements with a single network of voice and data links, without regard to platforms or individual Services. We do not yet have this capability complete, but we are making steady progress. For example, in Afghanistan special operations forces (SOF) on the ground guided strikes from both US Navy and Air Force aircraft. Additionally, Navy and Air Force intelligence, surveillance, and reconnaissance (ISR) platforms were able to feed sensor outputs to Marine and SOF ground units, as well as other airborne platforms. We were also able to link real-time inputs from unmanned aerial vehicles to

orbiting AC-130 gunships, which then provided responsive and pinpoint fire support to ground operations. These Afghan operations provide a hint of the operational advantages we will gain when this element of the transformation process is more mature.

The second aspect of information operations highlighted by the Afghan campaign is the importance of a well-integrated information campaign. To that end, the Department of Defense (DOD) activated an information operations task force focused on winning the information campaign against global terrorism. This task force is committed to developing, coordinating, deconflicting, and monitoring the delivery of timely, relevant, and effective messages to targeted international audiences.

Additionally, the more we rely on information resources and systems, the greater must be our efforts to protect them. An important step will be the development of military doctrine for Information Assurance/Computer Network Defense. This doctrine will guide our actions in employing safeguards against attacks upon our critical information networks and in detecting, combating, and recovering from cyber attacks as soon as they are attempted.

Finally, another lesson learned with every operation, but that bears repeating, is that the friction and fog of war remain difficult to overcome. Our adversaries are always thinking and reacting in an attempt to increase our difficulties and defeat our forces. And although we do our best to prevent errors, because human beings make mistakes and mechanical systems sometimes fail, we will never have perfect success – and sometimes will suffer

tragic accidents. History tells us these types of difficulties will never be completely eliminated, but we continue to work hard to change this history.

In addition to providing lessons learned, the campaign has reinforced some existing concerns and validated concepts that we have been working on for quite some time. It has had a significant impact on and exacerbated shortfalls in specialized assets and capabilities. It has also added emphasis to the requirement of maintaining an adequate inventory of precision guided munitions (PGM). These weapons are an increasingly important tool for operational commanders across the entire spectrum of conflict. We need to maintain sufficient capability in the industrial base to manufacture adequate quantities of PGMs. We also need to protect our ability to surge to meet increased demands associated with sustained high-tempo operations. We ask for your continued help in building PGM inventories so we may react to future contingencies with our full capability to deliver this lethal combat power.

Other weapon systems that have further validated their potential in Afghanistan are unmanned aerial vehicles (UAV). The increasing importance of these systems in a reconnaissance and surveillance role and their newly demonstrated potential for accomplishing combat missions is unmistakable. We will continue to experiment with additional roles and missions for these vehicles, improve their communications reach-back capabilities, and develop and acquire them at greater rates.

The war has also validated our emphasis on the importance of interagency coordination and cooperation, especially the need for close

partnership with both domestic and international law enforcement agencies. On the domestic front, the military will usually act in support of civilian law enforcement and first responders, as has been the case in Operation NOBLE EAGLE. We are working to build strong ties with other government agencies in the areas of training, planning, and operations – and especially in intelligence sharing. We have established a Domestic Threat Working Group with the goal of sharing domestic threat information between the Services, Defense Agencies, and Combatant Commanders. This group allows us to properly fuse domestic intelligence related to the antiterrorism effort.

As the war continues, the Armed Forces will remain focused on the fundamental mission of homeland defense. Our enemies have exploited the openness of our society and the very freedoms that we cherish to attack our citizens. To better organize our forces at home and provide support to civil authorities, we are in the midst of modifying the Unified Command Plan to establish a combatant command responsible for homeland security. However, our first line of defense will remain our overseas forces.

