

NOT FOR PUBLICATION UNTIL RELEASED
BY THE SENATE ARMED SERVICES
COMMITTEE SUBCOMMITTEE ON
SEAPOWER

STATEMENT

OF

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BEFORE THE

SUBCOMMITTEE ON SEAPOWER

OF THE

SENATE ARMED SERVICES COMMITTEE

ON

MARINE CORPS MODERNIZATION

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SUBCOMMITTEE ON SEAPOWER

Introduction

Chairman Reed, Senator McCain, and distinguished members of this Subcommittee, we appreciate the opportunity to appear here today and discuss Marine Corps modernization. As always, we thank you for your continued support to our Sailors, Marines, and their families.

As America's Expeditionary Force in Readiness, the Marine Corps' ground modernization investments support our Nation's ability to be prepared for all manner of crises and contingencies. As a "middleweight force," Marines do not seek to supplant any Service or "own" any domain. Rather, Marine forces transit in a "lane" that passes through all domains—land, sea, air, space and cyber—operating capably and freely throughout the spectrum of threats, whether they be conventional, irregular or the uncertain hybrid areas where they overlap. Key is the ability to deploy and employ from the sea in austere environments at a time and place of our choosing — a significant asymmetric, strategic and operational advantage that has been used more than 130 times in the past two decades.

Our ground investments allow us to develop and sustain a ready, middleweight force that is easily deployable, energy efficient, and highly expeditionary. As the Department of the Navy and your Marine Corps confront the challenges of budget constraints and the uncertainty inherent in our fiscal outlook, we are evaluating priorities and making hard choices that are necessary to maintain the right balance in capacity, capability and industrial base sustainment. We have accepted our share of the additional risk associated with reduced resources; however, we have also sought innovative and practical means to mitigate that risk. We leverage programs, technologies, technical skills and competencies of other Services to ensure we deliver the most effective and affordable combat capability to your Marines. We also seek to capitalize on our industrial base to identify and pursue innovative and ground-breaking solutions to meeting the warfighter's needs and to reduce acquisition and sustainment costs of our systems.

Operating Environment

Over the past year alone, Marines have actively engaged in every corner of the global security environment. The Marine Corps continued to meet operational commitments in Afghanistan while simultaneously working with more than 90 allies and partners to train, learn, and build effective security institutions. In addition to forces committed to Operation ENDURING FREEDOM (OEF), our Marine Expeditionary Units (MEUs), in partnership with

Navy's Amphibious Ready Groups (ARGs), continued to patrol regions of likely crisis. Other task-organized Marine Air Ground Task Forces (MAGTFs), operating from expeditionary locations, supported US national security objectives through forward presence, deterrence, multinational theater security cooperation exercises, and building partner capacity. Marines have been active in every geographical combatant command, serving as a key component of the joint force. Even under fiscal restraint, we continue to support these strategically important activities to the greatest extent possible.

The need for this highly capable and ready force is more pressing now than ever. Today, we see a world marked by conflict, instability and humanitarian disaster. We see the disruptive changes that accompany a rapidly modernizing world - a world in which tyranny is rewarded, power is diffused, and extremism finds fertile ground in the disenfranchised. In what has been described as a 'new normal,' extremism, economic disruption, identity politics and social change generate new potential security threats at an accelerating pace. While we desire peace as a nation, threats to our citizens, allies and national interests compel our response when crisis occurs.

Regardless of the financial pressures placed on governments and markets today, crises requiring military intervention undoubtedly will continue into the foreseeable future. In this environment, physical presence and readiness matter more than ever. As a maritime nation, dependent on the sea for the free exchange of ideas and trade, America requires security both at home and abroad. Since the 1990s, the US has been reducing its presence on foreign bases. This trend will likely continue in the face of the strategic and budget realities we currently face. There remains an enduring requirement to balance presence with cost. In the past, the Nation has chosen to depend on the Navy and Marine Corps to provide a lean and economical force of an expeditionary nature, operating forward and in close proximity to potential trouble spots. Investing in naval forces that can respond to a wide range of crisis situations creates options and decision space for our Nation's leaders.

