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HEARING

ON

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2008

AND

OVERSIGHT OF PREVIOUSLY AUTHORIZED PROGRAMS

BEFORE THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES

ONE HUNDRED TENTH CONGRESS

FIRST SESSION

FULL COMMITTEE HEARING

ON

BUDGET REQUEST FROM THE DEPARTMENT OF DEFENSE

HEARING HELD
FEBRUARY 7, 2007

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FISCAL YEAR 2008 NATIONAL DEFENSE AUTHORIZATION ACT—BUDGET REQUEST FROM THE DEPARTMENT OF DEFENSE

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, Wednesday, February 7, 2007.

The committee met, pursuant to call, at 9:35 a.m., in room 2118, Rayburn House Office Building, Hon. Ike Skelton (chairman of the committee) presiding.

OPENING STATEMENT OF HON. IKE SKELTON, A REPRESENTATIVE FROM MISSOURI, CHAIRMAN, COMMITTEE ON ARMED SERVICES

The CHAIRMAN. Ladies and gentlemen, the hearing will come to order.

And let me take this opportunity to welcome Secretary of Defense Gates; the chairman of the Joint Chiefs of Staff, General Pace; the Honorable Ms. Jonas. And I appreciate your being with us very, very much.

Let me make two comments at the outset.

The first is a compliment. Mr. Secretary, you and the general got your written testimony to us not only in a timely fashion, but in written fashion, ahead of schedule. And if this were the proper place to give you an applause, just consider yourself having received applause for that, because we are setting a new trend, and urging that testimony be submitted to us 48 hours ahead of time.

Normal witnesses are asked to confine their remarks to four minutes. That, of course, does not apply today because, you know, we are discussing a multi-billion dollar proposal coming from the Administration. So consequently, it will not, ladies and gentlemen, apply to you folks.

Let me also mention that there are some members of this committee in past days that felt we were not receiving forthright testimony, that some of the answers were not direct answers or informative answers to the questions asked of Pentagon witnesses.

I raise that because my recollection, Mr. Secretary, on a previous occasion, if my memory serves me correctly, you said something to the effect that you were not here to mislead anyone. And we know and hope that questions asked will be answered forthrightly and to the point. And, of course, there are some areas that must be answered in closed or classified session, of which we all understand and appreciate.

So I mention that at the outset. And, Mr. Secretary, if you wish to comment on that, you certainly may.

I also wish to mention that we have requested, and it appears it will come to pass, that there will be regular briefings, hopefully on a biweekly basis, here in this committee room under the auspices of the Armed Services Committee for the full House on the ongoing operations in the Middle East.

This will be on a regular basis. This was done during the work-up to and during what we now refer to as Desert Shield and Desert Storm of 1990 and 1991. We hope to re-establish those regular biweekly briefings for the full House here in this room.

So let me welcome, Mr. Secretary, you and General Pace for appearing before us.

This is an enormous budget, with $480 billion in regular spending, an additional supplemental request for over $93 billion to cover the cost of the war this fiscal year, and on top of that a $140 billion request to pay for the war in the coming fiscal year.

Now it is time for Congress to play our constitutional role. As authorizers, it is our solemn duty to ensure that this budget is sufficient. At the same time, it must ensure our forces are properly postured to meet the complex security demands of this century, while protecting taxpayers' resources.

Each year, I caution that while this process is familiar, we must not approach it as routine. This is a time of war. Wars test nerves, wars test will, and wars test wisdom.

Our troops and the civilians who serve with them continue to do everything we ask of them and more. It is our job to make sure they have the training and the equipment they need to be successful.

Let me make a few brief comments before we move on to our witnesses.

And, first, I congratulate the Department on delivering a full year fiscal 2008 budget request to pay for the ongoing war in Iraq. For too long, we have funded the war piecemeal, through supplementals, which I feel obscured the total cost.

To rectify that, last year we passed a provision to require that a funding request be delivered with the base budget for this and the following years. I would still prefer the war funding to be in the base budget, but this request is for the full amount, and I would say it does comply with the law.

And today, our forces are engaged in two primary conflicts.

I came back from a recent trip to Afghanistan optimistic, feeling our fight there is winnable. Long-term security and economic development depends on a government free of the Taliban and its violence. And we can end the scourge of the Taliban with their al Qaeda support if our commanders there have the right troops and the right numbers.

We are doing our part. But I don't believe our North Atlantic Treaty Organization (NATO) partners yet are. And I am concerned about that, Mr. Secretary. They must meet their troops commitments and lift restrictions that they have placed on the troops that are currently in Afghanistan. They have committed to some 3,000 more and they haven't delivered on that.

I welcome any comments you might have.

Now, I wish I were as optimistic about Iraq as the President's proposed troop increase indicates. And I still have some serious

question about what we are doing there and how effective the plan will be. And I continue to believe this so-called surge is a change in tactics and that greater strategic questions remain unanswered.

Each day we continue that fight is another day we increase the strategic risk to the United States that we may not have the right resources when our military is next called upon to deter or to respond to a conflict.

Readiness for the future is the job of this committee, and I am concerned that a lot of our seed corn is being eaten in that conflict in Iraq.

Strategic risk will not be eliminated at once, but resetting our equipment is a necessary start. Therefore, it is with some relief I note that $37 billion in the 2008 allocation is to reconstitute equipment lost or damaged. We cannot neglect the future.

I am pleased to see some recognition of this in the base budget, including the funding, for instance, of eight new ships that are needed to retain our power projection capabilities and allow us to respond to a crisis anywhere in the world.

This budget also helps ensure that our forces dominate the domains of air and space as well.

We have a dual problem. One is preparing for force-on-force and deterring potential force-on-force conflicts and threats. And the other is the counterinsurgency that we are going to be engaged with in a long time.

We used to know how to do that; we did it well. And then threw away that knowledge. And now, we are re-establishing the training and the education at a professional level on counterinsurgency.

And I am gratified to see that the President finally agrees with my ten-year request to bolster the size of the ground forces. Funding the Army increased by 65,000; Marines, by 27,000. This increase will ease the burden of constant deployments.

Now, while this end-strength increase is good news, we must watch carefully how we achieve it over time. I am concerned that the Army recruit quality continues to decline, and I worry that we have not committed enough resources to recruit and retain our forces.

Our military strength is based on our quality. We must be sure that we continue to pay them what they are worth and take care of their families.

And, gentlemen, there is much to commend in the budget, and I look forward to working with the Department, as well as the fellow members of our committee.

And I commend you, gentlemen, not only for getting the budget out with more detail than in the past, but for getting your statements to this hearing, as I mentioned, to us in a timely manner. That is unprecedented, and we thank you.

A few housekeeping notes: Please note to do your best to summarize your testimony. However, you do not have the restriction. And without objection, your full testimony will be entered into the record.

We do understand, Mr. Secretary, you have a four-hour time limit, and we wanted to save time for member questions. And the last time you were before us, some of our more junior members did not get a chance to ask their questions. Therefore, today we will—

in consultation with Mr. Hunter, the ranking gentleman, we will go out of regular order and recognize those who did not get to ask questions of you first, and then, time permitting, we will come back to the top row. And I guess we can just say good luck to the middle row as we forge ahead. [Laughter.]

The witness must leave at 1:30.

So, without further ado, we thank you for being with us.

Mr. Hunter.

STATEMENT OF HON. DUNCAN HUNTER, A REPRESENTATIVE FROM CALIFORNIA, RANKING MEMBER, COMMITTEE ON ARMED SERVICES

Mr. HUNTER. Thank you, Mr. Chairman. And I want to join you in welcoming our guests.

I have looked, and I know our members have looked, at the budget, Mr. Secretary, that you have put before us. And I think it is a good budget and that it strikes a balance between our focus on the immediate warfighting theaters and the requirements that are attendant to those theaters and what I would call the over-the-horizon programs that will maintain a strong defense for the future for this country, looking at threats that aren't immediate but nonetheless will manifest themselves at some point in the future.

One other point that I thought was excellent with respect to this budget is that, on this committee over the years, we have done a Congressional Budget Office (CBO) analysis as to how many trucks, tanks, ships, planes we had to replace each year to maintain at a steady state, to maintain what we would call a modicum of modernization. That has always been, and has been for the last 5 or 6 years, close to $100 billion; today, somewhat over that.

In the 1990's, we were funding that $90 billion-plus requirement at about $45 billion and up to about $55 billion, $60 billion, around the year 2000. We have taken that up now to about $75 billion in years past, and $80 billion was the top end.

I noted that, in this budget, I believe—and Ms. Jonas, you may want to refer to it and describe it a little bit in your testimony—we are over, for the first time, the $100 billion. That is, we are meeting the mark of what CBO projected was the steady-state requirement for modernization to keep our forces modern. So I think that is an excellent aspect of this particular budget.

Let me just make a couple of other comments.

You have a substantial increase with respect to the Army and the Marine Corps, and I think that is an excellent move by the Administration.

We have, on this committee, increased, in fact, the Army and the Marine Corps over the past 5 years: the Marines to 180,000, the Army to 512,000 end-strength. You have substantial increases beyond that.

And last year, we did what we called a committee defense review (CDR) that was intended to be a counterpart to the Quadrennial Defense Review (QDR). The problem we saw with the QDR at that time was that the QDR had become a budget-driven document. That is, it appeared to be a document in which the services tried to figure out how much money they were going to get, and then, instead of giving us what they thought was the requirement for the

defense of this country in terms of force structure and modernization requirements, they tried to fit, in what they thought was going to be the budget box, their priority programs. So they had no increase in Army and Marine Corps.

We came up in our CDR, which was a threat-driven document based on the real world and what we felt we needed to defend the country, substantial increases that are fairly close in total numbers to the numbers that you came up with in this budget and the succeeding budgets.

I think the chairman has rightly pointed out that the genius in this increasing of the end-strength will be seen in how well we meet and how we match our recruiting tools and our retention tools with these end-strength goals. And it may, in fact, be somewhat of a challenge.

But I think that that aspect of the budget is something that will accrue to our benefit. I see we have—you have got a 65,000 increase in the Army, and it is 27,000 in the Marine Corps.

We passed a continuing resolution last week, Mr. Secretary, that cut some $3.1 billion from what we call the Base Realignment and Closure (BRAC) accounts. Now, we got a letter from the Army that stated that this money was not padlocking-the-gates money. It was money that was intended to bed-down units that are coming back to this country from other areas, intended to advance quality of life for the men and women who serve this country and for their families, and that this money needed to be restored, this $3.1 billion.

I know we have got to work on that. And I know that these funds were fully authorized by the committee last year, by what I recall was a 60–1 vote. So I know that that is something that we must restore. And I would ask that you talk a little bit about that in your comments.

Let me go to the issue of the day, Mr. Secretary, and that is the war in Iraq and the prospects for resolutions coming out of this body and the other body that will reflect Congress's position on this plan.

This plan is already being carried out. And my understanding is that most of the elements of the 82nd Airborne have already gone over the line from Kuwait. They are in-country. The plan is being moved forward. General Petraeus is working the plan right now.

And, Mr. Secretary, I think it is time for this country to get behind a military plan that is already in the process of being executed.

And I think it would be a major mistake for us to send a fractured message to the world, to our allies and our adversaries that the United States is heavily divided over the support of this mission. I don't think you can send a message that is going to raise the morale of the troops while at the same time sending a message that we don't support the mission.

So I will personally oppose any resolution in this body or one coming over from the other body that would go against or somehow attempt to turn off this mission or in some way attempt to cripple it through amendments to the operations and maintenance (O&M) budget or supplemental appropriations.

And let me just say, Mr. Secretary, that the plan—I looked at this plan which provides for the nine sectors in Baghdad to be

manned by Iraqi brigades, two to three maneuver battalions in each sector, with an American back-up battalion in each sector.

And my recommendation is—I am going to be submitting to you and to the President a plan that that could be a pattern for standing up and giving a combat rotation of 3 to 4 months for every one of the 129 Iraqi battalions that we have trained and equipped to date.

And as you know, about half the provinces in Iraq are benign provinces where there is very little contact, very little combat going on.

My recommendation is that we get all of the Iraqi battalions combat experienced. That matures a military unit better than a year of drill and ceremony on some remote tarmac or other training devices—getting them into the operation, getting them to work with the other battalions, reinforcing the chain of command and also strengthening that link between the Ministry of Defense and the combat leadership and battalions and brigades of the Iraqi forces. We need to make sure that these guys are going to come when called, when ordered.

And I think it is absolutely appropriate for this country, having trained and equipped 129 battalions, to demand of the Iraqi leadership that they have a schedule for the Iraqi battalions all getting a stint of combat time and a tenure on the front lines in the contentious zones to acquire that battle-hardening that is going to be necessary if they are going to provide the security and safety for the country and for this free government.

So I will be getting that to you here shortly. And I will look forward to discussing that with you.

You have a tough job. You have big challenges. I think you now are a combat veteran, having gone through a week or two. Thank you for your service.

And, General Pace and Ms. Jonas, I look forward to your statements also.

Thank you, Mr. Chairman. And I look forward to the questions.

The CHAIRMAN. I thank my friend from California.

I want to compliment the members of the committee by doing a good job with the five-minute rule. It is in effect. When the gavel goes down, please observe it.

We will go back to the previously announced order of questions. When the time comes, we will start with Mr. Marshall.

Secretary Gates, and then General.

STATEMENT OF HON. ROBERT M. GATES, SECRETARY, DEPARTMENT OF DEFENSE, ACCOMPANIED BY; GEN. PETER PACE, CHAIRMAN OF THE JOINT CHIEFS OF STAFF, U.S. MARINE CORPS, AND HON. TINA JONAS, THE COMPTROLLER OF THE DEPARTMENT OF DEFENSE

Secretary GATES. Thank you, Mr. Chairman.

Mr. Chairman, Congressman Hunter, members of the committee, first of all, I would like to tell you that my introductory comments, I think, will observe the five-minute rule, and then I will very quickly address the two issues that the chairman and Mr. Hunter have raised, and then be ready for your questions.

First of all, I want to thank the committee for all you have done over the years to support our military. And I appreciate the opportunity to provide an overview of the way ahead at the Department of Defense through the budgets we are proposing this week: first, the President's fiscal year 2008 defense budget, which includes the base budget request and the fiscal year 2008 global war on terror request; and second, the fiscal year 2007 emergency supplemental appropriation request to fund war-related costs for the remainder of this fiscal year.

Joining me today is General Pete Pace, the chairman of the Joint Chiefs of Staff, and Tina Jonas, the comptroller of the Department of Defense.

In summary, the budgets being requested by the President will make the strategic investments necessary to modernize and recapitalize key capabilities of the armed forces, sustain the all-volunteer military by reducing stress on the force and improving the quality of life for our troops and their families, improve readiness through additional training and maintenance and by resetting forces following their overseas deployment, and fund U.S. military operations in Iraq, Afghanistan, and elsewhere in the ongoing campaign against violent jihadist networks around the globe.

I believe it is important to consider these budget requests in some historical context, as there has been, understandably, some sticker shock at their combined price tags: more than $700 billion.

But consider that at about 4 percent of America's gross domestic product, the amount of money the United States is projected to spend on defense this year is actually a smaller percentage of GDP than when I left government 14 years ago following the end of the Cold War, and a significantly smaller percentage than during previous times of conflict, such as Vietnam and Korea.

Since 1993, with a defense budget that is a smaller relative share of our national wealth, the world has gotten more complicated and arguably more dangerous.

In addition to fighting the global war on terror, we also face the danger posed by Iran and North Korea's nuclear ambitions and the threat they pose not only to their neighbors but globally, because of their record of proliferation, the uncertain paths of Russia and China, which are both pursuing sophisticated military modernization programs, and a range of other flash points and challenges.

In this strategic environment, the resources we devote to defense should be at the level to adequately meet those challenges.

Someone once said that experience is that marvelous thing that enables you to recognize a mistake when you make it again. Five times over the past 90 years, the United States has either slashed defense spending or disarmed outright in the mistaken belief that the nature of man or behavior of nations has changed, or that we would no longer need capable, well-funded military forces on hand to confront threats to our Nation's interests and security. Each time, we have paid a price.

The costs of defending the Nation are high. The only thing costlier, ultimately, would be to fail to commit the resources necessary to defend our interests around the world and to fail to prepare for the inevitable threats of the future.

Before closing, Mr. Chairman, I would like to bring to your attention something that is not in my submitted statement, but that was announced yesterday.

The President has decided to stand up a new unified combatant command, Africa Command, to oversee security cooperation, building partnership capability, defense support to nonmilitary missions and, if directed, military operations on the African continent.

This command will enable us to have a more effective and integrated approach than the current arrangement of dividing Africa between the European Command and Central Command, an outdated arrangement left over from the Cold War.

This department will consult closely with the Congress and work with our European and African allies to implement this effort.

Let me comment, briefly, on the comments posed by the chairman and Mr. Hunter.

Taking Mr. Hunter's comments on the BRAC first, we had submitted a request for $5.8 billion for BRAC. $3.1 billion of that has been cut. This will make it impossible for us to meet the statutory requirement to complete BRAC on time.

As Mr. Hunter indicated, most of this is for construction at the receiving end of forces that are being consolidated or moved. It includes housing as well as office space and so on.

It also includes $300 million in housing allowances for our troops so that they don't have to pay for their housing.

So addressing this cut is really not optional. We really need to work with you in figuring out a way to address this $3.1 billion cut. And whether that is through adding it to the fiscal year 2007 emergency supplemental or some other mechanism, we are happy to work with you. But it is a big problem for us.

With respect to your comments on testimony, Mr. Chairman, I would just tell you that I have always felt very strongly about candid, forthright testimony to committees of the Congress. I believe that we have established that kind of a relationship in dealing with both the House and Senate Intelligence Committees and Appropriations Committees when I was in government before.

It is my expectation that this committee and any other committee before which members of the Department of Defense appear will receive forthright, honest, candid and complete testimony; and where people don't know the full answer, that they provide it for the record in a timely way. And, further, that if they are asked a question that deals with classified matters, that instead of trying to waffle around the issue, they simply say it is a classified matter and offer to deal with it in a closed session or in writing.

And, finally, I would just say that if at any time members of this committee are not satisfied with the forthrightness and candor of the answers that are being given, I hope you will let me know so we can remedy the situation.

Thank you, Mr. Chairman.

[The prepared statement of Secretary Gates can be found in the Appendix on page 77.]

The CHAIRMAN. Thank you very much.

General Pace.

General PACE. Mr. Chairman and members of the committee, it is a privilege to represent your armed forces in front of you today. And I appreciate the opportunity to continue our dialogue.

I would like to also thank you and the Congress for providing to your armed forces the resources we need to do the missions that you have given to us.

I also want to publicly thank our troops, who are just simply magnificent in everything that they do and the way that they do it; and their families, who sacrifice and serve this country as well as anyone who has ever worn the uniform.

Also, to the employers of our guard and reserve, we know that we cannot do our jobs without the guard and reserve. And therefore, we appreciate the quality individuals and recognize that that quality individual who is working with us has left a gap in some business some place in the United States. So our employers are to be thanked, publicly, for their support of the guard and reserve.

As you look around the globe, it is hard to see where, in the near term, our commitments will diminish. You take a lap around the globe—you can start anyplace, Afghanistan, Iran, Iraq, Syria, Lebanon, Yemen, Somalia, Sudan, Venezuela, Colombia, Philippines, Malaysia, Indonesia, North Korea, back around to Pakistan, and I probably missed a few—there is no dearth of challenges out there for our armed forces.

And, therefore, the increase in troops that is being requested in this budget will make a large difference in our ability to be prepared for unforeseen contingencies.

We would also like to be able to increase the number of midgrade officers and enlisted. Those are the ones who are the ones who are primarily doing the work of training other armies, training other police forces. And they come from our standing units. And when we do that, we decrease the readiness of those units.

So if we can look at the grade structure of our armed forces, as we look at increasing the overall size, we will empower the midgrade officers and enlisted to be able to do all that we have asked of them to do.

I also think there are three areas where we need, collectively as a government, to look at today's authorities and determine whether or not they still best serve the Nation as we move forward.

One is in the way that we are authorized to help train our partners around the world.

Two is the expeditionary nature of our other government agencies. We have wonderful, dedicated, patriotic Americans in all of the departments of our government, yet some of the rules and regulations that currently exist make it difficult for them to get out around the world and do the missions that we as a Nation need them to do. And because of that, your armed forces sometimes fill gaps that are better served with some other agency.

And then, third, I would say our interagency effectiveness. I am not saying we need a Goldwater-Nichols Act for the interagency, but I do think that the Goldwater-Nichols Act, over the last 20 years, has empowered our military in a way that we could not otherwise have been empowered, and that we should at least take a look at each of the pieces of that legislation and see what might well serve the Nation, if applied to the interagency here in Wash-

ington and around the globe, and make the adjustments needed so that we can better take advantage of all of the elements of national power.

Mr. Chairman, again, thank you for the opportunity. I look forward to questions.

[The prepared statement of General Pace can be found in the Appendix on page 88.]

The CHAIRMAN. Thank you very much.

Before I call on Mr. Marshall, let me make reference—and, General, you mentioned the Goldwater-Nichols Act, which originated in this committee in the late 1982s and 1983s; actually, from the Subcommittee on Investigations.

In creating that, you are not only representing those folks in uniform, you are the principal military advisor to the secretary and to the President. And there is a further provision, which I mentioned in a recent letter to you, that we in Congress have the right to request your professional opinion or advice. And we thank you for that.

So we go to the questioning now.

Mr. Marshall, five minutes.

Mr. MARSHALL. Thank you, Mr. Chairman.

Mr. Secretary, as recently as a couple of years ago, the Administration and all of its representatives before this committee, argued that it was not necessary to expand the size of our conventional forces.

