

RECORD VERSION

STATEMENT BY

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AND

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BEFORE THE

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Mr. Chairman and distinguished Members of the Committee, on behalf of more than one million Soldiers that comprise our Army – active, guard, and reserve – their Families and nearly 300,000 Army Civilians, thank you for the opportunity to discuss the Army's plan to ensure it remains the world's preeminent land power.

Our Nation is locked in a long war - potentially a multi-generational conflict – against a global extremist network that is committed to destroying the United States and our way of life. The next decade likely will be one of persistent conflict against an enemy that is not bound by the concept of nation states, geography or laws of war. We must counter that threat and remain prepared to conduct major combat operations to deter and, if necessary, defeat the threats posed by traditional nation states who would challenge our interests and those of our allies and partners.

As we increase our commitments in Iraq and Afghanistan, we also must face the challenges of meeting the requirements of our national defense strategy and demands of the quadrennial defense review (QDR). Today, over 258,000 Soldiers are deployed fighting the war on terror and forward-stationed deterring our nation's adversaries. Our Army is approaching its sixth year of sustained combat. For the last four years we have maintained 15 to 21 Brigade Combat Teams (BCTs) deployed in Afghanistan and Iraq, which is above the 18 BCT commitment rate anticipated in the QDR. While engaged in this long war, we must maintain the health and quality of the All Volunteer Force. We must also provide Soldiers and their Families a quality of life commensurate with the quality of their service.

It is essential that we grow and transform the force in order to build an Army to sustain protracted campaigns and defeat adversaries in the 21st Century, and we are doing so. To meet future challenges, continue to sustain the high demand for Army forces and to improve readiness and strategic depth, we must receive timely and sufficient resources in order to transform, reset, grow and modernize the force.

Over the last four years, we have made considerable progress transforming the Army from a Cold War structured organization into one best prepared to operate across the full spectrum of conflict – from full-scale combat to stability and reconstruction operations, including the irregular war that we face today. Converting all components of the Army—active, guard, and reserve – from a division-based organization to brigade-centric modular formations is producing more units and increasing their expeditionary capabilities. This is enhancing our ability to execute protracted campaigns and support the demands of the combatant commanders around the globe.

Concurrent with our modular conversion, we continue implementing the Army Force Generation (ARFORGEN) model to ensure we deploy only fully manned, equipped, and trained forces into combat. This model provides improved predictability for Soldiers, Families, communities, and employers. Just as important, it synchronizes deployments with the preparations of our next-to-deploy forces and the reset of recently deployed forces.

Last year we projected that our fiscal year 2008 reset requirements would be approximately \$13.6 billion. Our reset requirements are increasing as we increase our commitments in Iraq and Afghanistan. Equipment is being used up at rates much faster than previously programmed. Resetting and recapitalizing this equipment and improving our strategic depth will require significant levels of funding for a minimum of two to three years beyond the duration of the current conflict.

Recent decisions to grow the Army by 65,000 in the active force, 8,200 in the Army National Guard, and 1,000 in the Army Reserve are clear recognition of the need to increase ground forces in light of the high level of demand and future strategic requirements. We are growing six new BCTs in the active force and the associated enabling organizations across all components. This will expand our rotational pool to 76 BCTs and more than 225 support organizations in the operational force of the

Total Army. Through this growth, we will be able to provide a continuous supply of 20 to 21 BCTs to meet global commitments by 2013. Whether the Army will be properly sized cannot be answered with certainty as the future demand on the force is unknown – although we believe it is unlikely to decrease for the foreseeable future.

In the near term, to field forces for victory in the long war, sustain the full range of our global commitments and defend our homeland, we must have all components of the Army ready and able to deploy together. With 55 percent of the Army's capabilities in the reserve components, the recent changes in reserve component mobilization policies are essential as we continue the transition of the reserve component to an operational force. These new policies will improve predictability and facilitate the deployment of trained, ready, and cohesive units, while decreasing the overall burden on our Soldiers and their Families. We are working to implement these changes rapidly and will require continued Congressional support to do so.