Role of the Marine Corps

The Marine Corps remains first and foremost a naval service, operating in partnership with the United States Navy. We share with them a storied heritage that predates the signing of our Constitution. Together, we in the naval service use the seas, not only to protect the vast

global commons, but also to project our national power and influence ashore where that is required. The world's coastal regions are the home to an increasing majority of the human population, and are thus the scene of frequent conflict and natural disaster. These *littoral* regions comprise the connective tissues that join oceanic trade routes with the activities of populations ashore. In an era of heightened sensitivities over sovereignty, and where large foreign military footprints are unwelcome, the seas provide maritime forces with a means of less obtrusive presence and unfettered access. Maritime expeditionary forces can be located close enough to act when crisis threatens and hours matter, without imposing a burden on host nations. Expeditionary maritime forces can operate in the air, at sea, and on land, without the necessity of infrastructure ashore. They can loiter unseen over the horizon, and can move swiftly from one crisis region to another. Importantly, maritime forces also have the ability to rapidly return to the sea when their mission is complete.

This flexibility and strategic agility make Marine forces a key tool for the Joint force in major contingencies. Operating in partnership with the Navy, the Marine Air-Ground-Logistics Task Force creates the strategic asymmetries that make the joint force so effective on the modern battlefield. Amphibious and expeditionary capabilities contribute to each of the ten mission areas of the joint force, and are directly responsive to the security demands articulated in the President's *Defense Strategic Guidance for the 21st Century*. By design, Marines smoothly integrate with the other elements of the joint force, enable our interagency partners, and provide a naturally complementary team when working with special operations forces.

Virtual presence, the ability to strike with precision weapons or to attack an adversaries' networks do not have the same impact of knowing the force is over the horizon can be at your front door tonight. The tragic events in Boston highlight the value of a ready police force that can respond to today's crisis with today's force. Law enforcement personnel (local, state, and federal) are backed up by sophisticated technology but the officer walking the street – going door to door - was crucial to re-establishing calm and finding the perpetrators. With the right ships, equipment, personnel and training, Marines are your international crisis response force – as part of a larger joint and multi-national effort - we will be there first with the ability to respond to today's crisis with today's force, today.

As the nation prepares for an uncertain future, its expeditionary Marine forces provide a highly-utilitarian capability, effective in a wide range of scenarios. Marines remain a cost-

effective hedge against the unexpected, providing a national “insurance policy” against strategic surprise. The Marine Corps will continue to meet the requirements of strategic guidance while resetting and reconstituting the force in-stride.

Reset

Reset is a subset of reconstitution and comprises the actions taken to restore units to a desired level of combat capability commensurate with the units’ future missions. After more than a decade of combat, this will require an unprecedented level of effort. The Marine Corps is resetting its forces “in stride” with fighting the war in Afghanistan and transitioning in line with the Defense Strategic Guidance. Unlike previous post-conflict periods, such as after Operation DESERT STORM, we do not anticipate taking an “operational pause” to reset as we transition from OEF.

The Marine Corps’ *Operation Enduring Freedom Ground Equipment Reset Strategy*, released in January 2012, identifies the equipment we will reset or divest. The reset strategy prioritizes investment and modernization decisions to develop our middleweight force. Last year our reset liability was approximately \$3.2 billion. We currently estimate it will be something less; however, we are unsure exactly what that number will be until we can get a better picture on both the totality of the costs associated with returning our equipment from Afghanistan and the detailed costs associated with resetting our gear after 10 years of combat. This revised forecast is primarily based on the replacement of combat losses, the restoration of items to serviceable condition, and the extension in service life of selected items. The liability accounts for execution of reset dollars provided in fiscal year 2012 and the first quarter of fiscal year 2013 to include maintaining the Marine Corps’ enduring requirement of 1,231 Mine Resistant Ambush Protected (MRAP) vehicles.

The Marine Corps’ MRAP reset requirement strikes the right balance between capabilities immediately available to the operating forces, those geographically positioned for crisis response, and MRAPs placed in a cost-effective long term storage for potential enduring conflict. The 455 MRAPs maintained in our strategic prepositioning stocks afloat, in Norway, and in Kuwait will be kept at a heightened state of readiness - available in crisis response with little notice; 618 MRAPs will move into long term storage at our organic depot facility in

Barstow, California; and the remaining 158 MRAPs will be used in our operating forces for training and immediate response.