Zarqawi, in a letter that we intercepted, written in early 2004, said that from al Qaeda's perspective anyway, the Americans are no problem for us. They are targets. Eventually, they will figure it out and withdraw to their bases.

There are a number who argue that part of the challenge for us, and a tactical mistake that we have made, is a large conventional presence in Iraq, and that the structure of the force should be very different; that conventional forces are not really capable of dealing with circumstances like this.

All of the national security challenges that you described as justifying an increase in the size of the force, are challenges that we were aware of 2 years ago, 5 years ago, 10 years ago; those sorts of things.

So it seems that the increased size of the force is directly associated with operations principally in Iraq, and yet there are those who argue that the way we have gone about this with a large conventional force doesn't make a whole lot of sense.

Assume they are correct. Assume that one of the lessons learned here is that we have to have a largely differently structured engagement for these kinds of challenges.

Does it make sense under those circumstances to spend an awful lot of resources in expanding the conventional force?

Secretary GATES. Mr. Marshall, I think that the—well, first of all, even before I came to this job, I had two concerns about our soldiers. One was that the size of the Army and the Marine Corps was not big enough to accommodate the multiple missions that they had been given over the past 12 years or so. And the second was that we had changed the role of the National Guard, and were we treating the National Guard right. And I have tried to address

both of those issues in decisions that I have either made or recommended to the President.

I think that we need the full range of military capabilities. We need both the ability for regular force-on-force conflicts, because we don't know what is going to develop in places like Russia and China, in North Korea, in Iran and elsewhere.

We clearly need larger special forces—and an increase in the special forces is provided for in this budget—to deal with situations such as we are encountering in Afghanistan and in various other—in the Philippines and various other places around the world. So I think that we need the full range of these capabilities.

Another aspect of it is, beginning from the time we sent troops to Bosnia—and we have troops deployed in so many different places around the world—one of the results of that, plus the war in Iraq, is that our active force is now down to a year at home and then a year deployed.

We would prefer that that be—in fact, our policy is that it be a year deployed and two years at home; the same way with the guard: a year deployed and five years at home.

Because the forces are stretched so thinly in a variety of places, including especially Iraq, we have had to break that commitment. And it is more one-to-one now for the regular force.

And so I think that, for those reasons, we need the full range of capabilities. And I think that the increase in the size of the Army and the Marine Corps for those reasons is justified.

But if you are willing, I would be happy to let General Pace offer a comment or two.

Mr. MARSHALL. I am happy to have General Pace, of course, comment.

I guess I am asking you to assume—what I hear you saying, Mr. Secretary, is that you came to the job believing that our conventional forces were too small for the multiple threats that we face and that you are not suggesting it is appropriate to increase the force because we want to be able to replicate the model that we have chosen to use with regard to Iraq.

You are suggesting that it goes well beyond that?

Secretary GATES. Yes, sir.

Mr. MARSHALL. General Pace.

General PACE. Sir, last year at this time, I testified that I thought we did not need to increase the size of the force, based on what we projected as the commitment in Iraq coming down by the end of the year.

As you know, that did not happen. And around July, General Casey came in and said that he was going to need to retain at least 15 brigades, and maybe go higher.

That caused us to go into a very thorough analysis, so that by December of this year we were recommending an increase in the size of the armed forces so that we could maintain—sir?

The CHAIRMAN. Did you finish your sentence?

General PACE. I did not, sir.

The CHAIRMAN. Well, finish the sentence. [Laughter.]

General PACE. So that we could maintain the current commitment, sir, and have the opportunity to train our remaining forces

in the full spectrum of operations that we then might need in all the countries that I mentioned before, sir.

Mr. MARSHALL. General, you could go ahead and just add a lot of "and"——

[Laughter.]

The CHAIRMAN. Thank you very much, Mr. Marshall.

Mark Udall.

Excuse me. Pardon me, pardon me. Mr. Davis, on the other side.

Mr. DAVIS OF KENTUCKY. Thank you, Mr. Chairman.

I appreciate General Pace's comments on the interagency effectiveness issue. I have seen first-hand on the ground, not only in Afghanistan and Iraq but also in the service at another time, challenges that we had in Grenada, in Panama, in Somalia, in Haiti, in Bosnia, that didn't get quite as much media attention because of the intensity of it, and certainly what we have in Iraq and Afghanistan now.

And particularly when you mentioned the expeditionary nature of the other agencies, I think the personnel policies are not equipped statutorily to even support the nature of the types of missions that we are fighting.

To the chairman's point, I am grateful that we are seeing a return to the small wars doctrine that the Marine Corps pioneered at the turn of the last century. But I would like to direct my question to the secretary.

For several years your predecessor and General Pace have repeatedly testified on the very urgent need for bold interagency reforms, often referred to as an interagency version of the Goldwater-Nichols process.

Reportedly, this interagency reform is one of the Pentagon's top four priorities. And as you know, the project on national security reform under the sponsorship of the Center for the Study of the President is seeking to advance the needed interagency reforms.

I understand that the Pentagon was such an enthusiastic supporter of this effort that on December 1st, Deputy Secretary England agreed to provide significant financial and personnel support to the project.

My question is this: Is the Pentagon providing the support to the project on national security reform that Secretary England promised? And if not, why not?

Secretary GATES. My understanding, Mr. Davis, is that we are willing in principle to be supportive of this. But Gordon and I have discussed this, and we think, first of all, since it involves the interagency process, that it would probably be useful to have the other agencies involved and, above all, the White House.

And so, we have not made a final decision to support the project financially, until we are satisfied that moving forward is something that the White House, the National Security Council staff, the National Security Council advisor, and other principal advisors to the President, the Cabinet secretaries, are onboard.

It doesn't make much sense for the Defense Department solely to support a study on the interagency process, to the tune of a couple of million dollars. If nobody else in the rest of the government is prepared to participate, it, sort of, identifies the problem from the beginning.

Mr. DAVIS OF KENTUCKY. Well, I think DOD is facing a difficult paradox. You are either going to become the mega-institution, handling all foreign policy, and take away—I think you get into a constitutional question of making your major commanders proconsuls, doing everything, or constitutionally we would be better off doing this.

Somebody is going to have to take the lead. I know, personally, the secretary of state has told me that she supports the types of reforms and structures. I brought this up with the President personally.

But I am curious that a policy advisor would object to something that would make their jobs easier.

Secretary GATES. Well, I certainly have a lot of admiration for Ambassador Abshire and the center. In principle, I am very supportive of the project. And if other elements of the government—I am not even saying that they have to contribute significant dollars, I just want to make sure that everybody agrees that this is a good thing to go forward with.

Mr. DAVIS OF KENTUCKY. I have not questioned one panelist or in private discussions that I have found anybody who objects to this. And many folks—former secretaries of defense, policy advisors—have gone on the record in support of this as well.

And I guess my question is, who do we need to bring in to explain to us why they don't want to spend the paltry amount of money that would probably save a lot of lives and make the efficiency of the military greatly improved?

Secretary GATES. Well, I would have to tell you that I do have a small objection to the Pentagon being used as government's piggy bank, and particularly for things that are not related necessarily or strictly to our military mission.

The bottom line is I am prepared to support it. I am prepared to provide the money for it. I want to make sure that the White House and everybody is on board for moving forward. I will do that.

Mr. DAVIS OF KENTUCKY. Who is the person at the White House that objects to this?

Secretary GATES. I will make sure that the appropriate people are contacted.

Mr. DAVIS OF KENTUCKY. Hopefully you and I will have a chance to talk about this afterward.

Right now, what I am seeing are numerous highly qualified combat arms officers who are running agricultural programs, trying to implement a banking system.

You know, it is well-known that the reason that the Iraqi troops leave their units and go absent without leave (AWOL) is because they are paid in cash and they have to go home and take that money home.

And this is, I think, significantly hampering our operational capability: a thousand small steps that would save, I think, billions of dollars at the end of the day in process improvements to the entire national security apparatus.

And so, my encouragement to you. And I will support you. I think that this committee would support you in any way possible

to make sure that we help you to overcome any potential objections.

Personally, I think this would not only save lives, but a heck of a lot of money that could be reinvested in professional development or retention of our soldiers.

Secretary GATES. Mr. Davis, all I can tell you is I spent nine years on the National Security Council staff under four Presidents. And if anybody understands the need for a better interagency process, I don't know who it would be.

Mr. DAVIS OF KENTUCKY. I am not objecting to your——

Secretary GATES. No, I understand the need.

Mr. DAVIS OF KENTUCKY. Thank you very much.

I yield back, Mr. Chairman.

The CHAIRMAN. We all remember the four years it took to create what we call Goldwater-Nichols. And an interagency parallel to that is, of course, a monumental task. But this committee is not unmindful of that challenge.

But I appreciate your comments that you don't want to be the piggy bank for the entire effort, and we intend to inquire into that subject.

Mr. Udall.

Mr. UDALL. Thank you, Mr. Chairman.

Good morning, General.

Good morning, Secretary Gates.

Let me start with the budget, and then I would like to turn to Iraq, since it is the subject on everybody's minds.

Thanks for the attention in the budget to Colorado. You know it is the home of Space Command and NORAD, Northern Command, and soon the 4th Infantry Division (I.D.) is going to move to Colorado. So thank you for paying attention to the needs of the communities in Colorado.

I also wanted to thank you for responding to the calls from the Hill for an increase in the end-strength for the Army. I know the Marine Corps has been added to the list.

Congressman Marshall raised some good points about the need for a diverse focus and expanding the various doctrines that apply to all the threats that we face.

And, of course, that brings us to the question of the special forces and how we increase their numbers. And it is a challenge, because it is about training people and bringing them up to speed; it is just not about equipment.

But in that spirit, let me turn to the situation in Iraq. I think it is clear that all of us want to succeed. The President acknowledged that fact in a number of situations last week, including to the Democratic gathering down in Williamsburg.

But there is a difference of opinion about how to proceed. And I think many of us differ with the President—Republicans and Democrats—because we believe the surge is more of the same. And we also think the American public spoke in November.

And in a democracy, there is always tension between immediate passions and long-term strategic needs. But I have to tell you, I think in this case the American public both have the wisdom and the passion, and I think their wisdom is that we can't stand in the middle of a civil war.

We can work to stabilize Iraq. I think that is the definition of success for many of us.

And I am very interested in whether, Mr. Secretary, there is planning going on to prepare for potential contingencies.

There have been a number of, I think, excellent pieces written and ideas circulated dealing with the question of whether we partition Iraq. There have been increasing discussions about the rise of a Shiite strongman, for example, or in the worst case, perhaps, some sort of anarchic fragmentation of power in the region that we call Iraq.

Could you comment on planning that you may or may not have under way, Mr. Secretary? Particularly given that I think we all acknowledge that we poorly planned to win the peace after the initial invasion of Iraq.

Secretary GATES. Mr. Udall, I would tell you, first of all, that we are certainly hoping that the Baghdad security plan will be successful. We are resourcing it to be successful. We are sending the troops forward as General Petraeus has asked, and as the Joint Chiefs have recommended.

That said, I think that it would be irresponsible of me not to be looking at alternatives, should these expectations and hopes not prove to be fulfilled.

And so, without getting into any details, I will simply say to you that I have asked that we begin to look at other contingencies and other alternatives.

Mr. UDALL. I am heartened to hear you share that with the committee, Mr. Secretary. And I know it is a delicate balance because, of course, in your position, you want to direct full support to the Iraqi government and to the men and women on the ground who are there today doing the marvelous work that General Pace outlined.

General Pace, if I might, I would like to just ask you a question. One of my concerns has been that the counterinsurgency doctrine, when I study it, doesn't necessarily apply to a civil war situation.

And I wonder if we haven't put General Petraeus in a difficult situation in regard to what we have asked him to do, when in fact we really are, if not in the middle of a civil war, in the middle of five very complicated wars, based on some of the experts' analysis of what is happening in Iraq.

General PACE. Sir, we most definitely have given General Petraeus a very demanding mission and task. He picks it up from General Casey.

And whether you apply a bumper sticker to the—whatever bumper sticker might be applied to the situation in Iraq, whether you argue for or against the words "civil war," the fact of the matter is that there is a major problem right now that needs to be fixed.

The Iraqi army and the Iraqi police are loyal to the central government. They are taking orders from the central government. So from my perspective, we are not in a civil war.

But I think just having a debate about that particular word is not as important as where are we, where should we be, and how do we get from where we are to where we need to be?

And that is the mission that we have been working on for the last four or five months. It is what General Casey and his team developed the response to, and it is what we have asked General Petraeus to take to fruition.

Mr. UDALL. I see my time is about to expire.

Mr. Secretary, let me just also acknowledge the announcement today of the setting up of a separate African Command. Given the conversations many of us had with General Jones and others in the military leadership in the Pentagon, and the threats and the opportunities in Africa, I think that is an enormously important step, and that you are to be commended.

Thank you for being here today.

The CHAIRMAN. Thank you.

The gentleman from New Jersey, Mr. Saxton.

Mr. SAXTON. Thank you very much, Mr. Chairman.

General Pace, in your opening statement, you mentioned a long list of places around the world where U.S. troops—U.S. military personnel are deployed. And as I listened to that list, I thought of the nature of warfare as it changes, as it has evolved over the years, both in the type of conflict that we have fought and the intensity of the conflicts that we have fought throughout history, each conflict being different than the one before it.

And so, I am wondering if you would just use my time, if you will, to discuss briefly with the committee, the nature and intensity of the threats that we face in the various regions of the world that you mentioned in your opening statement.

General PACE. Sir, I thank you.

General Krulak, who was the commandant of the Marine Corps several years ago, used the phrase, "the three-block war," meaning in one block you could be doing peacekeeping, the next block doing peacemaking, and the next block being in full combat. And that pretty much applies to the globe as well as the streets of any particular city in Baghdad, for example.

We have the opportunity on the low end, in a peacekeeping area, to impact our friends and partners right now who do not have the capacity to defend themselves or to provide the kinds of governance that are required.

It is in that opportunity that the other elements of our government being able to deploy, being able to help those countries, provide for their citizens before they devolve into a situation where their citizens turn to terrorists or terrorist acts—that is opportunity number one.

Opportunity number two is the peacemaking part. Arguably, places like Bosnia and Kosovo were originally in that capacity and it is where you must go in with military force, preferably coalition, and impose security so that good governance can take place.

And then you always have the conventional type of conflict. And without predicting where, certainly the Korean Peninsula is still a place where conventional war could break out. We did not expect in 2001 to have to conduct conventional operations in Afghanistan, but we did.

There are other countries out there that are gaining capacity. And when you look out at threats from a military perspective, you look at two parts: one, capacity, and the other is intent.

We can gauge capacity. So we can watch, for example, China increasing its military capacity in very substantial ways. Today, I do not believe that they have the intent to go to war with us.

But we need to be watching both capacity and potential intent across the globe to see who our potential peer competitors would be in the future and to make sure we stay ahead of their capacities.

So in that entire spectrum, we need our armed forces to be prepared. And it is that basis that the chiefs have done our analysis of our readiness to conduct the national military strategy of the United States over the coming months and years. And it is based on that that we have made our classified analysis that was sent to Congress about two days ago that articulates where we believe we are and how we believe we should proceed to take care of some of the problems we see that are not yet fully taken care of.

Mr. SAXTON. Mr. Chairman, thank you very much.

Thank you, General Pace.

The CHAIRMAN. I thank the gentleman.

Brad Ellsworth.

Mr. ELLSWORTH. Thank you, Mr. Chairman.

Thank you, gentlemen, for being here.

I would like to echo the support for our troops, but also let you know that I live in southern Indiana. Crane Naval Warfare Center is in my district. And the people back home that work very hard on research and development, thousands are also patriots and working very hard to keep our troops safe and alive and doing their job. And so I think we owe them a lot of gratitude and thanks also.

That being said, a couple of questions.

Secretary Gates, yesterday I was reviewing some of the testimony between you and Senator Bayh on the other side. And he was asking about Iraq. And I want to quote you—we were talking about if the Iraqis fail to meet their commitments.

And you said, "First, obviously, we are going to try and persuade them to do what they promised to do. But then there is always the potential of withholding assistance or of changing our approach over there in terms of how we interact with that government. The success of this strategy is dependent entirely on the Iraqis' willingness to fulfill their commitments."

I don't want military secrets, but are the commitments and the benchmarks—have you set those yet? And if so, I would like to know if you can tell me what kind of assistance we might withhold, whether that is dollars, whether that is troops.

And then has that been clearly laid out to the Iraqi government, what those commitments and withholding might be?

Secretary GATES. First of all, Mr. Ellsworth, I think that we are in the process of developing what I refer to as a matrix or a checklist of our expectations of the Iraqi government and the Iraqi military. And some of those are items that we will be able to know fairly soon, within a couple of months, whether in fact they are meeting the commitments that they have made.

And those, in particular, fall into the military arena, such as are there brigades showing up on time, what is the level of manning of the brigades that are showing up, are they interfering in operations depending on which sectarian group may be involved, are

they allowing operations to take place in all neighborhoods, and so on.

So some of those, I think, we will be able to have a read within a couple of months. I think that we have to give it a fair shot.

And then there are those that have a little longer timeline: Are they committing part of the $10 billion? Are they actually spending part of the $10 billion that they have committed on economic reconstruction and development? In the political arena, are they addressing issues such as the hydrocarbon law and provincial elections and those kinds of things? And those play out over a little longer period of time.

And what I have said—and it really fits in with the chairman's comment earlier about our readiness to provide briefings periodically here on the Hill—I think that part of an honest dialogue between ourselves and the Congress is to include in those briefings our reading of how we think they are doing, based on this checklist or this matrix.

And for my part, I am not entirely in charge of the government; in fact, I may not even be entirely in charge of the Pentagon. But I think that, all kidding aside, that my recommendation would be that we share this information with the Congress. We are all in this together and I think an honest evaluation of how the Iraqis are doing is very important.

I think that the Iraqis have a very good understanding, at this point, that their participation in this role and their role in this activity is critical to its success, and that if they do not fulfill their commitments, that the United States, as you quoted me as saying, is going to have to look at other alternatives and consequences.

And as General Petraeus said in an exchange with Senator Levin during his confirmation hearing, that not only could include withholding financial assistance and other kinds of things, but also withholding forces.

Mr. ELLSWORTH. Thank you.

I will try to get this one in. Moving to the budget a bit, the request for fiscal year 2008, the $141.7 billion, was $20 billion less than the 2007. And with the surge and equipment, can you explain how we came to that we can ask for $20 billion less in 2008 than 2007? That was my question.

The CHAIRMAN. The gentleman from New York, Mr. McHugh.

Mr. MCHUGH. Thank you very much, Mr. Chairman.

Gentlemen, welcome. As always, thank you for what you do.

Mr. Secretary, I appreciate your comments about your interest in providing forthright, candid, honest testimony.

And I know that our full committee chairman's comments about General Pace's structure under Goldwater-Nichols and the opportunity we have to ask for the advice of the chairman of the Joint Chiefs.

Gentlemen, I would like your honest, forthright, candid advice to this committee, as we are beginning, as the Senate is now, to consider nonbinding resolutions that express concerns and lack of support for the surge mission, how that might be received by the troops in the field.

General PACE. Sir, I will start. There is no doubt in my mind that the dialogue here in Washington strengthens our democracy, period.

There is also no doubt in my mind that, just like we look out to our potential enemies to see division in their ranks and take comfort from division in their ranks, that others who don't have a clue how democracy works, who are our enemies, would seek to take comfort from their misunderstanding of the dialogue in this country.

From the standpoint of the troops, I believe that they understand how our legislature works and that they understand that there is going to be this kind of debate.

But they are going to be looking to see whether or not they are supported in the realm of mission given and resources provided. As long as this Congress continues to do what it has done, which is to provide the resources for the mission, the dialogue will be the dialogue, and the troops will feel supported.

The other very important part that is very different than it was during Vietnam is that, despite our own citizens' beliefs for or against, when our troops come home, their fellow citizens welcome them home and thank them for their service.

So those two things—the belief that our fellow citizens appreciate what we do, even if they don't agree with what we have been asked to do, and Congress's continuing funding—are the two things that I believe we look to as military folks to know that we are being supported.

Mr. MCHUGH. Mr. Secretary.

Secretary GATES. One thing that I would add to that is that I think that—you know, I have no documentation for this, but I have made two trips to the field, to Afghanistan and Iraq, in my first six weeks in office. And I would tell you that I think that our troops do understand that everybody involved in this debate is looking to do the right thing for our country and for our troops, and that everybody is looking for the best way to avoid an outcome that leaves Iraq in chaos.

And I think they are sophisticated enough to understand that that is what the debate is really about. It is about the path forward in Iraq.

We are where we are. There is relatively little agreement about the consequences should we leave precipitously or should we leave Iraq in chaos. And the question is: What is the best path forward for America?

And I think they understand that that debate is being carried on by patriotic people who care about them and who care about their mission. So that is how I see it.

I think, you know, as General Pace indicated, it is a truism from the beginning of time and the time the first Neanderthal picked up a club, you try to see whether your enemies are divided or not.

All I would say is that history is littered with examples of people who underestimated robust debate in Washington, D.C., for weakness on the part of America. And I think a lot of people understand that as well.

Mr. MCHUGH. Thank you, gentlemen.

I am going to use my remaining time to make a statement with respect to the actual budget proposal. I don't know if the chairman of the Personnel Subcommittee, my chairman, will have a chance to get to it, so I will submit it for the record for a response.

But I note you have imputed into your budget about $2.1 billion in savings that are going to be predicated upon supposedly the task force on military health care that is deliberating now.

To my knowledge, yesterday was the first day they were informed that they were expected to have those savings. So I would be interested to hear your response on those in writing.

Thank you, gentlemen.

Thank you, Mr. Chairman.