On that front, our main effort is the destruction of the Al Qaeda network. Continued success toward that goal will require sustained effort as we work with our friends and allies around the world to disrupt, preempt, and prevent terrorist attacks at their source. We have Special Forces troops in the Philippines, training and assisting their forces in antiterrorism efforts – another illustration of the global nature of this war. At the same time we stand ready to plan for and take action against other international terrorist organizations and

the nations that harbor them when ordered to do so. And we are working diligently with our friends and allies to prevent the proliferation of WMD and their falling into the hands of terrorist organizations. Our challenge will be to prioritize resources and operations in support of that mission against the other security responsibilities to which we are also committed. We must remain trained and ready to execute the full range of military operations to simultaneously protect the homeland as well as other US interests in the near term, even as we transform our forces to meet future challenges.

IMPROVING JOINT WARFIGHTING CAPABILITIES

The superb warfighting capabilities of the Services have given us the winning edge in Operation ENDURING FREEDOM and form the foundation for success against future adversaries. While our forces operating in and near Afghanistan have achieved enormous success on the battlefield, the same operations have revealed that so much more can be accomplished. I look forward to sharing with you after-action reports from CINCCENT and his component and task force commanders for their recommendations regarding improvements to joint warfighting.

Joint warfighting brings the combat capabilities of the Services together with a focus on desired effects, resulting in a whole that is greater than the sum of the parts. It is, therefore, imperative that we continue to improve joint warfighting capabilities. We have made great progress in improving those capabilities, especially since the landmark Goldwater-Nichols legislation of 1986, but there is much still to be accomplished. In pursuing further improvements, there are four areas of particular importance to me: joint command, control, communications, computers, intelligence, surveillance, and reconnaissance (C4ISR); interoperability; joint officer management; and joint experimentation.

Joint C4ISR

A cornerstone of joint warfighting is C4ISR. Although we have made significant recent improvements, current deficiencies in joint C4ISR result in

gaps and seams between the combatant commands and between the forces the Services provide. These gaps and seams must be eliminated. An adequate joint C4ISR capability will provide the necessary flexibility to better integrate diverse capabilities and achieve desired effects.

In terms of command and control, development of a joint force headquarters based on this architecture is essential to improving our ability to rapidly deploy and employ joint forces. The 2001 Quadrennial Defense Review Report discussed the implementation of a standing joint force headquarters within each regional combatant command. Currently, the regional combatant commanders-in-chief (CINCs) and US Joint Forces Command are developing proposals. Among the options we will examine are deployable joint task force headquarters and the deployable joint command and control systems required to support them. Building on these efforts, we will be able to recommend a standardized model later this year or early next year. I ask for your support of this critical joint warfighting initiative.

Interoperability

The second key to improvements in joint warfighting is interoperability. The ability to fight jointly requires command and control and weapon systems that are interoperable with each other and with those of our coalition partners. The force must have systems conceived, designed, and produced with joint warfighting in mind. We must think in terms of interchangeable modules we can “plug and play” in any situation and any command. These modules can be as simple as individual components. They may be complex like a multi-Service

ISR network providing data to multiple layers of command at multiple locations. Or they may be planning tools, staff processes, and organizations that are standardized across combatant commands.

Here, too, joint C4ISR is a focus for our efforts. We have made important strides, but we are acutely aware of the need to solve remaining interoperability shortfalls in our legacy C4 systems. And it is critically important that future C4ISR systems have interoperable technologies, processes, and products. In terms of C4ISR, the necessary “plug and play” capabilities will be designed to facilitate immediate employment and readiness to accept additional forces, execute missions, and integrate multinational and interagency support.

Joint Officer Management

In the long term, a third key to improving joint warfighting capabilities is continued improvements in the management of our joint officers. The quota-based system mandated by the Goldwater-Nichols legislation has served us well; however, joint officer management must evolve to reflect the way we operate in today’s environment. To meet future requirements, we need more flexibility than currently exists. I applaud the independent study on joint officer management and professional military education directed by Congress. We are prepared to work closely with you to facilitate continued improvements.