The Retrograde and Redeployment in support of Reset and Reconstitution Operational Group (R4OG) is a vital element to the Marine Corps' responsible drawdown from Afghanistan and the successful execution of the Ground Equipment Reset Strategy. The R4OG which began in May 2012 is the Marine Corps' component to the U.S. Central Command Materiel Recovery Element and is tasked with preserving the operational capacity of combat units shouldering the load of clearing the battle space of equipment, supplies and sustainment stocks. The R4OG is focused on accountability and efficiency in the redeployment and retrograde process. This process includes retrograding more than \$324 million of equipment, repairing more than 1,200 shipping containers, and processing more than 230 thousand pounds (net explosive weight) of ammunition, and has overseen the retrograde of more than 4.5 million square feet of aviation AM2 matting and more than 5,700 equipment items. The Marine Corps has retrograded 60 percent of its equipment items; 70 percent of the supplies, repair parts, and ammunition; and 85 percent of its AM2 matting in Afghanistan. Additionally, the R4OG brings discipline to the retrograde process ensuring Marine Corps combat units can withdraw from Afghanistan and redeploy.

Our reset effort is already underway and it maximizes the Marine Corps' depot capacity, where we expect the bulk of reset to occur for two to three years after our equipment is returned. The continued availability of our ground equipment depot capacity at both Barstow, California and Albany, Georgia is essential for timely reset, our ability to generate readiness, and to surge in response to wartime demand. With the funding provided by Congress in Public Law 113-6 we will be able to remain on schedule with our reset plan in fiscal year 2013; however, the long term impacts of sequestration on reset may result in cuts to depot maintenance and procurement accounts, which may hinder the Marine Corps' ability to reconstitute in stride by fiscal year 2017.

We are examining future equipment requirements with an on-going comprehensive review of the Marine Corps' equipment inventories. This effort will validate reset strategies, future acquisition plans, depot maintenance programming, and required modernization initiatives. This review will incorporate the lessons we learned from over a decade of combat to

upgrade our tables of equipment to reflect the way we fight today and our warfighting requirements of tomorrow.

Modernization

With the smallest modernization budget in the Department of Defense, the Marine Corps continually seeks to leverage the investments of other services, carefully meting-out our modernization resources to those investment areas which are the most fiscally prudent and those which promise the most operationally effective payoffs.

Innovative war-fighting approaches and can-do leadership are hallmarks of the Corps, but these cannot overcome the vulnerabilities created by our rapidly aging fleet of vehicles, systems and aircraft. Long-term shortfalls in modernization would have an immediate impact on readiness and would ultimately cost lives during crises. At some point, sustaining fleets of severely worn vehicles becomes inefficient and no longer cost-effective. This inefficiency reduces available modernization resources from an already small account, degrading our ability to effectively operate in today's complex security environment. Our modernization investment requires a balanced approach across the Air-Ground-Logistics Team.

Ground Vehicle Modernization and Sustainment

Selective modernization and effective sustainment of our combat and tactical vehicles is the basis for planning, programming and budgeting to provide balanced maneuver and mobility capabilities to our Operating Forces. Our force structure and associated vehicles are highly leveraged investments. They optimize strategic lift capability and provide aggregate utility across the range of military operations. Our ground vehicle modernization strategy is to sequentially modernize priority capabilities, reduce equipment inventory requirements wherever possible, and judiciously sustain remaining equipment. Our plans focus on achieving the right mix of assets, while balancing performance, payload, survivability, fuel efficiency, transportability and cost.

Our two signature modernization initiatives are the Amphibious Combat Vehicle (ACV) and the Joint Light Tactical Vehicle (JLTV). These vehicle modernization programs coupled with the upgrade of our Assault Amphibious Vehicles (AAV) and our family of Light Armored Vehicles (LAV), the refurbishment of a portion of our legacy High Mobility Multi-Purpose

Wheeled Vehicle (HMMWV) fleet, and improvements in advanced simulations systems, are critical to sustaining our combat readiness and enabling our core warfighting capabilities. The Marine Corps has deferred acquisition of the MPC with the future capability requirement to be assessed after the more pressing ACV and JLTV requirements have been addressed.