[The information referred to can be found in the Appendix beginning on page 125.]

The CHAIRMAN. I thank the gentleman.

The gentlelady from Kansas, Nancy Boyda.

Mrs. BOYDA. Thank you, Chairman Skelton.

Again, I have the honor of representing Fort Riley and Fort Leavenworth. And it is an honor. During my campaign, I had a great deal of support—we have a lot of retired people, retired military in Leavenworth; it is a great place to retire—an inordinate amount of support came out.

I never asked their politics. I still to this day don't know their politics—many enlisted, many officers, right on up to the general level. And I came to understand that their main concern and their main support for me, although many things went unstated, was their deep, deep love for this military that they had spent their lives putting together and their deep concern that it was heading in a direction that would, in fact, alter our ability to be ready.

So my question comes back to, kind of, a question that I have been having here, and that has to do with readiness.

Let me read this: Recently, the chief of staff of the Army, General Schoomaker, appeared before this committee to discuss readiness issues. During that hearing, the general indicated that the problems with the Army readiness that he had talked about last summer had not improved.

I understand that combat units not deployed to Iraq are experiencing shortages of equipment which are affecting training and readiness, certainly at Fort Riley.

These shortfalls translate into a reduced capability for our Army to deploy to a new crisis. And I, like others, am concerned that this presents a strategic risk for our country.

To borrow Mr. Skelton's question: General or Secretary Gates, are you comfortable with the readiness posture of Army units in the continental United States?

General PACE. No, ma'am, I am not. There are two things that need to be focused on.

One is equipment. As you know, about 40 percent of our equipment is either currently in combat zone or being repaired. That leaves the units that are home with less than a full complement of equipment. And it means that in some cases, where we have our best vehicles, like the manufactured up-armored Humvees that are all forward-deployed, that the troops who are training to go train

in normal Humvees instead of up-armored Humvees. You can overcome that kind of training.

But I am satisfied with respect to the budget that if Congress approves the budget as submitted, that the money that is in both the supplementals and in the base budget will, in fact, address the equipment part of the readiness.

The other piece is time to train. And that is, with one year out and one year back, during the time that they are back, after they take a little bit of leave and get to know their family, the troops are being retrained for the mission to go back into Iraq and Afghanistan.

And instead of having the two years at home that we would like them to have and have that time available to train to both the mission they are going to go to, but also the unexpected missions of combined arms operations and the like, we are not able to train them fully to the missions that they may have to go to in addition to being able to train them for the mission they are going to.

So when you say, am I comfortable, no, ma'am, I am not comfortable.

Mrs. BOYDA. I understand, which gets, then, back to the question of this escalation that we are heading into and what are the long-term and, perhaps, the short-term consequences of that. It is getting back into that area as well.

And when we talked a little earlier about deploying reservists and about our Combat Support Service (CSS) units, the answer that I received there was: When we put these 21,000 troops, again, on the field, that we would not expect to have to have additional Combat Support Service units.

And I just, again, ask the question: Will more combat support units be necessary?

It certainly seems that they will be necessary for medical, for logistics, for all of the upper tier that we have to support them.

And I would appreciate a little bit more of a direct answer on, with the 21,000 troops, we are still expected to need more combat support?

General PACE. Ma'am, we will need a little bit more combat support, probably in the 10 percent to 15 percent range, 2,000 to 2,500, 3,000 additional troops. Those 21,000 will fall in on a vast infrastructure that, for the most part, will be able to absorb the extra capacity that is required.

The brigades themselves, when they deploy, have, integral to them, combat support and combat service support. But there are things like unarmed aerial vehicles, military police, some maintenance that will require to be plussed up.

The estimate, right now, is that that will be in about the 2,000 to 2,500 range.

Mrs. BOYDA. All right. Thank you so much.

General PACE. Yes, ma'am.

The CHAIRMAN. Mr. Bartlett.

Mr. BARTLETT. Thank you. Recognizing that many hearings end before our junior members have a chance to ask their questions, unless I have a question that I think might change the course of history, I usually yield my time to a junior member. [Laughter.]

It is my privilege today to yield my time to our most junior member, Mr. Conaway, who is a very faithful attendee at these hearings.

Mr. CONAWAY. Well, I thank my colleague for——

The CHAIRMAN. Let me interrupt right now. I want to ask those who are standing in the front of other people that they please be seated so that the people behind you can see as well as listen to the proceedings. Thank you very much. Thank you.

I appreciate it. Thank you so much. Thank you. Thank you very much.

Okay, now, please proceed.

Mr. CONAWAY. Thank you, Mr. Chairman. And I appreciate my good colleague setting the bar at a world-changing question level for me.

Most of the questioning today will focus on the war and the battle that we are currently fighting. I want to draw some attention to the more mundane.

Given my professional background, I have a keen appreciation for good financial statements and good financial reporting. And I would like Secretary Gates and, maybe, Ms. Jonas to speak to us today about how we are going to convert $481.4 billion into the various missions that we want.

I mean, that is a staggering amount of money in any scale. I dare say that most Americans never even say that much money, let along try to think about it.

I was on a plane last night, coming back from Texas, with a young man who is recovering from his injuries sustained when his Humvee was blown up under him in September and he was ejected out the turret. This young man wants back in the fight. He wants to get his body healed and get back at it.

And so what I want to know is, you know, we have got $116 billion, $164 billion for O&M, making sure that not only do have the big picture, but that we are converting those dollars into whatever that young man and his family needs, and all the others like him, who are in this service, who General Pace talked about, are so magnificent. And they really are.

Your commitment, as a new secretary, to getting the DOD to a point where the financial statements are auditable—maybe not where the point that you and Ms. Jonas sign them with the same risks that a chief executive officer (CEO) of a major corporations signs financial statements, but at least a direction so that we know that the $481 billion is being spent the way you intended and the way Congress intended.

So if you could talk to us about your commitment to the financial reporting of DOD.

Secretary GATES. Let me offer a couple of general thoughts and then ask Ms. Jonas to comment.

We have talked a lot about the men and women in uniform. And we certainly all applaud their service. There are also a very large number of civilians in the Department of Defense who dedicate their lives to doing exactly what you have just suggested, and that is how do we get the right things in the right hands of the right people at the right time.

And there will always be a newspaper story about where we fell down on the job. When you have the world's largest and most complex enterprise, that is inevitably going to happen.

But there are people who spend very long days trying to make sure that—that they do everything they can to prevent waste, fraud and abuse, but more importantly—and to your point—to make sure that the right things get bought and put in the hands of the people who can use them in the best possible way.

I am committed to that. I served on some corporate boards before coming here. I am glad I don't have to sign a financial statement for the Department of Defense. But I do have to sign one for the comptroller of the currency about how much we spend, and I am not looking forward to that either, because the number is going to be a lot bigger than when I was Director of Central Intelligence (DCI).

But I think that what so many of these civilians, as well as some of our senior—as well as our senior military leadership who are assigned to the Pentagon, really feel the personal responsibility is that every day they are not just dealing with numbers, they are not just dealing with contracts and so on, they are dealing with the tools that will be used by our men and women in uniform. And I think that there is a moral commitment on their part in that respect that may be missing in a lot of businesses.

And I think they really devote their all and I commit to devoting my all to making what you suggest happen.

Ms. JONAS. Mr. Conaway, thank you for the question.

As you may know, we are working very hard. We have a comprehensive, department-wide program called the Financial Improvement and Audit Readiness Program.

And we are taking the balance sheet of the Department. And we have, so far, been able to get a clean opinion on certain line items in our assets. We have got about 15 percent of our assets, about $215 billion, that are auditable; and about $967 billion of our liability, so about 49 percent.

So we are making progress. And one thing that this committee has helped with, and others, is getting additional CPAs for the department. So we appreciate that. That has been an enormous help.

Mr. CONAWAY. Well, I appreciate the commitment from the top because that filters all the way down to whoever is responsible for taking care of that young man last night. And I know the commitment is there, but I want to make sure that you hear it, while we talk about all the other things that go on.

And I also appreciate the service of all the civilians of the DOD. I know each one of them come to work every day, committed to doing the best job they can.

And none of this benefit from those occasional stories in the newspaper about the $600 hammer or whatever it is that might occasionally get—I thank my colleague, Mr. Bartlett, for letting me have this time.

The CHAIRMAN. I thank the gentleman.

The gentleman from Pennsylvania, Patrick Murphy.

Mr. MURPHY. Thank you, Mr. Chairman.

Ms. Jonas and General and Mr. Secretary, thank you for being here today. We do appreciate it.

Mr. Secretary, I know you left the last time before the rookies here in the front row got to ask you some questions.

And before I start, I just wanted to let you know I am actually an Iraq war veteran. I was part of the 2nd Brigade of the 82nd Airborne Division.

You fast-forward—you know, you go back four years ago, we were part of the invasion force over there. And I want you to know that the best company commander that we had in Baghdad was a Captain Tyson Vogel, who was a Texas A&M graduate. So you should be really proud of that institution, sir.

I know a lot of us are talking about the budget, and I think it is important that we talk about the President's proposed escalation of troops, which has begun actually by my unit that is already on the ground in Al Rasheed, Baghdad, right now.

But you look back four years ago, Mr. Secretary, and General Petraeus back then said during the initial march into Baghdad, "Tell me how this ends."

So I pose the same question that he asked to you, Mr. Secretary, today: Tell me how this ends in Iraq.

Secretary GATES. Well, sir, my hope is that it will—well, first of all, I think that things don't come to an abrupt end.

But I think what we hope will happen is that over the course of the coming months we will see the government in Baghdad be successful and beginning in lowering the level of violence in Baghdad, that they will, in fact, carry out and enact the legislation with respect to national reconciliation, and that they will, in fact, spend the money on economic reconstruction that they have pledged.

In that event, it seems to me that if that were to all develop over the course of the next months, that in the latter part of this year we could begin drawing down American troops in Iraq.

That is essentially the best-case story. And that is our hope. That is what we are trying to effect with what we are doing. And as I mentioned to an earlier questioner, I don't think that I would be responsible in basing my thinking about the future purely on my hopes.

And so I think I have a responsibility to look at what some of the alternatives are, and at the appropriate time share those with others in the government.

Mr. MURPHY. I think that what everyone—and I don't want to speak for everyone here, but we are all trying to wrap our arms around what is going on over there. And I think it is hard when we sit here, and, you know, the American public, if you asked them about the surge, they would say, 21,000 troops.

But, you know, you look at what Ms. Boyda just said, and all of us know that there are going to be some elements, a couple thousand, at least a few thousand, of several combat support troops that are needed.

So really it is not 21,000; it is probably 28,000, 29,000, at least, when we look over there.

But, you know, in the *Stars and Stripes* newspaper, which, you know, they get over there, I know the one headline was "Top Generals Tell Congress Surge Won't End Soon." And so, you know, when you mentioned the hopes and dreams, you don't want to base everything on that.

But you look at, okay, we do secure Baghdad; say that does work out. But then, what is next? I mean, what is after that? Is it Tikrit? Is it Kirkuk? Mosul? I mean, are there other surges planned in Iraq that will obviously take more than just a few months?

Audience MEMBER. Americans want a peace plan. Stop the fighting——

Secretary GATES. There is clearly no——

Audience MEMBER. Americans want peace.

Secretary GATES. There is clearly no intention——

The CHAIRMAN. The chair notes there is a disturbance in the committee proceedings. The committee will be in order.

I formally request that those in the audience causing any disruption cease, never to resume it.

Please proceed.

Secretary GATES. I am not aware of any indication of surges being planned anywhere else in Iraq. The hope is that by lowering the level of violence in Baghdad, we will, in effect, the Iraqis, because they are in the lead on this with our support, by lowering that violence will create the political space in which some of these other activities, the political and the economic can take place.

The assumption is that you can't be successful in Iraq if Baghdad is out of control. On the other hand, if you get Baghdad under control, and especially if the Iraqis play the role that they must in making that happen, then their own capabilities to be able to deal with the situation in some of these other towns will be significantly enhanced.

Mr. MURPHY. Thank you, Mr. Secretary. Appreciate it.

Thank you.

The CHAIRMAN. I thank the gentleman.

The gentleman from Texas, Mr. Thornberry.

Mr. THORNBERRY. Thank you, Mr. Chairman.

Mr. Secretary, I listened carefully to your exchange earlier with Mr. Davis about the interagency process. And I hesitate to go over the same ground—except since in early days of our involvement in Iraq and Afghanistan, I have personally heard frustration from the Pentagon, from the commanders on the ground, from ordinary soldiers and Marines that we were not bringing the full array of national assets to bear in those struggles for a variety of reasons, a number of which General Pace mentioned in his opening statement.

And I am concerned, as I suspect others are, that not only does it hurt the military—because we are asking them to do everything, but that there is no way we can be successful in the long term in what we are calling the global war against terrorism without bringing the full array of national power.

I understand it is not just a DOD issue. But on the other hand, if you don't cry "Uncle," and say, "This has to fixed"—it is, obviously, not going to be fixed in this Administration; it is going to be a longer-term thing. But if you and others don't say, "This is imperative to be fixed," then it is not going to get the attention it needs.

And it is not only in the Administration, but in Congress. I mean, we are, at least, a good part of the problem.

And as a subset of that, I want to ask you both, essentially: Are you satisfied with our government planning and strategy in the wider global war against terrorists?

And I should say that I am one of those crossover members on the Intelligence Committee. I have some understanding of what happens at National Counterterrorism Center. Chairman Smith and I have recently been to Tampa and talked to Special Operations Command (SOCOM) and have some understanding about what they do.

But what I really would like from each of you is: Are you satisfied that at least at a planning level, our government is able to lay out the strategy for the long-term in how we defeat or succeed in this global war against terrorists?

Secretary GATES. I can only give you a preliminary view at this point because I am so new. But I will tell you that first of all, I am significantly impressed by the difference and the level of coordination and the level of collaboration in the government, relating to the war on terrorism, compared to what I saw in the government dealing with the Soviet Union and various world problems at the time I left in 1993.

So there has been significant progress. A week ago last Monday, I was at NORTHCOM, Northern Command, and went through with them their planning, in coordination with a variety of other elements of government in dealing with a variety of domestic challenges; everything from hurricanes to avian flu and everything else.

And the presence in those commands of representatives from other parts of the government was impressive. The level of planning and integrated planning that I saw there and the input of other departments was impressive.

I have seen the same thing—I met with the leadership of the Department of Homeland Security and the degree of coordination that has gotten under way there. Is it perfect? Absolutely not. But it seems to me it is better than I expected it would be.

So I would say that the whole thing is a work in progress, but I would say also that there has been significant progress over the last several years.

I think that this whole concept of doing something in terms of whether it is a civil reserve corps, such as the President has called for, or some other changes, has a lot of promise.

And I think actually the interest of the Congress that I have seen in both houses and the interest on the part of the President maybe does give us an opportunity to try and do something to fix this problem structurally so that five years from now we don't have challenges in standing up provincial reconstruction teams and things like that.

General.

General PACE. Sir, with the nine seconds left, we have had significant progress, but we do need better understanding. We need to have individuals, in uniform and out, who have had a chance to serve in other agencies, who have been able to get the understanding of what is possible.

The current system is being used, I believe, as effectively as possible, but I think the current system is not the system we need to get to the future.

The CHAIRMAN. Thank you.

The gentlelady from New Hampshire, Carol Shea-Porter.

Ms. SHEA-PORTER. Thank you, Mr. Chairman.

And thank you for being here.

I want to tell all of you that I truly love the military. I was a military spouse. My husband was born in Heidelberg, Germany. His mother served DOD schools for 30 years and his father served the Army.

That really has nothing to do with the discussion that we are having today. I think that we all understand that we love our country.

However, polls are showing that the majority of the American people do not understand what our mission is anymore and would like us to leave.

And so I do not think that the message is fractured in this country. I think it is actually pretty clear with the people.

Now, soldiers need to know that we support the mission. But they also need to know if this mission is in the best interests of the United States of America. And so, I think that is what we have to understand when we talk about this.

We are talking about a great deal of money and a great deal of resources here. This reduces other needs for our country, such as shipbuilding. I am concerned about the nuclear navy that China is building. I am concerned about other areas in the world, some of which you mentioned, that are under strain and we could fall into conflict with them.

So I am addressing this strictly as what is best for our country. And I wanted to talk a minute about Iraq.

After we have spent four years in Iraq, I heard you, Secretary Gates, say that one of the questions we are going to have to ask the Iraqis is are the brigades showing up on time?

Now, four years later, after listening, over and over again, about how we had trained this Iraqi military and how we have everybody in order and we had the support, that is such an elementary question, that I just have to ask you: Why is that a question now? And if we have to worry about them showing up on time, what makes you think that we have any chance of having this escalation succeed and that we will get the political support there?

Secretary GATES. Well, first of all, I think it is important to appreciate that we and the Iraqis have been in the process of creating an army from scratch. And if you look back earlier in our history, there were more than a few instances when units didn't show up.

The key here is the discipline of the soldiers, the training of the soldiers and the quality of their leadership.

And I merely use that as an example of the checklist that we will be using in terms of whether they are fulfilling their commitments.

So far, so good: The brigades that were told to show up have shown up. One brigade showed up, had 55 percent or 60 percent of its people. I said last Friday in a press conference that wasn't good enough. General Casey tells me that 25 percent of those people were on leave, to take their pay back to their families.

So the point is, we have created something with the Iraqis here that has not existed before in Iraq. And we need to evaluate it as we go along, to see if they are fulfilling their commitments.

That was really the only point about mentioning the brigade.

Ms. SHEA-PORTER. I understand that. But we are talking four years later. And that seems like a basic building block that we could have, after all this money, have achieved that. I suspect that we have not won the hearts and minds of the Iraqi people. Sixty-one percent of them said it was okay to kill an American. This is a pretty critical issue here. We have not won the peace there.

And I would like to suggest that the mission creep has been very, very upsetting to not only the American people, but also to the military and to the people in Iraq, who, by majority poll, say they would like us to leave, and that we are now looking at the Shia-Sunni conflict which has a lot of trauma for the people there.

And I also want to ask you—and I asked last week of another general—what percentage of the uprising and the trouble in Baghdad and in Iraq is actually caused by outside forces like al Qaeda? And what percentage is caused by the Shia-Sunni conflict or other internal problems like criminals?

Secretary GATES. Very quickly, I think there are four wars going on in Iraq right now: Shia-on-Shia in the south, sectarian violence principally in Baghdad, a Baathist insurgency and al Qaeda in Iraq. There are some foreign fighters, but they are not the principal source of the problem.

Al Qaeda in Iraq may not commit the majority of major attacks, but they and the insurgents commit the majority of the biggest attacks. They were the ones that were responsible for the Samarra Mosque bombing and so on. And so they stoke this violence.

There is a method behind all of this. It isn't just random people going out in gangs of people going out and shooting each other. There is a strategy here. And it is to stoke this sectarian violence so that this entire effort does fail. And that is caused principally by al Qaeda and by the insurgency.

Ms. SHEA-PORTER. But what percentage would you say is al Qaeda in Iraq and in Baghdad?

Secretary GATES. In terms of a specific percentage, I would have to get that——

[The information referred to can be found in the Appendix beginning on page 133.]

Ms. SHEA-PORTER. Okay. I have heard three to seven percent.

And the reason I am asking these questions is because I am concerned about Afghanistan. I have been listening and hearing some testimony on Afghanistan where we are losing that battle and that fight. We went there because that is where the root of terrorism was.

Thank you.

The CHAIRMAN. Mr. Jones from North Carolina.

Mr. JONES. Mr. Chairman, thank you very much.

And, Mr. Gates, I want to say welcome. I do believe that you bring something that the former defense secretary did not bring to this committee and that is honesty and integrity. And I want to thank you for that, sir.

Recently, Paul Pillar, who spent 31 years in the CIA, wrote an editorial for *The Washington Post*. And it says, "What to Ask Before the Next War." Subtitle: "Do Not Let the People Who Brought Us Iraq Define the Question."

While the previous secretary of defense had established the OSI, the Office of Strategic Influence, and the purpose was that this Office of Strategic Influence was to advise him on the justification, based on the intelligence, that would get us into Iraq.

This is the statement after the media exposed this office, and I quote the former secretary: "And then there was this Office of Strategic Influence. You may recall that. And oh my goodness, gracious, isn't that terrible? Henny Penny, the sky is going to fall. I went down the next day and said, 'Fine, if you want to salvage this thing, I will give you the corpse. There is the name. You can have the name, but I am going to keep doing every single thing that needs to be done,' and I have."

Before I get to the question—and again, I complimented you and I trust you—but I found out after we went into Iraq that certain entities, primarily Douglas Feith and people like this, since the 1990's, wanted this country to go in and remove Saddam Hussein, who was an evil man, no question about it. But I found out that the intelligence—and it had been pretty much verified—had been manipulated as it came to Members of Congress to sell us on going to war.

I started writing every family in America that lost a loved one. I don't tell you this to impress you. I am saddened. Every Saturday I go home, I spend three and four hours in the office. Counting extended families, I have sent over 6,000 letters to families in this country.

It happens to be a two-page letter that on the second page is a quote I found that Roosevelt—President Roosevelt sent to families in World War II. So it requires me to sign two pages. So I have signed, total pages, 6,000 letters and over 12,000 pages in 3 years.

Because I don't have the military background—and I realize we must have a strong military to defend this country and the freedom that we enjoy. But there is something I found out from Rudyard Kipling about two years ago. He was very pro-war in England until his son was killed. And his writings from the "Epitaph of War"—and this applies to me, sir, not to you. Kipling says, "If any questioned why we died, tell them 'Because our fathers lied.'"

And I keep hearing this drumbeat, "Iran, Iran, Iran." I want to say, sir, to you, that I hope that you will say to this Congress, to this Administration that there is a Constitution, and the Constitution demands that we, the Congress, send our men and women to die for this country.