Joint Experimentation

Meaningful improvements in all areas of joint warfighting will require a willingness to question current practices, organizational patterns, and command processes – in essence, continued progress toward significant

cultural change. One of the most important means of engendering cultural change is the joint experimentation process. This process is designed to evaluate new missions, devise new force structure, and test new operational concepts. For example, this summer the Millennium Challenge 2002 joint experiment will test the US Joint Forces Command model of the standing joint force headquarters. Joint experimentation also allows us to integrate the experimental concepts and new weapon systems being developed by the Services into a joint framework early in the development process. Finally, joint experimentation is a key element of the transformation process, and we are revising the Unified Command Plan to enable US Joint Forces Command to focus more time and effort on experimentation and transformation efforts. Naturally, we need to use the lessons from Operation ENDURING FREEDOM in the joint experimentation process to ensure we are prepared for subsequent battles in the war against terrorism.

The willingness to examine and change, if necessary, all aspects of joint capabilities is imperative if we are to win the global war on terrorism and surmount other national security challenges of the 21st century. The process of improving joint warfighting is a key component of and is closely intertwined with our transformation efforts. Just as improved joint warfighting capabilities are necessary to succeed against future enemies, so too is transformation of the force a necessity.

TRANSFORMATION OF THE US ARMED FORCES

Transformation is a process of change devoted to maintaining US military superiority in all areas of joint warfighting. It is an on-going process and must be continuous since our enemies will persist in attempts to neutralize or erode our superiority and exploit perceived weaknesses. As history has repeatedly shown, Service modernization efforts have often proven to be the key to transformational change. This proved to be the case in World War II when an accumulation of incremental technical advances and tactical lessons, combined with a willingness to experiment, led to significant improvements in combat capabilities. And while sudden technological, organizational, or doctrinal breakthroughs are possible and should be pursued vigorously, I believe our current modernization programs and those of the Services will prove to be an engine of transformation in the 21st century as well. But we must ensure we are all heading down the same transformation path.

Technological change alone does not lead to transformation – intellectual change is also necessary. Transformation, therefore, must extend beyond weapon systems and materiel to doctrine, organization, training and education, leadership, personnel, and facilities. We need to foster cultural change that allows us to take advantage of both new ideas and new technologies.

Capabilities-Based Approach

Part of the required cultural change entails a transition to a capabilities-based model as the foundation of our transformation efforts. Such an

approach does not preclude consideration of specific threats. Indeed, it would be unwise to ignore those nations and organizations that pose a clear danger to US interests. It is, however, appropriate, given the rapidly changing international security environment and the diffused nature of the threats we face, to shift the weight of our considerations away from our historical emphasis on specific threats. The United States cannot know with confidence which nations, combinations of nations, or non-state actors will pose threats to its interests, or those of its allies and friends. It is possible to anticipate with greater accuracy the capabilities that an adversary might employ. Such a capabilities-based model focuses more on how an adversary might fight than on who the adversary might be. It broadens our strategic perspective and requires us to identify the capabilities US military forces will need to deter and defeat a wide variety of adversaries.

Accordingly, an appropriate blueprint for change will include the following important considerations. First, we must base the process of change on an overarching set of capabilities we believe our forces must possess to support the National Security Strategy now and in the future. Second, we need to use those capabilities to guide the development of joint operational concepts and architectures that drive decisions concerning materiel and non-materiel improvements and to establish standards for interoperability. Third, because transformation involves more than fielding new systems, we must integrate requirements for new doctrine, organizations, training and education, leadership, personnel, and facilities into the process. Fourth, we need to find

ways to modernize and integrate legacy systems when it makes sense, while developing technological bridges with interagency and international partners. Finally, we must ensure that the transformation process is characterized by unity of effort based on clearly defined roles and responsibilities throughout DOD.

Joint Vision 2020 contains the conceptual outline we will use to help guide these transformation efforts. We will, however, commence a detailed evaluation of the document in the near future with a view toward updating it in light of the results of the 2001 Quadrennial Defense Review, changes to our defense strategy, the global war on terrorism, and strategic guidance from the administration.

Information Capabilities

The area offering the greatest promise for the most significant transformation in the near term is information sharing. The US military is an “information intensive” force. Much of the military superiority we currently enjoy rests on our ability to achieve and maintain a decisive advantage in accessing, gathering, exploiting, and acting on information. The ability to arrive at and implement better decisions, faster than an opponent can react, rests on the accumulation, processing, and understanding of vast quantities of operational and tactical information.