The Marine Corps is committed to developing and fielding an ACV that supports and enables our Service-defining capability of enabling operational access and forcible entry from the sea. The ACV is the Marine Corps' top ground modernization priority and the Fiscal Year 2014 President's Budget request includes \$137 million for support of this effort. Based on the Department's ten-year investment plan, the intent is to address modernization shortfalls sequentially-both before and after development of the ACV. The Department's JLTV strategy depends on procuring those vehicles with the most demanding mission profiles. The Marine Corps' fiscal year 2014 request includes \$50 million to continue Engineering Manufacturing and Development efforts and reach Milestone C before the Marine Corps procurement focus is turned towards the ACV.

During the interval in which the ACV is designed, built and fielded, the Department must also ensure the continued safety, reliability, and operational capability of the legacy AAV. The current AAV platform faces significant maintenance challenges and obsolescence issues. Accordingly, the Marine Corps is investing \$70 million in AAV sustainment efforts, to include the AAV upgrade program. Both of these efforts remain a top Marine Corps recapitalization effort priority until fielding of the ACV. The Marine Corps plans to upgrade between 350 to 400 existing AAVs to ensure they are survivable on the modern battlefield.

While the AAV upgrades will provide a bridge of sorts, the ACV is needed to replace this aging fleet. The ACV Analysis of Alternatives was completed in July 2012 and the results of follow-on analysis into the cost of a high water speed capability are expected in October 2013 at which time a decision will be made whether to pursue a high water speed vehicle. The current baseline budget allows for equipment modernization on a reasonable timeline. Possible future reductions in the baseline budget and the impact of sequestration would result in delay, modification or elimination of key modernization programs.

Additional Modernization

To complement future ground and amphibious vehicles, the Marine Corps is investing in key support areas such as the Ground/Air Task-Oriented Radar (G/ATOR). Fiscal Year 2014 President's Budget request includes \$192 million to complete Engineering and Manufacturing Development and enter Low Rate Initial Production in fiscal year 2014. This system will replace five legacy radar systems, and will be significantly more advanced in its capabilities. It will improve threat detection and be more deployable, able to be set up in a fraction of the time compared with current systems.

Over the last 10 years of near continuous combat operations, the need for fuel and batteries on the battlefield has grown exponentially. Since 2001, the Corps has increased the number of radios infantry battalions use by 250 percent and the number of information technology equipment by 300 percent. The number of vehicles has risen by 200 percent, with their associated weight increasing more than 75 percent as a result of force protection requirements. In the end, the force today is more lethal, but we have become critically dependent on fuel and batteries, which has increased the risk to our logistics trains. Moreover, a 2010 study found that one Marine is wounded for every 50 fuel and water convoys. To reduce risk and increase combat effectiveness, in March 2011, the Commandant issued the "*Marine Corps Expeditionary Energy Strategy and Implementation Plan*" to change the way the Corps thinks about and values energy. As part of this strategy, we are also investing in the Ground Renewable Expeditionary Energy System and Solar Portable Alternative communications Energy System. These systems will provide portable power, increasing self-sufficiency, and reduce requirements for fuel resupply for small units operating at the forward edge. This "bases-to-battlefield" strategy includes training all Marines to understand the relationship between resource efficiency and combat effectiveness. Throughout the Navy and the Marine Corps, we will consider energy performance in all our requirements and acquisitions decisions.

Conclusion

The Navy and Marine Corps team is fully aware of the fiscal challenges facing our Nation and has critically examined and streamlined our force needs for the future. We are proud of our reputation for frugality, and will continue to remain good stewards of every defense dollar

we receive. In a period of budget austerity, we offer a strategically mobile force optimized for forward presence and rapid crisis response for a notably small portion of the Department of Defense budget. The Marine Corps will remain ready to fulfill its role as the crisis response force of choice for our nation's leaders.

Through the support of Congress, our Marines and Sailors responding to crisis and in the fight have received everything necessary to ensure success over the past decade of sustained combat operations. As we transition to the challenges and opportunities of the post-OEF world and continue to reorient to the Pacific, the Marine Corps is rebalancing and modernizing for the future. We must also keep faith with and provide the right resources for those who have served and sacrificed so selflessly in our all-volunteer force. With the continued support of the Congress and the American people, we will ensure amphibious forces are well prepared to secure our national interests in an uncertain future.