And I will never vote for any resolution, Democrat or Republican, as long as I am here, that does not come to this Congress and ask for a declaration of war. Because we have abdicated our constitutional responsibilities.

[Applause.]

And this failed policy in Iraq, it breaks my heart.

So, sir, I don't really have a question but this: Thank you and General Pace for what you said about debate and dissent. We will

support the troops because that allows us the freedom to debate here in Congress the policy.

Sir, I wish you well. I wish our men and women well. And I ask God to continue to bless America.

Thank you.

The CHAIRMAN. Thank the gentleman.

Joe Courtney from Connecticut.

Mr. COURTNEY. Thank you, Mr. Chairman.

And I want to thank the witnesses for their testimony.

Mr. Skelton, at the outset, stated what the mission of this committee is, which is readiness is the job of this committee, and we cannot neglect the future.

And having before us a budget of $716 billion, it is hard to imagine that there is any contingency that is not protected or covered by a sum of that magnitude. But I want to ask some questions about the fact that the shipbuilding component of this budget is still, I think, a concern.

General, you briefly alluded to the fact that the Chinese navy is building up its size. In fact, they are building two-and-a-half submarines a year at the present clip that they are on.

This budget that we have before us still maintains a one-submarine-a-year building schedule. Based on the projections that us up in Groton, Connecticut, know, that actually is going to result in a submarine fleet from 2020 to 2033 of less than 48 submarines. And it really is just a question of simple math to understand that the size of our fleet is going to be significantly smaller than the Chinese navy.

And to me the fact that in the context of a budget this big we are watching the decline of the size of our Navy fleet to me is almost emblematic about how this war is not only affecting domestic priorities, but also eating the seed corn, as Mr. Skelton said in his opening comments.

So I would just like to ask you to please comment maybe a little bit more about what you see happening in the Pacific right now in terms of our long-term strategic needs and the what I would describe as disturbing decline of the size of our Navy fleet.

General PACE. Sir, the budget, I think, has—no, I don't think, I know has eight ships in it, to include one submarine. As you point out, thanks to the great folks in Groton, Connecticut, they are the finest in the world, and that is why we are able to have great comfort in our quality over other people's numbers.

But as you have also inferred, there is a quality to quantity all of its own. And we are watching very carefully the size of the submarine fleet over time, and the Navy does have a plan in future years to ask for more than one sub.

There is a date for that. I don't have it in my head. We can get that for you.

Mr. COURTNEY. I can tell you.

General PACE. Sir.

Mr. COURTNEY. 2012.

General PACE. Thank you, sir.

Mr. COURTNEY. And that is actually a question I would like maybe you just to follow up in writing, just to verify if that is still the plan.

General PACE. I will, sir.

[The information referred to can be found in the Appendix beginning on page 133.]

Second, again, without regard to intent—because I do not believe that China intends in the near future to be going to war with the United States, we still need to watch what they are doing. Their recent anti-satellite test is of great concern.

The building of an aircraft carrier, their submarine operations out of what are normally their operating areas, and things like that, are things that we should properly pay attention to, assess our ability to respond should their intent change, and ensure that in our budgets we request the resources needed to ensure that we can prevail.

This budget ensures that we can continue to prevail against the foreseeable challenges over the next four to five years that we see. But we do have to pay close attention while we are focused on the global war on terror that we not let a potential conventional threat rise that we did not foresee or prepare for.

And that is why the budget is balanced. And that is why the number is, as you pointed out, large, so that we can ensure that we are ready for the full spectrum of operations—those that we are involved in and those that we may need to become involved in, regardless of the adversary.

Mr. COURTNEY. I would just like to add, though, that this building schedule is cutting into the workforce in Groton. I mean, if we maintain the one sub a year through 2012, we are going to continue to see a workforce that is getting older and smaller.

And I certainly intend to work very hard with the Navy to try and see if there are ways that we can accelerate that production so we don't—not only, I think, have an impact on the size of our fleet, but also damage this very specialized workforce that cannot be just sort of replaced with the snap of the fingers.

The CHAIRMAN. I thank the gentleman.

The gentleman from North Carolina, Mr. Hayes.

Mr. HAYES. Thank you, Mr. Chairman.

Gentlemen, Secretary Gates, thanks for coming, General Pace.

A couple of quick things, questions. I was at Fort Bragg Sunday night, had dinner with a number of troops, their wives, their children.

Terribly destructive to see this Congress divided about where we are going. We did the right thing. But every Marine is a rifleman. Every Marine can't be the chairman of the Joint Chiefs. It hurts the people in the field to see this, the division.

On the other side of the Hill, there is a certain senator from New York who is waiting to use the momentum that he thinks is going to develop from this resolution debate to de-fund the troops. We don't need to do that.

In a moment, I would like for you to answer the question—it is somewhat hypothetical—what is the cost of losing? What are the consequences?

These are the questions that ought to be included in this debate: the cost of losing; the future of this country. Based on our past, we can't afford to lose.

Someone asked, what does the end look like? Well, to me, it looks like victory. It looks like a military, diplomatic, intelligence, and security of the national interests—a victory. That is what it looks like.

And, again, one thing the troops appreciate is the ability of people to come to Washington and express themselves. It is very healthy. It is good, and they like to see that.

But this Congress made a decision to go to war to remove a brutal dictator that killed hundreds of thousands of people. And given additional weapons, well, who knows.

But anyway, again, I hope you all will be a little less politically correct, maybe—and that is my opinion—and a little bit stronger in terms of where is this debate going to go and are we going to literally, by maintaining the funding, keep this up and let the troops win this victory which they are winning.

Question on the budget: You brought forth a budget that restores some horrible cuts that were inflicted upon the military by a recent continuing resolution (C.R.) I speak colloquially because Fort Bragg is of special interest to Pope Air Force Base. We lost child-care centers. We lost schools. We lost counseling for soldiers and families. There are footings for barracks that are badly needed for an additional 92,000 troops—not, of course, all of which are going there.

But these buildings are going to be unavailable to serve the troops that both sides of the aisle say we want to have.

So speak to me about the budget that is coming up, but also in terms of the impact and how we repair the damage that has been done by this C.R.

And everybody has priorities. We are spending the people's money, not our own. That C.R. does not fund the families or the actual military members. How are we going to get over that crisis? How are we going to address it in the upcoming budget? And what is the cost of losing the war against terrorists?

And, again, thank you. Thank you for the men and women that you represent.

Secretary GATES. You want to talk about BRAC?

General PACE. Sir, with regard to BRAC, the $3.1 billion, I hope that Congress can find the proper mechanism to restore it now. As the secretary pointed out, if you do not, we simply cannot meet the mandate you have given us to complete the BRAC alignment in the timeline that is required by law. So that is a fact.

Number two, there are families impacted by this very directly. The Army's plan, for example, to restructure, as they grow, is based on being able to get the BRAC work done on a timeline that has been laid out for several years expecting to do it on the timeline that Congress told us to do it.

If we don't get the funding to do what Congress told us to do, we are not going to be able to recover from that inside the law. So there are enormous impacts on the ability of the armed forces to manage the families, to provide quality of life for the families, and to do what the Congress has told us to do.

Secretary GATES. On losing, in 30 seconds, I think that the—frankly, my perception of the debate is that what people are debating is how do we proceed from here in a way that avoids leaving Iraq in chaos, and the general belief that that would be a very bad

thing for the United States and for our friends in the region. I think it would be a huge strategic setback.

Mr. HAYES. Thank you. Stand firm for full funding and then some.

The CHAIRMAN. Before I call on the gentleman from Georgia, let me say I appreciate Mr. Courtney's reference to future readiness and the unpredictability of the need for American forces in the days ahead.

I have been blessed to be in Congress now over 30 years, and since 1977 there have been 12 military conflicts involving our country. And at my request, the Congressional Research Service listed them. And at this time, without objection, I will place the list that CRS provided me in September of last year.

[The information referred to can be found in the Appendix on page 103.]

The CHAIRMAN. Mr. Johnson from Georgia.

Mr. JOHNSON. Thank you, Mr. Chairman.

Secretary Gates, today, to summarize your statements to this committee, you thanked the troops and their families and their employers, and you noted that significant challenges needed to be met around the globe by our armed forces.

And, excuse me, I am sorry, General Pace, you mentioned those things.

You mentioned about the significant challenges that we face, and you also pointed out three areas that need to be addressed: interagency cooperation; rules and regulations, red tape need to be removed; and we need to have lighter rules as far as our authority to train people—our partners.

And, Secretary Gates, you spoke on the fact that this is a smaller percentage of the budget that we are spending now for defense-related purposes than at the end of the Cold War. So it is really not that much money that you are asking for.

And, of course, you are here to talk about the President's budget. His base proposal is for $481.1 billion in discretionary spending. That doesn't include that $70 billion in bridge funding for the fiscal year 2007 year for the war in Iraq and the war in Afghanistan, nor does it include the $93.4 billion supplement that is being asked for.

And so, we have got all of these facts and figures. We have got you all's comments today to us. And it seems like we are avoiding the central issue, which is our involvement in this unwinnable war in Iraq.

And I don't want to get lost in the weeds. And I know that the American public expect results from this new Congress. And we are going to be very responsible as we look at your budget needs, because we know we do need a strong military. But we have a house that is burning, and we are putting gasoline on it by sending more troops to Iraq, when what we need to be doing is trying to put out that fire.

And I think that is what the American people want to hear.

Secretary Gates, I know that people are concerned about the two aircraft carriers that have been deployed over to the Persian Gulf that make a war with Iran more imminent. And I would like for you to comment about that.

And then, General Pace, last time you were here, I asked you how much will this new deployment of the 22,000 troops—how much will it cost us? And you said $5.8 billion. And I want to know whether or not you still agree with that. And, if so, where did you get that figure from? If not, then how did—how do you account for this $5.8 billion figure?

Secretary GATES. Very quickly—well, first of all, two points.

Just to your comment about, sort of, indicating that we had somehow communicated the message that all of these different budgets didn't represent much money, the truth is they represent a staggering amount of money. And we understand that.

In terms of the two carrier battle groups, we have consistently maintained one carrier battle group in that area.

We have sent a second carrier battle group in substantial measure as a gesture of support to our friends and allies in the area who were becoming very worried about Iran's aggressiveness.

I would tell you that there are no plans for any conflict with Iran. I think we are being cautious in that respect.

Mr. JOHNSON. Well, it is a pretty small area to confine two aircraft carriers.

Secretary GATES. The second carrier group is not in the Persian Gulf.

Mr. JOHNSON. Okay. Well, just to have one over there is pretty menacing to people here in this country who think that we are headed toward military aggression against Iran.

And I want to ask you, Secretary Gates, has there been any thought to withdrawing our combat troops away from patrolling the streets of Baghdad back to their bases, and then simply assisting the Iraqis as we help to train their forces and as they—thank you, Mr. Chairman.

The CHAIRMAN. Before I call on Mr. Cole, I note that the witnesses turn to pumpkins at 1:30, am I correct?

Secretary GATES. Yes, sir.

The CHAIRMAN. I would suggest we have a five-minute break right now and then in five minutes everyone resume their seats and we will call on Mr. Cole.

Mr. Johnson, thank you.

[Recess.]

The CHAIRMAN. The committee will resume.

The gentleman from Oklahoma, Mr. Cole.

Mr. COLE. Thank you, Mr. Chairman.

I want to thank you personally for recognizing people my age need coffee to stay awake and bathroom breaks to stay focused. [Laughter.]

So I am very grateful.

If I could, Mr. Secretary, first, I want to thank you for an observation you made in your opening comment which I think we do well to reflect upon, which is why we are spending an enormous amount of money. It is a historically rather small fraction of our national wealth, and we are asking an awful lot out of you and your colleagues with the resources we give you, even though they are considerable.

I particularly want to pick up where Mr. Hayes was focused on: the consequences of this $3.1 billion that we cut out of the C.R. and what will happen if that money is not replaced along the way.

And I would like you to talk about it not just in terms of timelines and statutory requirements, as important as those are—and I would invite your comments to, General Pace—but what this is going to mean for soldiers and sailors and Marines and their families.

I was raised by a career non-com and I remember—my first memory was when we were in Scott Air Force Base and there was a shortage of base housing, and we lived in a converted chicken coop. And I remember my mom saying, "At least the guy only charges what a converted chicken coop was worth." But that is where we lived.

And these things have real-life consequences for the people that we ask to do the very tough and dangerous jobs.

So if that money is not replaced, how is this going to impact soldiers and their families?

Secretary GATES. If it is okay with you, Mr. Cole, maybe I could ask Ms. Jonas to talk about the specifics in that $3.1 billion.

I think we have, kind of, a general view, but I think she has some——

Mr. COLE. That would be helpful. Thank you.

Ms. JONAS. Mr. Cole, specifically, many bases—many of the bases, for example, in Texas will be affected. We have about, I believe, $300 million in the basic allowance for housing that will be important. Many military families will be sorely disappointed by that. The Administration has had a commitment to no out-of-pocket costs for our military, and so that will have a clear impact and a very near-term impact.

Mr. COLE. So they would literally have less to spend on their own families, out of their own pocket.

Ms. JONAS. That is exactly right, sir.

And, again, as I think the secretary suggested earlier, many of these forces that will be coming home will be coming home to housing less than we expected to give them. And so it is very important for us—we tend to talk mostly about the numbers here, but it does have a personal impact on the service members and their families.

Mr. COLE. Thank you.

Time is limited, I know. Let me move to another point.

I was very pleased to see the request for additional monies for the Future Combat System. And I know there has been, certainly, some problems with that system, but I am absolutely convinced that maintaining it and moving ahead is really going to be critical for the Army in the years ahead.

And I am very worried that that is going to be the target, frankly, if we come up short of the Administration budget request.

Can you tell me how critical that is, going forward, General Pace?

General PACE. Sir, it is critical to the future capacities of the United States Army. And what is most encouraging about the way the Army has laid out the plan is that they are not trying to get from one level to another level in one large step.

As they produce the increases in capacity, they will spin off each of those into the current force. So rather than being a step from one level to another over a five- or ten-year period, we will be able, during that entire period, to increase the entire level of the capacity of the entire Army.

So, absent the funding for that, we not only lose where we want to be ten years from now, but we also lose the opportunity to increase today's capacity.

Mr. COLE. I know we are well behind other countries in terms of the field artillery system, for instance, that we have now. The Paladin system is great system, but it has seen its best days. So I would urge you to fight very hard for that.

Let me make one last observation, request. I also noted in the budget, with considerable satisfaction, that you are looking at finally replacing KC–135s, or beginning that process.

Now, we get to fix those at Tinker Air Force Base. But my dad was in the service in the late 1950's, when they bought those planes. He worked on them. He did 20 years at Tinker Air Force Base, where he worked on them. He died in 2000, and those planes are still coming through.

So we have got a great civilian workforce there, but they can't indefinitely maintain airframes that are—you know, it is unbelievable to me what they are able to accomplish.

But it is going to be pretty critical that that program to get us a new tanker fleet move ahead.

Secretary GATES. Yes, sir.

Mr. COLE. Thank you very much. And thank you for your service. I am very, very grateful for it. I know everybody on this committee is.

Thank you, Mr. Chairman. I yield back.

The CHAIRMAN. The gentlelady from New York, Ms. Gillibrand.

Mrs. GILLIBRAND. Thank you all for participating in today's hearing.

And thank you, Mr. Chairman.

Upstate New York is very grateful for the service of the men and women in the armed forces. And I am very grateful for your leadership.

Secretary Gates, I didn't have the opportunity to ask you a question last time you were here and I wanted to ask you specifically about the President's State of the Union address, where he said that certain economic and political things needed to take place.

And in your testimony earlier, you both said that this current military plan did not have any hope of success if there wasn't significant progress on the political and economic. And the President refers to a few things, of oil revenues and reconstruction contracts.

I would like your view about this budget. Are funds being committed to how progress on the political and economic sense—many people agree that this cannot be won militarily.

Secretary GATES. And I agree with that, ma'am. This has to be won politically at the end of the day.

I think in this budget, the only money that we are asking for that relates to either political or economic reconstruction is the commander's emergency reconstruction program.

The bulk of the money that we are looking at for economic reconstruction is the $10 billion that the Iraqi government has pledged to spend of its own money.

The economic part of this is critical because the strategy is clear, build, and hold. In previous operations, we have done the clear, we have done the hold for a while, and then moved on. And the analogy that I have used is that it is like the tide coming in and going out. We have sent our troops in, we have lost some lives, the troops come out, and you can never tell we were there.

So the Iraqi forces plus-up in Baghdad, our own, is to expend or prolong the hold period to provide the window for build. And the build is the part where immediately after the area is cleared, we have money to put in people's pockets for jobs to pick up trash or hook up sewage or something like that.

But then the Iraqi government and others have to come in behind that in terms of creating longer-term jobs that give these people a stake in protecting their own neighborhoods.

So when General Pace talks about the three legs of the stool, this economic reconstruction and development part is really critical.

Mrs. GILLIBRAND. And how much is the commander reconstruction program?

Secretary GATES. I think—go ahead.

Ms. JONAS. What we have in the 2007 supplemental is about $500 million. And we are asking for another billion in the 2008 global war on terror piece, which is available for this committee to review.

Secretary GATES. Everybody seems to agree that these Commander's Emergency Response Program (CERP) funds are about the most effective funds that we can spend, because the commanders can allocate them immediately based on the situation on the ground. And I think General Petraeus is, above all, one of the foremost advocates of this.

Mrs. GILLIBRAND. At the beginning of the war, Congress was told that the Iraqi oil revenues would pay for the reconstruction. And the Department of State says that Iraq has earned over $31 billion in oil revenues. And we have provided over $30 billion for Iraq reconstruction. And the budget request an additional $14.4 billion to train and equip Iraqi Security Forces.

The special inspector general for Iraq reconstruction reported that the Iraqi government budgeted $14 billion for infrastructure and security over the next 3 years, but spent only a fraction of these funds.

As of August 2006, the Iraqi minister of defense had only spent 24 percent of his budget. And the State Department reported that in all of 2006, Iraq spent only 20 percent of its $6 billion capital budget.

How are we going to assure that these oil revenues are being used for reconstruction and to limit the amount of fraud and corruption that is currently—with regard to the oil revenues?

Secretary GATES. Well, in terms of how the Iraqis spend their own money, we will be, I think, in a position—the whole idea is for this money to be used in the areas that we have just cleared. And so I think we will be able to see whether they are, in fact, allocating that money as they have promised.

And my hope is that there is always a tendency on the part of government to fund big projects, and what really this money needs to be used for, in my opinion, is to fund small projects, to get shopowners to be able to reopen their shops and small factories and things like that.

And I think we will just have to watch it and make sure. It is their money, this $10 billion that I spoke about.

One of the reasons that I, in my confirmation hearing, strongly supported keeping Stuart Bowen's special inspector general role and, in fact, met with him last week, was because I think that the kind of work he has been doing is so important.

The CHAIRMAN. Mr. Kline from Minnesota.

Mr. KLINE. Thank you, Mr. Chairman.

Thank you, gentlemen and lady, for being here. It is always a pleasure to see you.

General Pace, a nostalgia moment: I was talking to some of our colleagues from some years ago about those delightful hours we were spending in early 1993 in Mogadishu. Now, there was a MILCON problem.

I am concerned about this $3.1 billion. I am not going to dwell on that, because I think it is brought out. But really we will be interested as we go forward in seeing, as we try to make up for that error—we will do what we can, but you may be looking for some reprogramming or something, and I am interested in knowing how you are going to do that.

You simply can't have a $300 million whack out of family housing, for example. That impact on those troops is clearly unacceptable.

In the larger sense, this is the budget, and it is, kind of, a combined budget. You have got a baseline and supplemental and so forth.

And as I was mentioning to General Conway this morning, the Army and the Marine Corps particularly are trying to reset a force while they are fighting the force and trying to grow the force all at the same time.

And now we have compounded the problem by impacting the infrastructure—the housing and military construction that they are going to need as part of all that.

I think that it is still a little bit confusing to me the differences between how the Army is approaching reset and modernization, how the Marine Corps is. And I am very uncomfortable that it seems to me you haven't asked for enough and we haven't provided enough resources to do all of those things: reset, fight, grow, and move forces around.

Are you comfortable, Mr. Secretary, that between the way the Army has approached this and the Marine Corps has approached this, that you in OSD—that you feel like you have got all of those pieces captured in this budget request?

Secretary GATES. I think so. And I will invite General Pace to make a comment.

But I would note that if you include the enacted fiscal year 2007 appropriation, the fiscal year 2007 emergency supplemental and the fiscal year 2008 global war on terror request, those three ele-

ments together provide for the services about $77 billion for reset, reconstitution.

And if you add approximately $8 billion that is specifically identified in those three elements for the National Guard, it is about $85 billion.

So it seems to me that while there has been a lag, that given what the Congress has already given us in fiscal year 2007 and what we have proposed in these additional budgets, give us probably—give us the resources that we need for at least the equipment side of the reset.

Mr. KLINE. Okay.

Before General Pace, if he wants to say something, the example I might use and I have used before in this hearing is we are losing helicopters. The Marine Corps just lost another one shot down, CH–46—or came down. I guess the investigation is not complete. And so we are losing lift.

We have a replacement aircraft, the MV–22, that is coming along. So that is modernization, but it is also reset.

I am worried that a year from now or 18 months from now, we will have worn out or lost through combat action enough equipment that the modernization replacement won't have caught up.

And so I guess what I am really asking is—are you satisfied that you are—in the case of the MV–22, in particular, but that is just an example—stepping up that modernization, that procurement that allows the reset? Because it is not just enough to replace a broken piece of equipment with another piece of equipment.

And I see my time is up, so any answer you may want to provide.