As mentioned above, we have taken the first steps toward fully integrating our capabilities to find and strike targets of all types, using networks of sensors and shooters to achieve an effects-based targeting

capability. Our goal is to allow dispersed forces to collaborate on operations and give our warfighters the ability to achieve desired effects rapidly and decisively – with a speed and accuracy that will overwhelm an adversary’s ability to respond. This goal is attainable if we creatively use existing and planned technologies.

Success will depend on several factors. First, we must take advantage of US leadership in information technologies to create networks that allow a coordinated exchange of information among different levels of command and a wide variety of units at ever-increasing rates. Second, we must shift from a reconnaissance to a surveillance approach in gathering information on adversary operations, emphasizing the ability to “watch” or “stare” at targets. Third, we must continue to place an appropriate emphasis on vital information transfers such as voice, video, and data exchanges, and on the ability to operate effectively in areas with primitive or nonexistent communications infrastructure. These requirements drive a growing need for more transmission capability or bandwidth. For example, in Afghanistan we used the maximum available bandwidth, and as we continue the interlinking of networks, our bandwidth requirements are only going to increase. It is also imperative that we continue to hold the line on military radio frequency spectrum allocations. Additionally, adequate investment in communications infrastructure is an absolute necessity. In particular, our reliance on satellite communications capabilities is expanding exponentially, and we need your support in ensuring the Military Satellite Communications program continues to enjoy full funding.

We will also use improved networks of information systems to transform logistics capabilities. By taking advantage of new technologies, improving logistics processes, and fusing information from many different sources, decision support tools will integrate data to make logistics information available to the appropriate commander anywhere in the world. We have already fielded an initial joint decision support capability and have successfully experimented with a shared data environment that provides integrated information from various Service legacy systems. This type of logistics capability will provide the joint warfighter with real-time logistics situational awareness and allow us to control and use our logistics assets with greater effectiveness and efficiency.

Finally, continued improvements in all facets of information capabilities are dependent on acquiring, operating, and protecting computer networks. US Space Command has the responsibility for the entire gamut of Computer Network Operations. The command's main areas of effort include reassessing the command and control relationships among Computer Network Attack (CNA) forces, re-evaluating CNA request and approval procedures, developing a Computer Network Defense mission needs statement, acquiring improved indications and warning capabilities for impending information attacks, and focusing all actions toward an effects-based capability.

Force Requirements

Developing better ways to identify, validate, and acquire new systems is essential to effective transformation. To improve the generation of joint

warfighting requirements, we initiated actions two years ago to improve the Joint Requirements Oversight Council process. Since then, we have established processes to develop, test, and approve joint operational concepts and architectures that will be used to establish and enforce standards for system interoperability. Additionally, we now have a process to implement joint experimentation recommendations and have greatly improved our ability to assess and implement transformation of areas beyond weapon systems and materiel.

As discussed previously, among the most important non-materiel initiatives is the development of a standardized Standing Joint Force Headquarters model. This headquarters will serve as a tool for combatant commanders-in-chief to improve joint warfighting and better integrate Service-provided forces. The development of this model will require us to identify baseline command and control systems and standardized organizational patterns, tactics, techniques, and procedures.

Another important initiative is focused on interagency cooperation. Threats to US national security in the 21st century will, more often than not, require an interagency response. As a result, missions and responsibilities will blur across agency boundaries, and a decisive and timely interagency response to crises will be increasingly important. We recognize the need, therefore, to work closely with non-DOD agencies of the US government on training, crisis planning, and coalition building.

In terms of materiel changes, the improved accuracy and effectiveness of precision-guided munitions and our ability to match them to a variety of delivery systems have significantly reduced collateral damage and non-combatant casualties while greatly increasing the combat effectiveness and versatility of our forces. They have become integral to the plans prepared by the combatant commanders; therefore, we must ensure our requirements determination and acquisition processes meet this warfighter need. As we continue experiments to evaluate transformational technologies, we will look for weapon systems with similar high-payoff potential.