In the decade prior to 2001, our investment accounts were underfunded, resulting in \$56 billion in equipment shortages across the force. To meet combatant commanders' immediate wartime needs, we are continuing to pool equipment from across the force to equip Soldiers deploying into harm's way. This practice increases risk for our next-to-deploy units, and limits our ability to respond to emerging strategic contingencies.

With Congress' help, we have made great progress increasing Soldier and unit effectiveness over the last four years. However, we still require considerable assistance to overcome the significant equipment shortages with which we entered this war and to insure our Soldiers – active, guard, and reserve – are armed with the best equipment our Nation can provide. The pending fiscal year 2007 Supplemental request contains \$16 billion to increase critical force protection capabilities in our deployed forces and to fill critical equipment shortages that are degrading readiness

in our next-to-deploy forces. For example, the supplemental includes funding for Mine Resistant Ambush Protected (MRAP) vehicles and procurement of medium tactical trucks to fill existing unit shortfalls and to replace obsolete trucks in reserve component units.

Modernizing our equipment is critical to ensure we build an Army ready to defend the Nation in the 21st Century. Operations in Iraq and Afghanistan underscore the importance of investing in superior technologies and equipment that enable our most important asset – the Soldier – to remain dominant against adversaries who continually adapt their methods, tactics, and tools of warfare. Investing in our future readiness through modernization is a strategic necessity that must be considered a top national priority, not as an issue of affordability.

The Future Combat Systems (FCS) is the centerpiece of the Army's broader modernization strategy, our first major modernization program in decades and our most critical investment priority. FCS is designed to counter threats of the 21st Century; it will enable us to keep Soldiers mounted longer, increasing their survivability, while providing an ability to see and engage the enemy from greater distances using an assortment of aerial and ground sensors.

Procuring FCS is the most effective and efficient means of providing full-spectrum, networked capabilities required now and for the future, and to ensure our Soldiers get these essential capabilities as quickly as possible. By building a common chassis, we greatly simplify the fleet acquisition and sustainment costs for the Army. For example, the cost of building individual platforms is reduced by 50% (from \$12 billion to \$6 billion). Over time, all current force and FCS vehicles will be using the same components and software, thereby reducing the overall maintenance and support costs of the ground force, and greatly simplifying the training and logistical burden for tactical commanders as well as the institutional Army.

Our ability to simultaneously transform, reset, grow, and modernize while meeting the high demand for ground forces and providing a quality of life required to sustain the all-volunteer force is dependent on full and timely resourcing. As a result of the significant support we have received from this Committee and Congress, the units we have deployed are the best trained, best equipped, and best led we have ever sent into combat. While we are meeting the readiness needs of deployed forces, our challenge remains to meet the needs of our non-deployed forces and our ability to respond to future threats. If received in a timely manner, the fiscal year 2008 President's Budget request, combined with requested fiscal year 2007 supplemental and fiscal year 2008 GWOT funding, sets the Army on a path to filling equipment shortages and posturing to respond to future contingencies.

We are in this Long War to win. We would like to reiterate the strategic necessity of investing in our future readiness through modernization. It is imperative that we not shortchange future investments as a bill payer to improve current readiness. Furthermore, we solicit your support to accelerate improving readiness, building strategic depth and ensuring the Army's ability to prevail against future threats. The young men and women who volunteer to defend our Nation deserve nothing less.

Finally, we ask for your assistance in providing fiscal year 2007 supplemental funding as soon as possible. As you know, we already have been forced to curtail spending across our installations to ensure the Soldiers in combat have the resources they need. We have had to slow the purchase of repair parts and other supplies, relying instead on existing inventory to keep equipment operational. Priority will be given to repair and refurbishment of immediately needed warfighting equipment, while training and other non-mission critical equipment repair will be deferred. We have also postponed or canceled non-essential travel and restricted the shipment of equipment and supplies. In May we will be forced to take more restrictive measures, including a civilian hiring freeze, terminating

temporary employees and slowing production lines to support current operational needs. The Army remains determined to do whatever is necessary to execute its mission: defend the nation and provide forces for victory in the Long War while ensuring uninterrupted support to the Families of our deployed Soldiers. However, we cannot repeat last year's disruptive cash flow experience and still meet the increased operational demands now facing us.

Thank you for your continued support of our Soldiers and their Families.