General PACE. Yes, sir. First of all, you are right. We are replacing the combat losses with their stepped-up replacements. So if we lose a CH–46 helicopter, the money gets allocated to the Osprey replacement vehicle.

I need to get with you, though, sir, off-line to get a little more detail. Because the rules that have been given to build the Army and the Marine Corp were identical from the deputy secretary of defense when he told them how to budget. So if there is a difference there, I just need to understand it, sir, and get back to you on why.

Mr. KLINE. Okay, fair enough. And—I am sorry, Ms. Jonas.

Ms. JONAS. I was just going to—if I could add, we do have some CV–22s and some MV–22s in the request.

Mr. KLINE. I saw that. And I am glad to see that.

Again, I am just worried that we are losing capability here as the older aircraft are destroyed or lost or we are not getting the more moderate replacement.

And I yield back.

The CHAIRMAN. That does raise the issue I mentioned to you gentlemen earlier, where F–16s are attempting to be replaced by an airplane that just flew for the first time about a week ago, the Joint Strike Fighter. Of course, we can get into that later, but that does seem to be a bridge too far at the moment.

The gentleman from Pennsylvania, Joe Sestak.

Mr. SESTAK. Thanks, Mr. Secretary.

And, General Pace, thanks for your comment upon how the troops might look at the debate back here.

After 31 years in the military, I, kind of, always was bemused by those that—when they say "Debate about what you are doing with this national treasure of ours is not supporting the troops," I always wanted to know if they really were thinking through the best use of our military back here when I was overseas. So I appreciate your comments.

General, as I watched the QDR and the great work that you did in it, overseen by you, you did a lot of—undergirded by a lot of great analytical work on the Joint Staff, particularly J–8, what were the three or—I think it was three major contingencies you planned for in that QDR? The three regional—I think you mentioned two of them already.

General PACE. Sir, I know the answer. I am trying to think if I can say it publicly. I think I can.

Mr. SESTAK. Yes, sir.

General PACE. We looked at the possibility of renewed conflict in Korea; we looked at the possibility of one other potential event in Pacific region, which I would prefer not to say publicly; and we looked at the possibility of one additional event in the Iraq region, using the plans that are on the shelf——

Mr. SESTAK. Yes, sir.

General PACE [continuing]. To determine whether or not we had sufficient resources to address those as examples of the kinds of things we might——

Mr. SESTAK. Yes, sir. Sir, and also as you did this you had dynamic commitment, and you looked at scores of countries, probably most of the ones you mentioned as you headed off your remarks. Correct?

General PACE. Sir, we did. And what we said to ourselves was that if we were ready to do one of the three large ones, then the other things that were probably more likely—because we didn't plan for Afghanistan, we planned for the other three large ones, and we responded to Afghanistan—that if we were ready for the three large ones, that we would be ready then for something that we did not foresee.

Mr. SESTAK. Sir, what changed since last year's testimony on the QDR to this year where there are several different recommendations, such as the 92,000 increase in troops, as just one example, from that analytical work? What analytically changed in that year?

General PACE. I can tell you what changed for me personally. And that is that the beginning of 2006 I believed that we would be down to around 10 or 12, at most, brigades in Iraq, not at the 20 that we are going to. And that because of that change and the fact that we now would have 25 brigades—20 in Iraq, three in Afghanistan, one in Kosovo and one in Korea—those 25, at least for the foreseeable future, for planning purposes——

Mr. SESTAK. Absent Iraq, would you have asked for the 92,000?

General PACE. I would not have, based on the ability then for the country to reconstitute its forces and have sufficient force.

But as I look forward, and having been wrong two years ago on where I thought we would be now, looking forward for the next two years, as a military professional, in looking at the potential needs for the Nation, I cannot sit here and not recommend an increase

so we can have the ability to do what we are being asked to do now and be prepared to take on future threat.

Mr. SESTAK. Sir, you mentioned China and Korea in your testimony here. We have drawn down our five Army pre-positioned sets, built them back up with some of the modular designs in them, and then draw down upon them again. And you stated in your last testimony you were uncomfortable with our readiness to respond.

In view of the timelines you saw in the QDR and other things, how would you judge the strategic risks with those two? With North Korea 30 miles from Seoul and with China not far from what is of some interest to her, how is the timing in our strategic risk affected by Iraq in responding to those?

General PACE. Sir, I will give you, off-line, a very direct answer to your question. I would also commend to the committee to read the classified assessment that I am required to provide to Congress with the budget, which I did. But if I may, sir, not answer that in public.

Mr. SESTAK. Yes, sir.

One last question then: The President said our support is not open-ended for the Iraqis. And so, then, one must prepare to handle consequences. Even though one might not want to, the military has to, at times, plan for that.

Can you envision and plan for a redeployment out of Iraq, remaining in the region, that could mean a fairly stable region?

General PACE. I cannot, sir. Not without reaching our goals first.

Mr. SESTAK. Even with the President's comment?

General PACE. I am sorry, sir?

Mr. SESTAK. Even with the President's comment that our commitment is not open-ended?

General PACE. You were asking me a question about——

Mr. SESTAK. My time is up, sorry.

The CHAIRMAN. Thank you very much.

Before I call on Dr. Gingrey, the gentleman from Georgia, it is interesting, General Pace, that you would not have recommended such a troop increase absent Iraq. Is that correct?

General PACE. That is correct, sir.

The CHAIRMAN. Despite the fact that in 1995 General Ted Stroup, head of the Army personnel, advocated an increase of some 40,000 troops then. And I have been sounding like a broken record ever since. And at long last, it is coming to pass.

We can get into this discussion later. But I think even without Iraq, in my humble opinion, General, we could very well use the additional troops which are now being formally recommended.

Dr. Gingrey from Georgia.

Dr. GINGREY. Mr. Chairman, thank you.

And I want to thank our witnesses for being with us today. I want to thank them for their dedicated service to our country, both Secretary Gates and General Pace. And I also feel the same way, Mr. Chairman, about their immediate predecessors.

I think you have given a very forthright testimony here today. And I wanted to ask two specific questions. The first one I will direct to General Pace.

General Pace, I noticed in the fiscal 2008 baseline budget, that there is a decreased funding for the missile defense system. I think

we are talking about $560 million less than what was in the fiscal year 2007.

Considering the uncertain path of—I think Mr. Sestak just mentioned about other areas like China and Russia, and us really not knowing—China is increasing their budget, as we know, and of course the obvious situation in North Korea and Iran's nuclear ambitions, do you have concern about that cut?

And if you would address that, General Pace, and then I will ask my second question of Secretary Gates.

General PACE. I do not have a concern about it, sir, because it is a cut from about $10 billion to about $9.5 billion. I asked Lieutenant General Obering, the man who was in charge of our Missile Defense Agency, whether or not he could continue to provide, on the timelines that we provided to him, the missile defense for the Nation, to include buying the additional missiles, getting the radars in place, doing all we need to do. He assured me he could. And based on his analysis, I was okay with the——

Dr. GINGREY. General, would you—and I thank you for that response—would you be concerned in further cuts as Congress goes forward and works its will in regard to what our budget actually looks like ultimately?

General PACE. Sir, I would like to do my homework on that. I don't know how big the cut would be and what the impact would be, so I would have to see the numbers and what it would mean——

Dr. GINGREY. Well, thank you, General. And my time is limited, so I will go ahead and address my question to Secretary Gates.

Secretary, this situation of the manpower increase of the 21,000, I have heard—and, in fact, I think some of this is coming from CBO—that maybe that that is a low estimate by a factor of 1:4. I have even heard some say that because of the need for support troops of about 1:4 for each boot on the ground, combat troops, that we will maybe need 48,000.

Could you address that and try to make it clear to this committee what the actual facts are in regard to that?

Secretary GATES. As I understand it—first of all, when the original announcement was made about the 21,500, I think it included some reference to there could be some modest additions for combat support.

As General Pace has said in other forums, first of all, these troops are going into an area where there is already a very large combat support apparatus. Second, each of these brigades has its own combat support capability.

So what we are looking at is the 21,500 perhaps augmented by 10 to 15 percent more. So perhaps another couple of thousand in combat support.

So it is a very different number than some of the CBO assumptions. And I think that they base—I don't know what their assumptions were, but it looks like they took a straight-line projection from the original deployments and didn't take into account the existing infrastructure.

Second, their cost figures are significantly higher than ours because they budget for this through the end of fiscal year 2009. And,

in fact, we only budget for it through the end of fiscal year 2007, or as of the 30th of September.

So that helps explain, I hope, the two differences in the estimates.

Dr. GINGREY. And, Mr. Secretary, also I would expect that some of the support troops that are actually in place, as you point out, in areas that are not as hot a spot as Baghdad and Al Anbar province, some of those support troops could be realigned if that were necessary.

Ms. Jonas, did you want to comment on that as well?

Ms. JONAS. I think the secretary has covered it and I think General Pace covered the missile defense piece. We did—the actual totals in the budget, about $9.4 billion last year, down to $8.9 billion for the Missile Defense Agency.

Dr. GINGREY. Thank you.

And, Mr. Chairman, I yield back my time. Thank you.

The CHAIRMAN. The gentleman yields back.

The gentlelady from Arizona, Gabrielle Giffords.

Ms. GIFFORDS. Thank you, Mr. Chairman.

Thank you, Secretary Gates and also General Pace.

We heard the chairman mention in his opening remarks that readiness is the job of this committee. And we have heard a lot of questions about readiness. But I want to address one in particular and that is the readiness in terms of the mental health of our soldiers.

I am very concerned that we are asking more and more and more of these young men and women and I don't believe that our government is stepping up to our responsibilities to make sure that they are receiving the care that they need.

I am curious what the Department of Defense is proactively doing to monitor the mental health conditions of our troops as they return home and before they are asked to be sent back into combat.

Secretary GATES. Yes, ma'am. I am told that 100 percent of our troops are screened after their deployment. Approximately 22 percent test positive. That doesn't necessarily mean that they have post-traumatic stress disorder.

The troops are reassessed again three to six months after the deployment and then screened again during the redeployment. And after they return, care is available for both the active and the reserve force for a period of time.

Ms. GIFFORDS. Mr. Gates, I recently met with an Army officer who is responsible for the pre-redeployment screening. He told me that 70 percent of the soldiers that he has seen, he is advising to seek immediate counseling—70 percent. And the majority of those soldiers are not receiving the counseling.

Could you please address that?

Secretary GATES. I will have to take that for the record. That is simply not consistent with the information I have been given. I will go back and check.

[The information referred to can be found in the Appendix beginning on page 133.]

Ms. GIFFORDS. General Pace——

Audience MEMBER. It is the truth, sir.

The CHAIRMAN. We will have order in the hearing room, please.

Ms. GIFFORDS. First of all, I want to commend the Army. I know that there is a disproportionate burden placed on the Army right now, particularly the guard and reserve, the Marine Corps as well. But it is really the Army that is stepping up right now and bearing the large cost of this war in terms of the people that are serving.

And I would like to hear from you what you think about how we are caring for our soldiers and making sure that they have everything that they need to continue to protect and to fight for our country.

General PACE. Well, first of all, I agree with you that the United States Army is performing magnificently and is doing everything we have asked them to do, and in fact is going beyond what we have asked them to do.

I think the burden is equally shared by the Marines, who are on the same kind of X number of months over Y number of months back. So the burden is shared equally between the services.

However, the Army being the United States Army, it is carrying the bulk of the load of the Nation, that is for sure.

I think, first of all, with regard to your first question, about mental health, we do need to pay very close attention to that, and we should allocate the resources necessary not only for the sake of the servicemembers, but their families as well. There is stress on the families that we need to be attentive to as well.

I believe that in the budget, that the quality of life that is fundamental is how we prepare our troops to be deployed, how well they are trained, how well they are equipped, the force protection means that they have, and that this budget continues to allocate the right amount of resources to ensure that the technology that we have available to our troops is the best in the world and that, as it is developed, that we field it as quickly as possible.

Ms. GIFFORDS. And, General, I do see that we are allocating—obviously, as Secretary Gates mentioned, there are a lot of assessments, but if the counseling isn't there and the resources aren't there for the families—I participated in a Returning Warriors weekend program, funded by the Veterans of Foreign Wars (VFW), a program for returning soldiers as they come back from Iraq and Afghanistan, that integrate the family, that integrates the kids, to make sure that the support is there. And for members that have participated in the program, they say, "If I would have had this, my marriage probably would still be intact."

Is funding available in this budget for programs like that? Or why are we looking for the VFW to be funding programs for soldiers that are going to be redeployed? I mean, these are necessary services, really important, really critical for families.

General PACE. I don't know if Ms. Jonas has the exact numbers, but I certainly agree with the philosophy, that we need to make sure that we pay attention to the needs of our families before they deploy, while they are deployed, and then when they return, and we should fund that properly.

Secretary GATES. And we will have somebody get in touch with you and talk further about this, because it is a concern to us.

Ms. GIFFORDS. Thank you.

The CHAIRMAN. The gentleman from the state of Missouri, Mr. Akin.

Mr. AKIN. Thank you, Mr. Chairman.

A couple of quick questions here. First of all, I note you have got $3.7 billion for the continued development of Future Combat Systems.

General Pace, do you see that that is very important for the future Army? Obviously, that money is, kind of, competing for the reset and all; just a comment on your commitment to that program, sir.

General PACE. Sir, it is important. And the way that the Army has structured the program, it allows us, as we develop new capacities, to field that, so spin it off, so to speak, into the existing Army.

So as the Army builds its new capacities to get to what they call the objective force, they are also able to use what they are learning with the force that we have today.

Mr. AKIN. I understand that was the philosophy of about a year or two ago. And I think that makes a lot of sense, too, because then the people are getting trained in the new systems as well.

The second question I had, it seems like there is a little bit of a difference of opinion on this C–17 question. You know, those of us here keep taking a look at the C–17. We are using it to land on hot, short runways and things that we are not having to unpack, pack into C–130's and make double hops. It seems like the C–17 has been used; it is performing very well. And yet it seems that the budget is saying, "Yes, we are done with those; we are going to get rid of the supplier base."

I think there is a little concern that maybe the Air Force's primary mission, which is air superiority, may be taking more priority over the capacity to provide that airlift.

Would you comment on that?

General PACE. From where I sit, sir, that is not what is happening inside the Air Force.

As you know, about two years ago, I think it was, maybe three, and there was a mobility study that said we needed to have 180 C–17s and about 95, I think it was, C–5s in the inventory.

As a result of usage of those airplanes at greater hours per month than expected, we are looking to keep the C–17 line open to be able to replace those that are being consumed quicker than we thought we were. But that is to maintain the overall need of C–17s and C–5s.

If we were to get some relief on the C–5 side of the house and be allowed to retire the older C–5s, that would probably impact the amount of C–17s needed. But since we are required to keep a number of C–5s, the balance, the total lift capacity is right——

Mr. AKIN. But you feel that that overall lift capacity is pretty much where we need to be?

General PACE. Yes, sir.

Mr. AKIN. Even with more troops and everything else?

General PACE. I do. Yes, sir.

Mr. AKIN. Thank you.

Last question, and that would be: My understanding is that a number of dollars that we are spending for training Iraqi and Afghan forces has dropped significantly, more than 50 percent.

What is your sense on that, that we have about gone as far as we can go on that? Or I think it was $12.9 billion in 2007, and

2008 is dropping to $4.9 billion. So from $12.9 billion to $4.9 billion, any word or thought on that?

General PACE. Sir, most of the delta is, with regard to equipment. And by December of 2006, we were supposed to have 328,000 Iraqi army and police trained. We did. And we had 98 percent of their equipment bought by the end of December.

There is, however, an increase—even though the overall numbers come down, the numbers come down significantly in Iraq because we are almost there in Iraq and it has gone up significantly in Afghanistan so we can fast-forward the training of the Afghan army.

So you will see that number—I think it is about——

Secretary GATES. It is $3.8 billion for Iraq and $5.9 billion for Afghanistan.

Mr. AKIN. My understanding, just talking to some people in the field, was that the Iraqis—sometimes equipment we give them, they just sell it on the black market. Is that something we have to deal with? Just a quick comment. I think we are almost out of time.

General PACE. Sir, we need to keep track of our equipment. We need to make sure that how our embedded teams know what is supposed to be there and report back on it. As well as we need to develop, inside the Iraqi army, the kind of accountability systems that we have inside of our own.

Mr. AKIN. Thank you. And thank you for the great work you are all doing.

General PACE. Thank you, sir.

Secretary GATES. I might mention, sir, that in 2008, in the global war on terror, the amount for training for Iraq goes down to $2 billion and for Afghanistan training and equipping goes down to $2.7 billion. So it is the trend line the general was talking about.

The CHAIRMAN. I thank the gentleman.

The gentlelady from Florida, Kathy Castor.

Ms. CASTOR. Thank you, Mr. Chairman.

And thank you for being here today.

Two weeks ago, the committee heard General James Conway from the Marine Corps and Army Chief of Staff General Peter Schoomaker testify that America will run a strategic risk by staying on the same course in Iraq and implementing the escalation.

The generals confirmed that if our personnel and equipment are tied up in Iraq, then our ability to handle future contingencies is reduced. Deploying extra units will force the Army and Marines to draw more equipment from units not in combat. This will further reduce the ability of these units to remain ready for missions elsewhere.

In my state of Florida, the National Guard does not have all of the equipment it needs to train soldiers. They are only 28 percent equipped.

This is the case even though the defense budget, the proposal is simply staggering: the proposed fiscal year 2008 base budget of $481 billion; you add to that fiscal year 2007 for the war in Iraq of $93.4 billion; then for fiscal year 2008 for the war, $141.7 billion.

Those two, put together, $235 billion. I mean, that is about half of the entire base budget for the DOD. And the base budget also includes war costs.

And I think President Bush, in proposing his overall budget, made a very predictable political statement in cutting health care for the most vulnerable in the United States, children and seniors, fuel oil for seniors, while maintaining tax cuts for millionaires.

But for the DOD budget itself, I think that he also makes a very troubling statement. The war in Iraq is beginning to swallow the entire base budget for DOD. It is creating a strategic risk that will take years to build back and be able to adequately defend our country. He has refused to target sufficient political and economic solutions for Iraq, and it is eating into our readiness.

How much longer will the President continue to ignore investments in political and economic solutions in Iraq, in the Middle East?

[Applause.]

And how much longer will the Ppresident allow the war in Iraq to eat into the readiness in our ability to address all global threats?

Secretary GATES. Well, I can only answer the first of those questions. And it is that I think that the commitments that have been made by the Iraqis to spend $10 billion on their own economic projects relating to the Baghdad security plan really represent a—as we have transitioned to Iraqi leadership in the military phase of the Baghdad security plan, so, too, do we transition to Iraqis using principally their own money in terms of economic development and investment.

Ms. CASTOR. Do you know the Department of State budget request by the President?

Secretary GATES. No.

Ms. CASTOR. Is it about $63 billion?

Secretary GATES. I just don't know.

Ms. CASTOR. The DOD budget and the war supplemental simply dwarf our diplomatic and economic investment in this area.

I would also like to spend my remaining time thanking my colleague from Arizona for raising the mental health issue of our soldiers.

And what was explained to me, visiting soldiers at Bay Pines in St. Petersburg, Florida, some vets that had come back, the screening simply consisted of a questionnaire that was given to them to fill out and no direct interaction, no direct screening. And they were in such a rush to get out, get home to see their families, they fill it out and they turn it in, and there is no concrete screening.

So I hope the same analysis and visits that you provide to Congresswoman Giffords you will provide to my office as well.

Secretary GATES. Yes, ma'am.

Ms. CASTOR. Thank you very much.

The CHAIRMAN. I thank the gentlelady.

Before we proceed to the gentleman from South Carolina, let me again mention there shall be decorum in this room for the witnesses to testify and for the questions to be asked.

The gentleman from South Carolina.

Mr. WILSON. Thank you, Mr. Chairman.

And thank you, General Pace, for being here.

And, Secretary Gates, thank you for your service.

I am very grateful that I have four sons who are serving in the military of the United States under your leadership. As a veteran

of 31 years with the Army National Guard, I have never been prouder of the American military and the difference that they have made of enabling people and nations to be free with the greatest extent of democracy and freedom in the history of the world.

I have a concern that has been expressed over and over, and you have addressed it largely, in regard to readiness for units that are not deployed, and that there are measures to address the shortfalls of readiness for the Army and Marine Corps.

Specifically, what is being done for the National Guard, for the reserves that are not being deployed?

Secretary GATES. Well, sir, for reset for the Army Guard and Reserve, there is in the 2007 supplemental and in the 2008 global war on terror a total allocation of about $8.8 billion for reset that is allocated specifically to the National Guard.

There also is a program in place between fiscal year 2005 and fiscal year 2013 to invest a total of $36 billion in the National Guard itself. So there has been an effort to try and deal with this.

And I have a number on the Air Force reset and reconstitution. That number is—for the 2007 enacted, is $2.6 billion, for the supplemental is $2.7 billion, and for the global war on terror 2008, $7.3 billion. So a total of $12.6 billion in the three categories.

And for the same three categories, it is about $8.7 billion for the Navy.

General PACE. Sir, another encouraging aspect of that is that with the new policy goal of one year deployed and five years at home for the guard before they are eligible to go again, that cycle will automatically mean that if the Army and Air Force are looking out two to three years, the units that are about to come into that window of potential deployment, they will receive the personnel attention, the equipment attention that will ensure that, at least on a cyclical basis, they get a good hard look every five years.

Mr. WILSON. And in our state of South Carolina we have been very grateful, the National Guard has been so helpful in preparation for hurricanes, recovery from hurricanes, tornadoes, ice storms. And so the equipment is just so crucial.