One development with a high-payoff potential is theater missile defense. Analysis over the last decade has consistently validated the combatant commanders' requirements for a family of missile defense systems. There is a specific requirement for land- and sea-based, lower tier, terminal phase missile defense systems because of their capability against the predominate and growing short-range ballistic missile threat. The fielding of PAC-3 missile defense is an important first step, but only partially covers potential threats. The recent cancellation of the Navy Area Defense program allows us to assess a wider range of options for protection of sea- and airports of entry. Additionally, we will continue to evaluate methods of broadening terminal-phase defense beyond a single tier so as to improve operational flexibility and the ability to achieve a sufficient probability of shutdown against the entire range of missile threats.

CRITICAL ISSUES FOR THE US MILITARY

As you consider the specifics of the FY03 Defense Budget, I would like to bring to your attention a number of issues that are critical to maintaining today's quality force and meeting tomorrow's challenges. The most important of these is supporting our troops.

People

Success in all missions depends on our number one asset – our people. We must continue to keep faith with both our active and reserve component members, as well as our retirees. We must keep their trust and confidence by ensuring they are compensated commensurately with their responsibilities and the hardships they face. We also need to ensure they have the tools and facilities they need to accomplish their missions. Collectively, the Joint Chiefs are committed to five quality of life initiatives: pay and compensation, health care, unaccompanied and family housing, infrastructure and workplace improvements, and those base support programs that comprise our community services. This past year's legislation was a large step in the right direction. We are grateful for the hard work of the Administration, Congress, and Department of Defense in raising the standard of living and improving the quality of life of our Service members and their families, including the continued Congressional support of the Secretary of Defense's initiative to reduce out-of-pocket housing expenses to zero by fiscal year 2005.

I am also grateful for the strong support of Congress in providing a comprehensive, world-class health care program for our active duty and retired service members, and their families. Now, we must ensure the military health care system is fully funded. In view of today's security environment, we also must develop an adequate vaccine production capability and immunization programs, as well as medical surveillance systems that provide early warning of potential threats, enhanced medical data collection, and tracking processes to support the medical aspects of consequence management.

Congressional support of our program to eliminate substandard family and unaccompanied housing has been outstanding. The Services have made great strides and, for the most part, remain on track with their plans to achieve this goal by 2007.

We must also commit to reversing the decay of infrastructure and workplaces. Within civilian industry, the replacement, restoration, or modernization of buildings is accomplished in roughly a 50-year cycle. By comparison, the rate of investment in DOD infrastructure has fallen to a level that requires over 100 years for recapitalization. The FY03 President's Budget significantly increases our outyear infrastructure investment and puts DOD on a path to approach a recapitalization rate of 67 years by 2007. We need to ensure resources are available in the future to adequately sustain, restore, and modernize our facilities.

Finally, community services is a critical quality of life area that is, perhaps, the easiest to overlook, but dollar for dollar, is one of the most effective programs the Services provide. Based on the 2001 Quadrennial Defense Review, we are reviewing existing community services programs and policies to ensure we meet the needs of the changing demographics of military families and keep pace with modern requirements.

Providing better quality of life for our service members and families directly affects recruitment, retention, and family welfare. Personnel and family readiness are inseparable from operational readiness. We have made significant investments over the past several years in the quality of life of our soldiers, sailors, airmen, marines, and coastguardsmen and their families; we must maintain the positive trends we have worked so hard to establish.

Readiness, Modernization, and Recapitalization

The war on terrorism has provided fresh validation of previous readiness assessments. Our forward deployed and first-to-fight forces remain capable of achieving the objectives of our defense strategy. However, we remain concerned about the effects of a sustained high operations tempo on the force, strategic lift and sustainment shortfalls, and shortages of ISR assets, as well as the challenges associated with WMD, antiterrorism, and force protection. Additionally, in some locations, we face operational limitations that may affect mission success. Usage restrictions and a shortage of training ranges and operating areas contribute to lost or degraded training opportunities, resulting in reduced operational readiness. Recent funding increases have helped

address critical readiness concerns, but we must maintain an appropriate balance between near- and long-term readiness initiatives.

One avenue for maintaining that balance is through modernization of our existing forces. The development and procurement of new weapon systems with improved warfighting capabilities leads to incremental improvements that cumulatively may result in transformative changes. Through a sustained and carefully managed process, we can reap the benefits of such an incremental approach while also pursuing more radical technological changes. Modernization thus serves as a hedge against both near-term readiness shortfalls and failures of unproven technologies.

I also remain concerned with recapitalization of older assets. Our older fleet is taking its toll in increased operational costs and reduced equipment availability rates. For example, between FY95 and FY01, the Air Force's F-15C/D aircraft, at an average age of 17½ years, have experienced an 83% increase in cost per flying hour (constant FY00 dollars) and a decrease from 81% to 77% in mission capable rate. Similarly, the Navy's EA-6B aircraft, at an average age of 20 years, have experienced an 80% increase in cost per flying hour (constant FY00 dollars) and a decrease from 67% to 60% mission capable rate. For the Army, the M2A2 Bradley Infantry Fighting Vehicle, at an average age of 10½ years, has experienced a 61% increase in cost per operating mile (constant FY00 dollars) and a decrease from 95% to 93% in mission capable rate.

We cannot continue to defer procurement as we did over the last decade. Rather, we must accelerate the replacement of aging systems if we are to sustain our capability to meet near-term challenges and all of our 21st century commitments. In conjunction with the Service staffs, we have conducted a steady-state procurement estimate that concluded the DOD should spend \$100-110 billion (FY01 constant dollars) per year for several years to come to recapitalize today's force structure. The FY03 President's Budget significantly increases current and outyear procurement investment and puts DOD on a path to approach steady-state procurement. We need your support to continue this real growth in procurement accounts.

Strategic Mobility

Over the past several years, DOD has worked diligently to overcome the shortfalls in strategic lift capability identified in the Mobility Requirements Study-2005. The events of 11 September and the subsequent US military response once again highlighted a requirement to deliver combat forces and their support elements quickly anywhere in the world.

Our strategic lift forces proved themselves capable of supporting a fight in a landlocked country with limited infrastructure, 8000 miles from the United States; however, we also identified deficiencies that call for resolution. For example, we do not have a sufficient number of C-17s to meet our strategic lift requirements, so procurement of additional aircraft remains our top strategic mobility priority. Our tanker force has significant shortfalls in total numbers of tankers, crew ratios, and maintenance personnel. Additionally, improvements

in speed and capacity for inter-theater sealift are not expected to develop in the commercial marketplace so the government will be required to make research and development investments if we are going to derive benefit from emerging technologies in this area.

Personnel Strength

The domestic and overseas commitments of the war on terrorism, when coupled with other ongoing commitments, have stretched our active forces. They also have the potential to stress our Reserve Component forces and their patriotic civilian employers who are sharing precious personnel resources that are vital to continued economic recovery. As we move forward in the war on terrorism, we will continue to analyze our end strength requirements and will keep the Congress informed regarding the results.

CONCLUSION

I look forward to working closely with Congress this year as we progress toward attaining these goals. We face adversaries who would destroy our way of life. In response, your Armed Forces will not rest until we have achieved victory in the global war on terrorism. At the same time, improving the joint warfighting capabilities of our Armed Forces and transforming those forces are essential if we are to conquer successfully the ever-changing threats and challenges of the future.

In pursuing these goals, we face tough, complex issues – with no easy answers. It is understandable that reasonable people can disagree on both the substance of and the solutions to those issues. The great strength of our form of government is the open dialogue engendered by such disagreements, and one of the privileges of my position is the responsibility of providing military advice to aid that dialogue. The men and women of our Armed Forces are doing a superb job. We owe them our best as we work through these issues. Thank you for the opportunity to present my views and your continued outstanding support of our soldiers, sailors, airmen, marines, and coastguardsmen.