In the past, prior to 1997, there was a specific National Guard and reserve equipment appropriation. Specifically, there was a fund for new equipment for the reserve components. But after 1997 that specific fund was folded into the budget itself.

Do you believe that the equipment appropriation account should be re-established for the reserve components?

Secretary GATES. Let me take that question, sir, have people look into it. I just don't know the answer.

[The information referred to can be found in the Appendix beginning on page 133.]

Mr. WILSON. And another question I have: The budget request for military construction funding shows a $5.361 billion increase over the forecasts for fiscal year 2008 and 2007. What accounts for this significant increase in the estimate?

Ms. JONAS. There are two things. Primarily, it is the increasing infrastructure we need for the permanent force that we talked about, the 92,000, and the implementation of BRAC. And as the secretary has suggested, we will have to work with the Congress pending the outcome of the joint funding resolution.

Mr. WILSON. And again, I appreciate your service, all of you.

And, Mr. Chairman, again I am just grateful that we have got people of such quality who want to serve our Nation. Thank you very much.

General PACE. Thank you, sir.

Mr. WILSON. I yield the balance of my time.

The CHAIRMAN. I thank the gentleman.

The gentleman from Texas, Mr. Ortiz.

Mr. ORTIZ. Thank you, Mr. Chairman.

Mr. Secretary, prepositioned stocks of equipment are an integral part of our war plans and allows us to deploy our military quickly to an emerging crisis.

Over the past two years, there have been some problems with and changes to prepositioned equipment that perhaps indicate a change to the department's priority and strategy.

In a recent appearance before this committee, General Schoomaker indicated that the Army would continue to draw down prepositioned stocks to support equipment shortfalls and the increase of units in Iraq. These changes are significant and disturbing.

What strategic risk is being accepted by drawing down prepositioned stocks? And how is the Department going to mitigate the reduced flexibility and increased deployment times that will result from these drawdowns?

You know, sometimes it looks like, when General Pace mentioned that 40 percent of the equipment that is in Iraq, it looks like we are just replacing the equipment that is being damaged or it is being sent back to the depots to be reset. We don't have any equipment in stock to replace, because it takes sometimes three or four years to build that equipment.

So how is that going to affect us, you know, when the equipment is there in Iraq and then we have got shortfalls in the National Guard that was mentioned before? Maybe you can address a little bit on that.

Secretary GATES. With your permission, Mr. Ortiz, since it involves a matter of readiness, I would like to ask General Pace to respond to the question.

Mr. ORTIZ. That is fine. Thank you.

General PACE. Sir, the budget itself does include money to rebuild the stocks that have been used. The Marine Corps's prepositioned stocks are full-up now, thanks to money that you all have allocated in past years.

The Army is, as General Schoomaker pointed out—to make sure that the soldiers who are deploying in these five brigades that are being added to our troops in Iraq, to ensure that they have the proper equipment, they are using some of the prepositioned equipment that was on the ground in-theater, plus some of the sea-based equipment. That will need to be replaced.

There is additional risk, then, involved with using that equipment and not having it available elsewhere.

But when you take the totality of what we have available to the nation, the 2.4 million men and women in active, guard and reserve, just over 200,000 deployed right now; you take the strength of the Air Force and the Navy which are available to the Nation;

when you look at the potential threats on the horizon; we have enormous capacity left to deal with threats should they arise.

But we must pay attention to—and are in this budget—the very real need to replenish the stocks that we have been using for current operations.

Mr. ORTIZ. Now, to replenish that stock, have you included that in your budget, to be sure that we replace that stock?

General PACE. Sir, I will get a sanity check from Ms. Jonas. But I believe that, in fact, the Army's needs for replenishment have been identified in their budget.

Ms. JONAS. Mr. Ortiz, we have been doing that for several years. I understand the concerns of the Army.

Just in the base budget alone, we have increased the Army $20 billion over all, but we have added a lot to readiness. We have $11 billion in the budget for depot maintenance. We also have additional depot maintenance in the supplemental and the global war on terror fiscal year 2008 request.

Mr. ORTIZ. Are the depots up to capacity, or do we have enough room, you know, to increase the workload and the working people there to do the work?

Ms. JONAS. Mr. Ortiz, my understanding is that the depots are about 64 percent capacity for the Army, and they believe that there is additional capacity there.

Mr. ORTIZ. Thank you so much for being with us today. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Mr. Ortiz.

The gentleman from Arizona, Mr. Franks.

Mr. FRANKS. Well, thank you, Mr. Chairman.

And thank all of you.

You know, I heard a quote some years ago that said, "For those who defend it, freedom has a flavor that the protected will never know."

And I never want to miss an opportunity to express to you how grateful I am to all of you who wear the uniform and for those who are on the front line of freedom to their working to protect human dignity and human freedom across the world. Because I know that no one of you is more against war than those of you that have had to be so well-acquainted with its horrors and tragedies.

I believe with all of my heart that you would do away with all war if only those who are committed to the destruction of human freedom at the expense of human lives would embrace the same concept.

So let me start out with that.

With that, General Pace, I am wondering, sir—this question has been dealt with in a number of different ways here, but sometimes the foundation of statesmanship is to re-emphasize the obvious.

If, as you have surveyed the President's new approach in Iraq—I would just ask you a quick series of question and then you can answer them in total.

Number one, can we prevail? Is it your opinion that this gives us a better chance of prevailing?

Number two, what are the implications of the United States withdrawing too early in Iraq in terms of, not only our credibility

to deter aggression and terrorism throughout the world, but also its ultimate cost in innocent human life if we should leave there and allow terrorists to take that nation over and turn it into a base of terrorist outreach throughout the world?

General PACE. Sir, we can prevail, but not by military might alone.

This is a three-legged stool. It requires the strength of the military to be able to provide security, it requires the strength of the political leaders in Iraq to provide the leadership, to provide the balanced approach to their citizens, to provide the kinds of opportunities for their citizens that would make their citizens want to live in that country and support that government. And it requires an economy that provides jobs to those citizens so they can do something besides build bombs for a hundred dollars.

So, yes, we can prevail. But not primarily militarily. They are certainly a very important part to the military.

With regard to withdrawal, it would have immediate impact, I believe, in additional death in Iraq, as the insurgents—correction—as the sectarian violence spiked.

I believe that if you read al Qaeda's global plan, just like during World War II, Hitler posted "Mein Kampf," and we ignored it to our peril, that if we read what al Qaeda is saying they want to do globally, we ignore that to our peril. I do believe that the lessons that are learned by al Qaeda in Iraq will be translated to Afghanistan, for good or bad, and that if we were to have the same kind of an outcome in Afghanistan, they would follow us home.

So this should be an away game, so to speak, if I could use that analogy. But we need to be smart in our application of power and we need to encourage other countries to help us, especially on the governance and economic piece.

Mr. FRANKS. Well, thank you, General. And again, I reiterate my earlier comments.

Secretary Gates, in your written testimony, you expressed, related to our missile defense and our space defense capability, that not only are we protecting our own homeland here potentially, but that we are an umbrella for other nations throughout the world, and that our credibility with them and our ability to deter enemies of freedom that might employ some type of missile strike on one of their neighbors—all of those things are at stake.

And I think your request there is that between the missile defense and the space-based defense capabilities, about $16 billion combined.

Number one, do you think that that will be forthcoming from this Congress?

And number two, what do you think the implications are, long-term, if somehow that is diminished, as it has been over the years now, the overall missile defense capability—at least the spending, not the capability, but the spending on that capability? There has been a lot of cuts and I would like for you to try to address that, sir, what its implications are for freedom in general?

Secretary GATES. I took part in an exercise a week ago Monday at Strategic Command (STRATCOM) with the launch of a North Korean missile. And it became clear that having a robust ballistic

missile defense is very important for the security of the United States and our friends.

The CHAIRMAN. Before I call Mr. Meehan, General, without asking you to repeat it, it seemed to me that in your previous answer you were speaking about two different subjects in the same answer. And I will not go into it, but you were speaking of al Qaeda on the one hand and sectarian violence in the other when they appear to be, at least on the surface, separate and distinct.

So I would point that out. And if we have a little bit of time later, when others have testified, I may ask you about that.

Mr. Meehan.

Mr. MEEHAN. Thank you.

And I am tempted to ask about that too, because if the dialogue goes on and it is almost as if we entered Iraq to get Osama bin Laden and al Qaeda out of Iraq rather than Afghanistan.

But I would rather go to a separate subject. But it seems we have been going down this road for far too long: that we are in Iraq to get al Qaeda, who wasn't there until we got there and we said, "Come on in," and then they came.

But in any event, Secretary Gates, I am sure that you are aware—I sent a letter, with Mr. Skelton and Mr. Spratt, to the CBO regarding the costs of the escalation in Iraq. And I was, frankly, surprised and shocked at CBO's response: relative to the costs of the surge in troops anywhere, depending upon the length of deployment from $9 billion to $13 billion for a 4-month deployment, from $20 billion to $27 billion for a 12-month deployment.

But also CBO had estimates relative to additional support troops that would be needed. And the number of support troops, according to the CBO's estimate, could be anywhere, but could be up to 28,000 more troops in addition to the 21,000 troops.

Now, I know that you have initially said that that is not true; that we are only going to have a few thousand. But I just want to go through.

The CBO—I got a briefing this morning—they use standardized methodology to determine their answers. In other words, they looked at surges throughout the course of this war and they basically have categories. And they say that for every brigade over a period of this war, there is, on average, 9,481 support troops.

There have been other times during the course of this war, specifically in December of 2004, January of 2005, when the elections were held, when we were up to 189,000 troops. And it appears, at least from the statistical analysis from CBO, that their estimates—I am interested why for the first time in the history of the war we wouldn't need as many support troops as were needed.

The CBO can't guess at the Department's true intentions, but they use logic to examine them.

And I look at this report and I can't imagine why we wouldn't need more than—you have been quoted as saying 3,000 support troops, I think I saw more recently. Why would we only need 3,000 support troops?

And isn't it true that the commanders who are on the ground, they will be requesting more support troops? So we don't really know what they are going to request, do we?

Secretary GATES. We have identified—let me make a comment and then invite General Pace, because he has more continuity of experience with this than I do.

But what I have been told is that these forces are going into an area where there is already a substantial support infrastructure. The brigades themselves have an inherent combat support capability.

And between the two, they have anticipated there would be some additional increase—the estimate, frankly, we haven't been given a firm estimate, but it has been categorized to us that it would be 10 to 15 percent of the force, so 10 to 15 percent of 21,500.

Now, that is the way it has been characterized to me. But let me ask General Pace to comment.

General PACE. Sir, the only thing I would add to that is that what we have so far from the field is a request for about 1,800 of those 10 to 15 percent. And we are expecting a little bit more than that, but not a lot more, based on what the commanders in the field have done in their troop-to-task analysis; in other words, what they need to do and how many troops they need to do it.

Mr. MEEHAN. According to my calculations if, in fact, we only needed, let's say, 3,000 support troops and we had a surge of 21,000 troops, that would, it seems to me, mean that we have 33 percent more support already in Iraq, when General Casey and nearly everyone else has said we don't have more people than we have needed in terms of support in Iraq.

So if the statistics from CBO—and you have got to understand, this is where we try to get our data and information so we can provide constitutional oversight that, frankly, we haven't provided enough of—does that mean that we have 33 percent more support than we have needed before the surge?

General PACE. No, sir. What it means is that, for the relatively brief period of time that we expect this plus-up to last, that there is enough elasticity in the folks who are already on the ground to be able to pick up some of that slack, and that what is going to be deploying with the brigades inside the 21,000 is an additional capacity and then an additional 10 to 15 percent.

The CBO is based on going out through 2009. If in fact this number of additional brigades was staying two and a half years, then we would need more long-term combat support, combat service support.

Mr. MEEHAN. I know my time is up, Mr. Chairman. But there are different case scenarios that CBO gives. And I would like to, if I could, provide the statistical analysis from CBO that I got in my briefing this morning—submit it for the record.

[The information referred to can be found in the Appendix on page 106.]

The CHAIRMAN. Thank you.

The gentleman from Ohio, Mr. Turner.

Mr. TURNER. Thank you, Mr. Chairman.

I want to thank each of you for your service and for your dedication.

And, Mr. Secretary, I wanted to tell you personally that I think so many times that you are not thanked enough not just for what you are doing, but for the fact that you have stepped into this posi-

tion when you were incredibly needed. And you have done it with great diplomacy and great accuracy and professionalism.

And that has been very enjoyable to watch because we have needed your attention and your service.

I want to turn back to BRAC. I know it has been emphasized several times—the underfunding or defunding, if you will, of BRAC to the tune of $3 billion in 2007.

The need to replace those funds is obviously a case that has been made. And you have given a description of the impact on the families and the specific projects that are to be funded by BRAC.

But one thing that I have not heard that perhaps you could just give a slight overview, because I do have two other questions, is that we are basically talking about 2007 dollars that ought to be in your hands already.

So in addition to the impact of what will not occur or be pushed back, there are processes that you have already put in place, there are projects that you have commenced work on. In order for you to expend those monies that you were expecting in 2007, you have already expended a significant amount of intellectual capital and preparation to do that.

Could you speak for just a moment about how the lack of those funds will also make that process difficult?

Ms. JONAS. Well, as you may know, Mr. Turner, the BRAC process had extensive business plans for each of the realignments. And many people think of it as closure only, but it is quite a bit of consolidation and realignment.

And I have not spoken this morning with Phil Grone, who is responsible for that, but this would create an enormous disruption, if we are unable to get the funds very quickly.

We have already spoken to many of the issues related to a lot of the bases, many in Texas. And the secretary has spoken also about the impact to the families, of the no out-of-pocket costs—this would actually take money out of their pocket.

So we are very concerned about this, but it creates an enormous disruption to particularly the Army, as they also consolidate bases and bring their folks home from Europe.

Mr. TURNER. Mr. Secretary, in looking at the overall tasks in front of you—recapitalization, and certainly the recapitalization of the Air Force is the one that I have concern—the path that the Air Force is undertaking for recapitalization has a tremendous impact on personnel.

The projections in personnel reductions, I am very concerned about, being post–9/11, having an impact on our overall ability to function.

I know that you know that it is not just an ability to execute a task that results in decrease in personnel, but it also significantly impacts ingenuity and the overall contribution that personnel can make to solutions for the future.

When we have a reduction, it is not just what can we not do now, it is what did that reduction cost us in what we might be able to even do several years forward.

And I would ask you to take a look at the assessment of what the impact will be on the Air Force of its process of recapitalization in its personnel and also if you had any thoughts presently.

Secretary GATES. Well, in terms of personnel, the Air Force, as you well know, has a program to reduce, by about 40,000 people, over a period of time, and to use the savings as part of the recapitalization and modernization program. And my understanding is, so far that has yielded about $11 billion that has been able to be transferred.

I will tell you that concomitant with the increase in the end-strength of the Army and the Marine Corps, the Air Force is now going to have to go back and look at that program and see if an increase in the end-strength of the Army and the Marines is going to require them to change some of the assumptions that they had made about the number of people they need to fulfill their mission.

So in terms of the personnel recapitalization, that is an issue that they are going to have to address.

Mr. TURNER. Research and development: Wright-Patterson Air Force Base being in my district, is certainly an important issue for our look at how we can perform on the battlefields of tomorrow.

I noticed in the budget that we continue to, in science and technology, take a hit. I hope that you will continue to look at ways in which we can find funds because, as we went into Iraq, we saw a tremendous difference between Gulf War I and Gulf War II and what our capabilities were.

Then as we are in Iraq we see different challenges that we are having to adapt to. Our ability to adapt in the future is based upon that science and technology and research. So I would appreciate your continued look at that also.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

The gentleman from Texas, Mr. Reyes.

Mr. REYES. Thank you, Mr. Chairman.

And, Mr. Secretary, welcome back. You have got a few more weeks under your belt from the first time you were here before the committee.

And it is always good to see you, General Pace. Thanks for all your work.

I think, although you weren't here, Mr. Secretary, in the last days of the 109th Congress—because I know there have been a number of comments made about the military construction part of the appropriations.

I just wanted you to know and the record to reflect that we worked very hard with our Republican colleagues, urging them to please pass the appropriations for military construction, because kicking it into the 110th, we were very concerned about a continuing resolution. And that is where we are today.

But I am also confident that we are going to be able to fully fund the MILCON part of the process. Especially because, a couple of weekends ago, I was, along with the chairman, part of the delegation that went with Speaker Pelosi, where we actually met with some of the troops. And part of those troops were the 1st Cavalry.

And I made mention to the delegation, these are the soldiers that are not going to have a place to go back to if we don't pass the military construction part.

So I know everybody is very, very focused on that. And I believe that we will.

Secretary GATES. Can I just say very quickly, Mr. Reyes——

Mr. REYES. Yes.

Secretary GATES [continuing]. That I had the opportunity, during courtesy calls on both the Democratic and Republican leadership of the Senate last week, to raise this issue? And I found that they all took it seriously and are all looking for a solution.

Mr. REYES. Absolutely. It is vitally important, from my perspective.

I was going to ask each of you to comment in a couple of different areas.

First of all, you have now had a few weeks to see, after the President's plan has been implemented, as the ranking member made mention—and so I would like your assessment, Mr. Secretary: How is al-Maliki doing, from your perspective, to date?

And then, General Pace, we worry about our troops in Afghanistan because they have always been concerned that they have been forgotten. And that is vitally important. If you could address Afghanistan this morning, I would appreciate it.

So, Mr. Secretary.

Secretary GATES. Sorry, just give me a key word again.

Mr. REYES. Just how is Maliki doing?

Secretary GATES. Oh, how is it going? I have got a report, first of all, that the Baghdad security plan—that the implementation was supposed to begin, actually, on the 5th of February. My guess is it is going to be a rolling implementation; not, sort of, all at once.

According to the report I received the day before yesterday from General Casey, the brigade that was supposed to show up at a certain time did show up.

I was concerned, and said so in a press conference last Friday, that it was only at 55 to 60 percent of strength. But he said in his report that 25 percent of that brigade actually was on formal leave to take their pay home. So he thought that the turnout actually had been better than expected: about 85 percent of the manpower, as far as he could tell.

The Iraqis, so far, have fulfilled the commitments they made in terms of appointing a military governor of Baghdad. And the initial reports on him are positive. He seems to be serious and professional and authorizing attacks or operations in all parts of the city. He has been balanced in terms of going after the different sectarian areas where there is a lot of lawlessness. The two commanders, the Iraqi commanders on either side of the river, have been appointed.

So I think his short hand would be, so far, so good.

But I have indicated we are putting together some checklists and matrices, and we have agreed with the chairman to brief the committees. And we think that, you know, we are all in this together and we want to share with you our evaluation as this thing rolls out in terms of how these guys are doing.

I might just say, in terms of Afghanistan, that I was just there a couple of weeks ago, and that was one of the reasons for the decision to extend the 10th Mountain Division as the 82nd is still coming in, to have a plus-up.

One of my concerns coming into this job was, in fact, that Afghanistan might have been neglected somewhat.

General PACE. Sir, Afghanistan: Our troops are serving extremely well. There are about 50,000 troops all total from all nations. About half of that, about 25,000, are U.S.

As the secretary said, as we get ready for what is the annual spring offensive, we have increased the number of troops that are available for the foreseeable future.

We had two combat brigades. We now will have there combat brigades to see our way through what we expect to be a surge in events probably beginning about the end of March.

The CHAIRMAN. I thank the gentleman.

The ranking member, the gentleman from California, Mr. Hunter.

Mr. HUNTER. Thank you, Mr. Chairman.

And, gentlemen and Ms. Jonas, thank you for your endurance. This has been a healthy hearing.

Let me make a comment or two about comments that have been made about the mental health of the soldiers and Marines that are returning.

I think in the context of a concern about their health, it is important to be reminded that the best and brightest of our young people, in fact, do go into the military.

And generally, typically, they have a number of requirements. Among those is to be absolutely drug-free, which is a very difficult requirement to meet now with employers on the civilian side with respect to new accessions.

I am reminded when I was in Balad with the gentleman from Texas, Mr. Reyes, and we had a couple of mortars come in just as we arrived and the general made us get inside the building very quickly. It was a movie theater.

We walked in and there were 400 G.I.s with their battle gear at their feet, having a Baptist church session. It was Sunday.

And they had, I think, a choir of about a hundred folks on the stage.

First time, I think, in history, where Congressman were forced under gunfire to go to church and to stay.

And we got to sit through the sermon, which was how you keep your family together while you are in the military.

And I was impressed with the normalcy, the even-temper, the deliberate confidence of our people in uniform, and I was reminded as I listened to my colleagues talk about their concern for the mental health of our soldiers and Marines that the people that I have known in this country who have been the coolest, the calmest, the most effective in civilian life, long after they leave the military were interestingly people who had been in fairly intense combat.

And I have seen a lot of the great people whose character has been improved by service in the U.S. military, and that has occurred to the benefit of our country.

Second point. It is in our interest to extend freedom. It is certainly in our interest to have an ally—for example, Japan, we stood up and defended and gave a new government after World War II so that we would have a democratic ally with a strong economy on that side of the Pacific.

It is in our interest to have an El Salvador that is a friend and ally in Central America, that we shield it from the National Libera-

tion Party (FMLN), from the Marxist guerrillas, stood up a free government there.

It will be strongly in our interests to have a free Iraq that is capable of protecting itself and being an ally of the United States, not an adversary, and not be a state sponsor of terrorism in the decades to come.

We are on what I would call a second phase of the three-phrase blueprint that we have used for 60 years in extending freedom around the world. One, you stand up a free government. Number two, you stand up a military capable of protecting that free government. Number three, the Americans leave.

And we are now on the second phase, which is most difficult. That is, standing up a military that is going to be capable of protecting this free government.

The Iraqi army is comprised of 129 battalions at this time. Well, I understand up a few additional battalions every several months.

A number of the battalions, I am led to understand, about 50 percent of the battalions have been rotated into combat operations. In some cases that is a function of where they are stood up, where they are assigned. If they are in the Sunni triangle or Baghdad or Al Anbar province they are going to have more action than the guys in the other areas.

I would think that the one thing that we can require, that we can demand, aside from these general goals and metrics of conciliation and de-Baathification and oil distribution, one metric which is precisely attainable and determinable is whether or not these battalions, these 129 battalions, have been given a combat rotation in a contentious zone.

Because, as we all know, and as General Pace knows especially, nothing matures a fighting force more quickly, more effectively than actual operational experience.

So, Mr. Secretary, I would hope you could provide for the committee a description of the 129 battalions, Iraqi battalions, with one or two sentences that describes their operational experiences.

Have they been in heavy combat, for example, in Baghdad or the Sunni triangle? Have they been essentially in a benign province in a garrison-type situation? What is their experience?

And what is the demand on the Iraqi Ministry of Defense to rotate all 129 battalions over the next year or so into a 3- or 4-month combat operational rotation, so at the end you have an experienced Iraqi military which has come when called, which has exercised its chain of command, and which has shown some modicum of combat effectiveness?

That is one thing that we can demand, that is ascertainable, and I think is the key to completing this second phase, which is standing up a military that can protect the government.

Last, on the question of embedded troops, I would think that Iraq's neighbors—and I am thinking of neighbors that have helped us to some degree in terms of training schools and things, like Jordan, could start supplying some embedded troops in what I would call the benign disciplines—that is, combat medical capability.

Could Jordan, for example, or Saudi Arabia or others provide some combat medic teams that could be embedded with Iraqi troops in place of American embeds after a while?

Maybe some in the areas of communications, transportation, logistics and other areas, that would seem to me to be an embedded—a species of embedded forces that would not be a threat to the Iraq sovereignty or to the leadership of the Iraqi military.

Could you speak to that?

Secretary GATES. It certainly is an idea worth pursuing. And General Pace and I will pass it back to General Petraeus. And we will also pursue it with our own government. And we will do our best to give you the report on the 129 battalions.

[The information referred to can be found in the Appendix beginning on page 125.]

Mr. HUNTER. If you could speak, are there any plans right now to effect this operational rotation schedule, to have one in effect where all of the Iraqi battalions are rotated in, moved in to a combat area for a three- or four-month tour?

General PACE. Sir, your letter that you sent, along with several of your colleagues, to the President—you were kind enough to give me a copy. I got that out to General Abizaid and General Casey. General Casey liked the idea. He is working it with his Iraqi counterparts.

Some of the units that are rotating into Baghdad right now from the Iraqi side to reinforce are from that list that you all had identified.

A couple of points to remember—and I know you do, sir—of the ten Iraqi divisions, five were recruited from hometown and the five were recruited nationally. So you haven an expectation, at least in those five divisions, that they are for homeland defense, so to speak, and not for deployment.

Mr. HUNTER. So we would have to work with the Iraqi government to ensure that as they recruit in the future, that they recruit their entire army to be used throughout the country, as opposed to some of it having been recruited to be homeland defense.

But, General, would that preclude them from even doing a three-month tour in a hot zone, so to speak? If you gave them combat pay and if we—I mean, if you are not going to have a national army, unless you have a national army that will respond nationally.

General PACE. I take your point, sir.

They are doing what you have suggested, which is providing to each of the soldiers that are deploying a stipend of $150 per month. They get their first month's pay in advance. They get the subsequent pay when they rotate back out of Baghdad. So they are taking on some of those ideas.

And we are working with the sovereign government of Iraq on how best to employ their armed forces.

The CHAIRMAN. I thank the gentleman very much.

And it does look like we are going to make it before your 1:30 deadline.

Dr. Snyder from Arkansas.

Dr. SNYDER. Thank you, Mr. Chairman.

Mr. Chairman, we are three and a half hours into this. We appreciate you being here, because a lot of members have questions and concerns.

I want to just make two or three quick comments and a couple of questions.

I know when the President made his decision on this new plan, there was a lot of discussion about levels of troops. And you had a variety of suggestions, from probably no increase to substantially more than the 21,500 that was settled on.

One of the concerns I have had is that while if you are one of those 21,000 troops it is a huge impact on you and your family, but in terms of the percent increase—and given the size of our military and the size of the number of troops we have in Iraq and what has occurred before, it is a fairly small percentage.

But I appreciate, General Pace, in your opening statement, you focusing on some of the things that this committee hasn't focused on, that Congress hasn't focused on, that you have been asked about several times, this interagency cooperation.

There was discussion about some kind of Goldwater-Nichols act to deal with this kind of stuff. We don't have several years to do that.

My fear is that we will make these kinds of statements, and then it get lost again and we will be dealing with these same kinds of issues we have had these last several years of how to deal with other issues in terms of the economic development, the redevelopment, the diplomacy which has not been there in the view of a lot of people to support the work that the troops have done.

With regard to Defense health care, the issues that Mr. McHugh mentioned about three hours ago, this line from the Defense health program as part of the budget, "In fiscal year 2008, this budget includes $1.862 million in proposed assumed savings, which assumes enactment of a $719 million legislative proposal and additional regulatory modification, requiring further study and a recommendation to be made by the Department of Defense task force on the future of military health care."

I have met with the leadership of that health task force. Their final report is not even due until December of this year. They have no expectation that their job is to find a recommendation on which you all can base savings in the health care budget.

So we need to be sure that we understand what their legislative or statutory mission is, and it was not specifically to find savings for this year's defense budget.

The specific question I want to ask about the budget, following up on what Mr. Ellsworth was talking about—he has the Crane Naval Warfare Center in his district in Indiana, which does research.

And I passed on to Ms. Jonas there, page 53 from the analytical perspective—talks about the science and technology (S&T) budget—and it shows for defense that basic research is a proposed cut of 9 percent, and applied research shows a proposed cut of 18 percent.

I don't understand, as we think that our edge, militarily, is technology, and our ability to stay ahead of competitors out there, why we would propose a cut at this magnitude and they are both basic and applied research budget and the defense budget.

Ms. JONAS. Thank you, sir.

As you pointed out, we have got about $10.8 billion associated with our S&T program and we have—that is down slightly from the enacted—the projected enacted level last year.

These accounts are somewhat thrown off by the fact that, particularly in the Army area, a lot of the member requests and ads are put into those accounts. It is all important, I understand.

But it is down. We had——

Dr. SNYDER. I will run out of time. I hope that is something you will look at——

General PACE. Yes, sir.

Dr. SNYDER. Because technology research budgets tend to have a higher inflation rate than other aspects of American life and so that can be a significant cutback in actual people doing work.

Secretary GATES. Mr. Snyder, I might just say very quickly that as the former President of a large research university, this is a subject of great interest to me and I will look at it personally.

[The information referred to can be found in the Appendix beginning on page 126.]

Dr. SNYDER. Revisit that issue if you would. That would be great.

The issue has come up on procurement. Again, General Pace, you mentioned that in your opening statement, your written statement. One very specific issue I want to ask. It came out of Goldwater-Nichols. It was considered a reform for the service fees to be removed from the chain of command when it came to procurement projects.

So your chief of naval operations plays no role in overseeing the construction of a vessel, despite cost overruns or whatever is going on.

Is it time, General Pace, to revisit that issue of the service chiefs being in the chain of command when it comes to procurement?

General PACE. It is time, sir.

Dr. SNYDER. Is there a way to do that in a way that we can take off a bite-sized morsel of that, perhaps in this year's defense bill, without screwing up the whole rest of the picture? Or do we have to sit back and say we have got to revisit the whole procurement system before we can look at that issue?

General PACE. Sir, I think you should simply remove the prohibition on the service chiefs being involved in the process.

When things go off-track, you hold them accountable, but you don't give them any way to be able to exercise any authority over that process.

Dr. SNYDER. Mr. Secretary, if you all have any suggested language on how to deal with that, I think that is something that we ought to look at.

This came about—you know, Goldwater-Nichols revisited Mr. Hamre's commission from a year or two ago.

Secretary GATES. We will come back to the committee on that.

[The information referred to can be found in the Appendix beginning on page 126.]

Dr. SNYDER. That would be great.

Mr. Secretary, with regard to the end-strength, we had a hearing before the Subcommittee on Personnel a week ago on how we came up with the 92,000 number.

Now, at this current point, 28,000 of those 92,000 are in uniform today, because of the temporary increase. So what we are talking about is an actual additional number of about 64,000 of additional troops that you would have at the end of a 5-year period. It is a fairly modest increase on an annualized basis.

We had trouble, on the committee, determining how that number was arrived at and in terms of scenarios and assumptions. And Mr. Kline had an excellent question, which was: What assumption is made with regard to the level of deployment of reserve component troops?

My question is—this is the broad one: Are you satisfied with the process of evaluation that arrived at—granted that there were different processes for the Marine Corps and the Army—are you satisfied with the processes that arrived at the number 92,000?

Secretary GATES. Yes, sir, for this reason: The number that came to me was really a general agreement that we needed to increase the end-strength of the force. Everybody agreed that the best way to do that was first to make the 30,000-person increase, temporary increase that you all had authorized, permanent, and then, over a 5-year period, to add 7,000 a year to the Army and 5,000 a year to the Marine Corps.

The reason they came up with those numbers was, as I understand it, was that was the number they thought they could recruit while sustaining the quality of the force and in connection with direction to them to minimize the use of stop-loss.

So those are how the numbers were come up with. It is not as high as the original number put forward by General Schoomaker, but the idea was that there could be off ramps or on ramps, depending on what international circumstances were.

The CHAIRMAN. I thank the gentleman.

The gentlelady from California, Ms. Tauscher.

Ms. TAUSCHER. Thank you, General Pace——

The CHAIRMAN. May I interrupt just a moment, Ms. Tauscher?

I am going to call on those that have not yet asked questions, and I will not be going back and forth, if that is agreeable with the minority.

Ms. Tauscher.

Ms. TAUSCHER. Thank you, Mr. Chairman.

General Pace, Mr. Secretary, Ms. Jonas, thank you for appearing before us. I have two sets of questions. One is regarding C–17s and the other is the cost of war. I am proud to represent Travis Air Force Base, the home of the Air Mobility Command.

And, you know, at a time when we have somewhat of an airlift crisis and the need to project forces—and, obviously, our military operations not abating, there are no funds in the budget request to purchase any additional C–17s.

So I would like you to address that if you could.

And regarding the cost of the war, the President's budget included three major requests, as you know. The main baseline budget request for $481.4 billion in discretionary spending. Then there was the additional $93.4 in fiscal year 2007 supplemental funding to cover the remaining unfunded war costs. And then there is the additional bridge fund. Which puts the war, I guess, about $163.4 billion in fiscal year 2007.

Then we have got the $141.7 billion to cover the war costs anticipated in fiscal year 2008. That brings the total budget request to $716.5 billion, with $235.1 billion just for war costs.

I just want to know how do I separate out the cost of the surge. Do you have a cost for the surge? And what do you expect our force levels in Iraq to be at the end of December of 2007?

General PACE. C–17 is a great aircraft. And as you know, ma'am, the analysis was that we needed 180 of them, plus the C–5 fleet that we have.

We have been using the lifespan of the aircraft faster than we had intended, flying more hours per year than were programmed.

Based on that, as you know, we asked for money last year in the supplemental to buy, I think it was an additional two or three. Congress gave us ten. And our estimate is that with that amount given to us already and the need to maintain 180, that for now the pot is about right on the air fleet when you add in the C–17s, the C–5s, some of which we are not allowed to decommission, and the availability of civilian aircraft.

Secretary GATES. There is $5.6 billion in the budget for the surge. We have no money in the fiscal year 2008 war on terror addition.

Our estimate for the force costs in the global war on terror for the size of the force in Iraq is premised on 140,000 troops in Iraq and 20,000 in Afghanistan. And what we have provided is essentially a straight-line projection from today's costs.

And so it is caveated with the fact that obviously what happens on the ground is going to make a big difference either up or down.

Ms. TAUSCHER. If I can just comment on the C–17 piece of it. We know we are going to need more C–17s. I take responsibility with a couple of my other colleagues for goosing up the number up to ten in last year's budget because the cost to the American people for C–17s that we may not admit we need now but we will eventually authorize and appropriate is going to be much higher than it would be if we ordered them today or prepared to order them today because the company building the C–17s is going to make the line cold.

Ms. JONAS. And what our attempt was to do was to kind of feed demand to keep the line warm so that the average price in the future for the American people is more reasonable than it would be if we didn't have any future appropriations.

So I would ask for some consideration of the fact that it is going to cost us some money to keep this line warm. We certainly know our NATO allies are looking at acquiring four C–17s, which is great for interoperability and for many other reasons.

So I hope that we will continue to look at keeping that line warm.

Ms. TAUSCHER. I appreciate it. Thank you.

The CHAIRMAN. I thank the gentlelady.

I might ask the witnesses—we may rub a few minutes past the 1:30 deadline, but I think we are going to make it. But there are only four questioners left, and I hope that you would bear with us in case we do go over just a few moments.

Secretary GATES. Four will be just fine, Mr. Chairman.

The CHAIRMAN. Mr. Andrews, New Jersey.

Mr. ANDREWS. Thank you, Mr. Chairman.

I thank the panel for their indulgence and endurance this afternoon.

Mr. Secretary, in fiscal 2007, which we are now in, and fiscal 2008, the money actually outlaid and proposed for training and equipping of troops and police in Afghanistan and Iraq adds up to $17.6 billion.

Your testimony indicates that we have more than 300,000 soldiers and police trained and equipped in Iraq. And I believe the number in Afghanistan was now up to 88,000.

How many people in Iraq, how many police and security forces in Iraq, will be trained in fiscal 2007 and in fiscal 2008?

Secretary GATES. In terms of the actual numbers, I will have to get that for you, sir. I don't know off the top of my head.

[The information referred to can be found in the Appendix beginning on page 127.]

Mr. ANDREWS. Let me ask you if you could just give us an estimate. Of the 300,000 Iraqi police and security forces that will be deployed in fiscal 2008, do you have an estimate of how many were—would be trained in fiscal 2007 and 2008?

General PACE. Sir, the delta between the current strength of 328,000 and 362,000 will be trained in 2007. And then you have the normal cycling out of individuals who completed their term and new recruits coming in who will be on a recurring basis trained like we do our own Army. I will have to get the exact numbers. I don't know what those are, sir.

Mr. ANDREWS. Ball park, is it a third of them be trained in 2007 and 2008?

General PACE. Sir, I don't know. I don't want to guess.

Mr. ANDREWS. Here is my concern. If you assume that Iraq is absorbing about 70 percent of the training costs, because it is about 70 percent of the personnel, and if you assume that every single one of those police and security forces were trained and equipped in fiscal 2007 and 2008, it costs $42,000 per trainee.

Now, I assume that is not the case that some fraction of the 300,000, if it is half of them, it is costing us $84,000 per trainee. If it is a third, it is costing us $132,000 per trainee.

Do we know how much it costs to train and equip an Iraqi Security Force member per trainee?

Ms. JONAS. We don't have a per capita calculation. We can get that for you, sir, for the record.

Mr. ANDREWS. I don't mean to be combative in the question. I am a little disquieted that we have spent, I guess, $50 billion of taxpayers' money and we don't readily have an answer to the question how much we are spending per trainee.

If I asked the chief of police in my home district how much he or she is spending per trainee, I would expect them to have that answer pretty quickly.

Do you have an estimate how much it is?

Secretary GATES. I don't, sir, no.

Mr. ANDREWS. Understand that part of the problem here is this growing skepticism of the members of the public and of the committee about whether this training is effective at all.

And here is the devil's advocate proposition I would make to you: There are people who believe that the reason the effectiveness of the Iraqi security forces has been erratic at best—others would characterize it as very poor—is that the problem really is not the training; the problem is the loyalties of the troops—to whom they are loyal; that their principal loyalties are to their tribe or their sect or their warlord as opposed to the Iraqi government.

One of the ways that I think you could dispel that argument would be to say that, you know, that we are effectively training people. But it is hard to dispel the argument if you don't have some specific information on the cost.

What does it cost to train an American soldier, a G.I. in the U.S. Army? What does it cost to train and equip him or her?

Ms. JONAS. We can get that for the record, sir. The——

Mr. ANDREWS. You don't know that either?

Ms. JONAS. The cost for salaries is about $120,000. There are substantial costs associated with equipping——

Mr. ANDREWS. But the salary costs are not included in the Iraq and Afghanistan. That is training and equipped.

Ms. JONAS. That is right.

Mr. ANDREWS. What does it cost to train and equip a U.S. soldier?

Ms. JONAS. We can get that total for the record. But a fair amount of that, probably half of that, is to equip.

Mr. ANDREWS. In our case?

Ms. JONAS. Yes.

Mr. ANDREWS. Yes. Okay.

The other question I would ask you, just for the record to submit, is a detailed year-by-year breakdown, in both Iraq and Afghanistan, of the number of persons who have entered training, the number of persons who have successfully completed training, the number of persons who have taken the off-ramp for whatever reason, and how much on a per capita basis we have spent in both Iraq and Afghanistan, in both the security forces and the police.

Thank you very much.

[The information referred to can be found in the Appendix beginning on page 127.]

The CHAIRMAN. You know, I find it rather interesting that you don't know the answer to those questions. That is bottom line. But it concerns me a great deal, that that is a very elementary question that Mr. Andrews put.

The next gentleman, Mr. Larsen.

Mr. LARSEN. Thank you, Mr. Chairman.

The CHAIRMAN. Excuse me, Mr. Larsen.

Ms. Davis, Mr. Taylor and then Mr. Abercrombie, and we are going to squeeze you all in.

Go ahead.

Mr. LARSEN. Mr. Chairman, I have actually submitted some questions for the record. So I am not going to take anywhere near my five minutes.

I just want to highlight for the secretary, there is a set of questions about China and the anti-satellite tests, the impact on some of the decisions that were made in the budget.

And so, those are for the record, and I look forward to the responses.

And for the chairman, in your testimony, you discuss on pages 8 through 10 some of the interagency coordination ideas, including expansion and extension of Sections 1206, 1207 and 1208, as well as a national security initiative fund. And I have questions for the record, as well, on those.

And I would look forward to getting some information back. Once I get those back, perhaps I can do some follow-up.

But rather than have you—rather than break your stride on Iraq, I will just leave those questions for the record and look forward to your responses.

Thank you, Mr. Chairman, and yield back.

The CHAIRMAN. I thank the gentleman.

I might mention to our witnesses that we would hope that responses can be very timely, as in the past some have been very, very, very slow getting back. And I would appreciate that very much, getting back to us on that.

The CHAIRMAN. Ms. Davis of California.

Ms. DAVIS OF CALIFORNIA. Thank you. Thank you, Mr. Chairman.

Thank you to both of you, really all of you, three of you, for being here.

I wanted to go back, perhaps, my colleague who was saying he is going to leave on the table on the interagency collaboration ideas and what you have laid out. But I wanted to go back to that for a second, because I know that, Secretary Gates, you said earlier in the testimony that probably no one has more experience with the National Security Administration and the other agencies to have an overview of this and what you would like to see it achieve.

And I wonder, going into the budget, you may not have intimate knowledge, but are we really funding that in a way that is appropriate, number one.

And number two, do we have the expertise to really call on people? The whole effort in Iraq, as I understand it, is going to be dependent on the provisional response teams there and what they are able to bring to the table. We know from many articles, journalists, that we obviously did not have that ability in the Green Zone or out in the communities. We used people who had great desire, I think, to be part of the process, to make a contribution, but unfortunately didn't have the expertise to do it.

Where are we going to get those people? How are we going to fund them? Are we giving them additional bonuses to do that? What is that going to mean in terms of our overall effort? Do you have some funding levels to share with us and are you satisfied with them?

Secretary GATES. I think that the State Department has come in with a request for funding for ten or so additional provisional reconstruction teams. The initial request, because we want to stand them up quickly, is that the Department of Defense provide from the National Guard and elsewhere people who have the engineering expertise, the legal expertise and so on. And we will try to be as helpful as we can in that because we think it is important.

But the reality is that I think that in terms of the government's ability to respond, that we need to work with the Congress to figure out if there is a way to bring greater flexibility, first of all in terms of being able for us perhaps to transfer money to another department of government, to be able to pay for or help with the expenses of somebody who is being dispatched to a war zone from the Department of Agriculture or something.

One of your colleagues has suggested in another forum the possibility of legislation that would create expeditionary positions in some of these departments where they would get military-like pay and benefits so their families would be taken care of.

If a 40-year-old man with a family in the Department of Agriculture is willing to volunteer to go to Afghanistan to help out, then how do we compensate him in a way that is different than somebody that rides a desk here in Washington, D.C.?

So there are several ideas on the table that I think we are just going to have work——

Ms. DAVIS OF CALIFORNIA. Could you share with me, Secretary Gates—because I think what is so frustrating is these are—we all see that this is an important thing to do.

And perhaps, General Pace, you can answer this better.

Did we not think about that? Did we not know that we are going to need people who could bring that kind of expertise to the effort?

I know that as a military commander, surely, you share with others that the fall—burden of this has fallen, really, on the military.

Where did we miss this?

General PACE. Ma'am, A, we have thought about it. This is not the first time I have had the opportunity to address it in my testimony to this committee and other committees.

It boils down to taking a look at the laws of the land and seeing what the impediments are to being able to deploy so that when we have somebody—when we have someone from Treasury or from wherever else in our government, that that individual is able to be deployed, that the job description includes being deployed, that the compensation includes that, that the education includes it, that the health care and the benefits to his family.

In other words, all the things—in the time I have, two quick ideas.

One, take what we do for our military and see how those benefits, as we deploy, might apply to civilians in the rest of our government.

Two, take the Goldwater-Nichols Act and see how each of the elements of Goldwater-Nichols might apply to the interagency process in our government. That requires a collaborative effort amongst the departments in the government and the Congress to determine what the best way ahead is.

We do need this, not just for this conflict, but for the next 10, 20 years as a government to be able to do these things for our Nation.

Ms. DAVIS OF CALIFORNIA. It is long-term——

General PACE. I would just put in a pitch. The State Department needs significant additional funding.

Ms. DAVIS OF CALIFORNIA. Thank you.

The CHAIRMAN. I thank the gentlelady.

The gentleman from Mississippi, Mr. Taylor.

Mr. TAYLOR. Thank you, Mr. Secretary and General, for sticking around so long.

And, Mr. Secretary, I do want to thank you for taking on a very difficult job. But, going back to your very eloquent statement about us making mistakes in short-term funding that have long-term implications, I see you repeating it. Your budget proposal for shipbuilding is pathetic. You count on seven vessels. I will combine that with the trend in the Navy to retire ships at about 20 years. That means the legacy of the Bush Administration will be a 140-ship Navy. That is crazy.

And, you know, I wish I could say that, well, we are doing things short term to make up for the fact that we are not doing things long term. But then I look at an inspector general report that came out just yesterday covering the DOD from February to October that said the units deployed in Afghanistan and Iraq are experiencing shortages in up-armored vehicles, electronic countermeasures devices, crew-served equipment such as .50 caliber machine guns and communications equipment.

Servicemembers driving off base in Afghanistan in SUVs and Ford Ranger trucks were using unarmored wreckers to recover vehicles, wrapping the drivers in Kevlar blankets to afford them some level of protection.

So we got horrible problems at the top, we have horrible problems on day-to-day operations. Your LCS program, which is three of these seven ships, is so screwed up that you ought to be hiring Michael Brown as its spokesman because, quite frankly, he is as screwed up as that program is.

And, no, I am dead serious. So what I am going to ask of you—I realize you inherited this budget. This budget was written before you became secretary of defense.

What I am going to ask of you, as someone who really does want to see this Nation build some ships and restore our maritime might, is that a reasonable request to give you 60 days to look at this request and to come back with something that really does meet our Nation's long-term needs, because this doesn't.

Is that a reasonable request?

Secretary GATES. All right, sir. I would tell you that the two figures that stick in my mind, though, were—at the level where I was looking at this—was the fact that we had $177 billion in the budget for modernization: $101 billion of that is for procurement; $76 billion for research and development.

I know, on the LCS, that we have put a stop-action order on the third ship because of the problems in the program, to evaluate and see where we go from here.

I also know that, on shipbuilding, we went from a little over $11 billion last year to over $14 billion this year. So those trend lines seem in the right direction to me, at the macro level.

But I will certainly take a look at what you request.

Mr. TAYLOR [continuing]. You do have a stop order on the LCS but you are counting on them for three vessels—so that is not accurate. You have them budgeted at about $300 million a piece. Well, heck, the first one is running better than $500 million by itself.

And so, you know, I know you are new on the job and I know you inherited this, but none of us are going to get anything done if we are not honest with each other. And we are certainly not going to reverse the horrible trend in shipbuilding where the fleet is about 60 ships smaller than when George Bush took office if we don't start trying to turn around.

Again, you are walking into this, but the experience has been, "Well, we are going to shortchange it this year, but we will get well next year." They have been saying that for seven years now. And, I mean, it is time to turn that around.

The second thing I would ask: I am absolutely convinced, since you did want to talk long term in your budget, that the Achilles' heel of the American military is fuel. And what I don't see in your budget is a serious attempt to lessen our dependence on foreign oil.

One of the ways we could do that is with the next generation of cruisers. Why aren't we looking at a nuclear-powered cruiser? They did it in the past. All the reasons that made sense when Admiral Rickover came before this Congress in the 1960's still make sense today, except that we are importing more oil now than then.

It reduces your heat signature from a heat-seeking missile. You do not have to refuel. But above all, if the future of naval weapons is energy-directed weapons, why not build a ship that has enough power on it for not only this year and next year, but for the next 30 years, so that we are not retiring those ships 15 years from now because they didn't have adequate power to take care of the radars, the telecommunications equipment and the energy-directed weapons that we know are going to be coming down the pike?

Secretary GATES. Fair question.

Last question?

Mr. TAYLOR. What would be your—I am very much in favor, based on what I saw happen in Mississippi after Hurricane Katrina and the great job the National Guard did in responding to that, and knowing that if there is an attack on the homeland, it is going to look a lot like that. I think the proper response to that is to elevate the chief of the National Guard Bureau, who we are going to be counting on to respond to something like that, to a four-star status and having him a member of your Joint Chiefs of Staff.

What would be your reaction to this bill that has already been introduced by a number of senators and a number of congressmen?

Secretary GATES. I have a problem with elevating the head of the Guard Bureau to the Joint Chiefs of Staff because of unity of command issues, but I am very open to the possibility of a fourth star for the head of the National Guard Bureau. I think, looking at the responsibilities—and I have asked the Joints—we have the commission that is under way right now, looking at the National Guard.

I have asked the Joint Staff to look at this and make their recommendations to me. But my inclination is in the direction of a four-star.

Mr. TAYLOR. Thank you.

The CHAIRMAN. I thank the gentleman.

The gentleman from Hawaii, Mr. Abercrombie.

Mr. ABERCROMBIE. Thank you, Mr. Chairman.

Just to follow up, Mr. Gates, on that last point, you might want to consider getting rid of the Northern Command in the process.

Right now, the Northern Commander, which was jerryrigged to begin with and pulled out of all the other commands, in terms of personnel, also wears another hat. The National Guard is supposed to take care of that. So when you take up that question, I hope you will take up getting rid of that useless command.

Now, following up on Mr. Andrews' approach, I can tell you that the budget put forward for Iraq in the next year and a half, with the supplemental and the 2008 budget, is $800 for every man, woman and child in the United States—$800 for every man, woman and child in the United States.

And the people who are trained or not trained or trained to whatever degree they are, are now going to be involved in this activity in Baghdad.

Now even somebody who supported this surge, General Keane, former Army vice chief, indicated, and I am going to quote here: "It actually risks the success of the operation, speaking of the ad hoc command arrangements that are there."

General Pace, can you tell me who is in charge of making decisions and giving orders in Baghdad today with the plan for this as it unfolds for this surge, which started, I believe on the 5th?

General PACE. On the Iraq side is Lieutenant General Abboud and on the U.S. side is General Casey, sir.

Mr. ABERCROMBIE. That is not what I am speaking of. Who is in charge at the ground level, right down there in the police stations, when the decision has to be made?

General PACE. If at the police station, where the Iraqis have the lead, the Iraqis are making the decisions, but that will not impact what U.S. forces do or don't do. U.S. forces will be under U.S. command.

Mr. ABERCROMBIE. How can it not? We are talking about the decisions made in the field right now. The Mahdi checkpoints have been withdrawn. They are the ones that kept the peace there in the area. They are the ones who checked the people coming in and out. They have been withdrawn. Who is in charge? Who makes the decision?

General PACE. Sir, the Iraqis are in the lead and we are in support. And our U.S. commanders will make decisions about what U.S. troops will do.

Mr. ABERCROMBIE. So if an Iraqi sergeant says, "This is where we are going," the Americans follow. Is that correct?

General PACE. No, sir, that is not correct.

Mr. ABERCROMBIE. Then how is it going to work?

General PACE. Sir, it is going to work this way: The Iraqi commander will decide what he wants to do. He will go do it with Iraqi troops. If they need support, he will ask his embedded U.S. support team for that support. The American commander will decide whether or not that support is appropriate and he will decide whether or not it is available.

Mr. ABERCROMBIE. You say an "American commander," is it an American sergeant talking to an Iraqi sergeant——

General PACE. No, sir——

Mr. ABERCROMBIE [continuing]. In the field going door to door?

General PACE. Sir, there will not be that kind of teams going door to door. There will be Iraqis going door to door under Iraqi command. If they get in trouble, the U.S. Army or U.S. Marine captain who has his company available to support will be requested by the U.S. embedded team to provide that support. And then they will decide whether or not that support is appropriate and if it is, whether or not they can provide it.

Mr. ABERCROMBIE. When you say "support," will they be back at the police station waiting?

General PACE. They will be either at the police station waiting, sir, or in other assembly areas in the area.

Mr. ABERCROMBIE. Well, that gets us to the point of equipment. Then are we sharing equipment as in American equipment with the Iraqis? And is that accounted for in the budget that is proposed?

General PACE. The Iraqis have 98 percent of their equipment already, sir, provided through December of last year—98 percent. There are a few vehicles that are not yet delivered to the Iraqi army.

Mr. ABERCROMBIE. Does that include the radio communications?

General PACE. It does, sir.

Mr. ABERCROMBIE. So everybody has an interpreter?

General PACE. Oh, no, sir. No, sir. Physical radios, yes. Interpreters—we do not have enough interpreters.

Mr. ABERCROMBIE. Then how are they going to communicate?

General PACE. The embedded teams that are with them have interpreters, sir, but not every single Iraqi patrol or U.S. patrol is going to have embedded. The teams that are co-located have interpreters, sir.

Mr. ABERCROMBIE. But how is it going to work in the operational level in the squads where they are going to be most at risk to be shot or to have to make decisions about shooting if you can't talk with one another?

General PACE. U.S. squads will be inside of U.S. platoons, will be commanded by U.S. company commanders.

Mr. ABERCROMBIE. And you really think this is going to work——

General PACE. Sir, it is not clean. It is not easy. It is not pure. And there are going to be difficulties, and there are not enough interpreters. But it is an Iraqi lead, and we are trying to support. There are not enough interpreters.

Mr. ABERCROMBIE. Is it fair to say you have parallel lines of authority?

General PACE. Yes, it is, sir.

Mr. ABERCROMBIE. Okay.

Audience MEMBER. You could try a cease-fire.

Mr. ABERCROMBIE. How long do you expect that this will work? I mean, how long will it take to know whether you are accomplished your mission in these nine different areas?

General PACE. We should start seeing results in March-April timeframe, sir, to know how well the operations are going.

As you recall, I have said many times and will continue to say that the military piece of this is one leg of a three-legged stool. And no matter how well or how bad military operations go, they will not be successful without the political and economic pieces of the stool.

Mr. ABERCROMBIE. I understand. But what kind of a timeline—can I finish that?

The CHAIRMAN. Answer the question, please.

Mr. ABERCROMBIE. What kind of timeline are you giving for this operation to transition to what you just mentioned about political and economic?

General PACE. Sir, we expect the military piece to be providing results in months.

Mr. ABERCROMBIE. Before the start of the fiscal year?

General PACE. If I can talk to you—I will be happy to have a very direct conversation with you, sir. I do not want to be telling our enemy publicly when it is we are going to stop or not stop operations. I would be happy to tell you face to face.

Mr. ABERCROMBIE. Thank you.

The CHAIRMAN. I thank the gentleman.

It is interesting to note that Prime Minister Maliki, basing his comment—and I think he proceeded by saying something to the effect, without political risk—and he told our group this, a large group this—that should he get all the necessary equipment, training and the like, we could begin allowing our troops to leave in three to six months, which was the first time he had said that in a forum.

Mr. Secretary, before we let you go, bottom-line question: I don't like to use the word "surge," but it has been used so much by the media and by other folks, but it is really a troop increase. And it is based, also, upon the Iraqi government living up to certain commitments.

What if this doesn't work? What are the alternatives for this country?

Secretary GATES. I have said, Mr. Chairman, that I don't think this is the so-called last chance. I think that I would—as I said, we hope this will work, we are funding it to work, we are resourcing it to work, we are sending the troops forward.

But I would be irresponsible if I did not have people looking at contingencies in the event this does not work and if, in two months or so—the three months or whatever period of time—people turn to me and say, "Okay, now what do we do?"

So we are working on those. And I would be happy to discuss those with you in person.

The CHAIRMAN. Let me thank each of you for being with us today. We stretched your 1:30 deadline by a few minutes. But thank you for your answers, your direct answers and your comprehensive answers. We do appreciate it, and we look forward to seeing you again soon.

Thank you very much.

Secretary GATES. Thank you, Mr. Chairman.

General PACE. Thank you, Mr. Chairman.

Ms. JONAS. Thank you.

[Whereupon, at 1:45 p.m., the committee was adjourned.]

A P P E N D I X

February 7, 2007

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

FEBRUARY 7, 2007

FINAL

STATEMENT OF SECRETARY OF DEFENSE ROBERT M. GATES
HOUSE ARMED SERVICES COMMITTEE
WEDNESDAY, FEBRUARY 7, 2007, 9:30 A.M.

NOT FOR PUBLICATION UNTIL RELEASED BY THE
COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES

Mr. Chairman, Congressman Hunter, Members of the Committee:

I thank the Committee for all you have done to support our military these many years, and I appreciate the opportunity to provide an overview of the way ahead at the Department of Defense through the budgets being proposed this week: First, the President's Fiscal Year 2008 Defense Budget, which includes the base budget request and the FY 2008 Global War on Terror Request; and second, the FY 2007 Emergency Supplemental Appropriation Request to fund war-related costs for the remainder of this fiscal year.

I believe it is important to consider these budget requests in some historical context as there has been, understandably, some element of sticker shock at their combined price tags – more than $700 billion in total.

But, consider that at about 4 percent of America's Gross Domestic Product, the amount of money the United States is expected to spend on defense this year is actually a smaller percentage of GDP than when I left government 14 years ago following the end of the Cold War – and a significantly smaller percentage than during previous times of war, such as Vietnam and Korea.

Since 1993, with a defense budget that is a smaller relative share of our national wealth, the world has gotten more complicated, and arguably more dangerous. In addition to fighting the Global War on Terror, we also face:

- The danger posed by Iran and North Korea's nuclear ambitions, and the threat they pose not only to their neighbors, but globally, because of their record of proliferation.
- The uncertain paths of China and Russia, which are both pursuing sophisticated military modernization programs; and
- A range of other potential flashpoints and challenges.

In this strategic environment, the resources we devote to defense should be at the level to adequately meet those challenges.

Someone once said that "Experience is that marvelous thing that enables you to recognize a mistake when you make it again."

Five times over the past 90 years the United States has either slashed defense spending or disarmed outright in the mistaken belief that the nature of man or behavior of nations had somehow changed, or that we would no longer need capable, well funded military forces on hand to confront threats to our nation's interests and security. Each time we have paid a price.

The costs of defending our nation are high. The only thing costlier, ultimately, would be to fail to commit the resources necessary to defend our interests around the world, and to fail to prepare for the inevitable threats of the future.

FY 2008 Base Budget

The President's FY 2008 base budget request of $481.4 billion is an increase of 11.3 percent over the projected enacted level of FY 2007, and provides the resources needed to man, organize, train, and equip the Armed Forces of the United States. This budget continues efforts to reform and transform our military establishment to be more agile, adaptive, and expeditionary to deal with a range of both conventional and irregular threats.

Some military leaders have argued that while our forces can support current operations in the War on Terror, these operations are increasing risks associated with being called on to undertake a major conventional conflict elsewhere around the world. This budget provides additional resources to mitigate those risks.

The FY 2008 base budget includes increases of about $16.8 billion over last year for investments in additional training, equipment repair and replacement, and intelligence and support. It provides increases in combat training rotations, sustains air crew training, and increases ship steaming days.

Increase Ground Forces

Despite significant improvements in the way our military is organized and operated, the ongoing conflicts in Iraq and Afghanistan have put stress on parts of our nation's ground forces.

Last month, the President called for an increase in the permanent active end strength of the Army and Marine Corps of some 92,000 troops by FY 2012. The base budget request adds $12.1 billion to increase ground forces in the next fiscal year, which will consist of 7,000 additional Soldiers and 5,000 additional Marines.

Special Operations Forces, who have come to play an essential and unique role in operations against terrorist networks, will also grow by 5,575 troops between FY 2007 and FY 2008.

Strategic Investments – Modernization

The base budget invests $177 billion in procurement and research and development that includes major investments in the next generation of technologies. The major weapons systems include:

- Future Combat System ($3.7 billion) – The first comprehensive modernization program for the Army in a generation.
- Joint Strike Fighter ($6.1 billion) – This next generation strike aircraft has variants for the Air Force, the Navy, and the Marine Corps. Eight international partners are contributing to the JSF's development and production.
- F-22A ($4.6 billion) – Twenty additional aircraft will be procured in FY 2008.
- Shipbuilding ($14.4 billion) – The increase of $3.2 billion over last year is primarily for the next generation aircraft carrier, the CVN-21, and the LPD-17 amphibious transport ship. The long-term goal is a 313-ship Navy by 2020.

Missile Defense

I have believed since the Reagan Administration that if we can develop a missile defense capability, it would be a mistake for us not to do so. There are many countries that either have or are developing ballistic missiles, and there are at least two or three others – including North Korea – that are developing longer-range systems. We also have an obligation to our allies, some of whom have signed on as partners in this effort. The Department is proceeding with formal negotiations with Poland and the Czech Republic on establishing a European missile site. The missile defense program funded by this request will continue to test our capability against

more complex and realistic scenarios. I urge the committee to approve the full $9.9 billion requested for the missile defense and Patriot missile programs.

Space Capabilities

The recent test of an anti-satellite weapon by China underscored the need to continue to develop capabilities in space. The policy of the U.S. Government in this area remains consistent with the longstanding principles that were established during the Eisenhower Administration, such as the right of free passage and the use of space for peaceful purposes. Space programs are essential to the U.S. military's communications, surveillance, and reconnaissance capabilities. The base budget requests about $6.0 billion to continue the development and fielding of systems that will maintain U.S. supremacy while ensuring unfettered, reliable, and secure access to space.

Recapitalization

A major challenge facing our military is that several key capabilities are aging and long overdue for being replaced. The prime example is the Air Force KC-135 tanker fleet, which averages 45 years per plane. It is becoming more expensive to maintain and less reliable to operate. The Air Force has resumed a transparent and competitive replacement program to recapitalize this fleet with the KC-X aircraft. The KC-X will be able to carry cargo and passengers and will be equipped with defensive systems. It is the U.S. Transportation Command's and the Air Force's top acquisition and recapitalization priority.

Quality of Life – Sustaining the All-Volunteer Force

Our nation is fortunate that so many talented and patriotic young people have stepped forward to serve, and that so many of them have chosen to continue to serve.

In December, all active branches of the U.S. military exceeded their recruiting goals, with particularly strong showings by the Army and Marine Corps. The FY 2008 request includes $4.0 billion for recruiting and retention to ensure that the military continues to attract and retain the people we need to grow the ground forces and defend the interests of the United States.

We will continue to support the all-volunteer force and their families through a variety of programs and initiatives. The budget includes:

- $38.7 billion for health care for both active and retired service members;
- $15 billion for Basic Allowance for Housing to ensure that, on average, troops are not forced to incur out-of-pocket costs to pay for housing;
- $2.9 billion to improve barracks and family housing and privatize an additional 2,870 new family units; and
- $2.1 billion for a 3 percent pay increase for military members.

In addition, recently announced changes in the way the military uses and employs the Reserves and National Guard should allow for a less frequent and more predictable mobilization schedule for our citizen soldiers.

Combined with other initiatives to better organize, manage, and take care of the force, these recent changes should mean that in the future our troops should be deployed or mobilized less often, for shorter periods of time, and with more predictability and a better quality of life for themselves and their families.

Train and Equip Authorities

Operations in Iraq, Afghanistan, and elsewhere have shown the critical importance of building the capacity and capability of partners and allies to better secure and govern their own countries.

In recent years we have struggled to overcome the patchwork of authorities and regulations that were put in place during a very different era – the Cold War – to confront a notably different set of threats and challenges.

The Administration has, with congressional support, taken some innovative steps to overcome these impediments. A significant breakthrough was the Section 1206 authority that allows the Defense and State Departments to more rapidly and effectively train and equip partner military forces. In the FY 2008 base budget, we are seeking dedicated funding of $500 million to use this authority. I would ask for a serious, collaborative effort with Congress to develop the right interagency funding mechanisms and authorities to meet critical national security needs.

Global War on Terror Requests

The President's two war-related requests are the FY 2007 Emergency Supplemental Request for $93.4 billion, and the FY 2008 Global War on Terror Request for $141.7 billion.

The FY 2007 Supplemental Request is in addition to the $70 billion that has already been appropriated for war-related costs in this fiscal year. If these additional funds are delayed, the military will be forced to engage in costly and counterproductive reprogramming actions starting this spring to make up the shortfall. Timely enaction of the FY 2007 Supplemental is critical to ensuring our troops in the field have the resources they need.

The additional U.S. ground and naval forces being sent to the Iraq theater are projected to cost $5.6 billion. This total includes funding for personnel costs, supplies, spare parts, contractor support, and transportation.

The FY 2008 GWOT Request complies with Congress's direction to include the costs of ongoing operations in Iraq and Afghanistan in the annual Defense Department budget. Given the uncertainty of projecting the cost of operations so far in the future, the funds sought for the FY 2008 GWOT Request are generally based on a straight-line projection of current costs for Iraq and Afghanistan.

The war-related requests include $39.3 billion in the FY 2007 Supplemental and $70.6 billion in the FY 2008 GWOT Request to provide the incremental pay, supplies, transportation, maintenance and logistical support to conduct military operations.

Reconstitution.

The FY 2007 Supplemental requests $13.9 billion – and the FY 2008 GWOT Request $37.6 billion – to reconstitute our nation's armed forces – in particular, to refit the ground forces, the Army and Marine Corps, who have borne the brunt of combat in both human and material terms. These funds will go to repair or replace equipment that has been destroyed, damaged, or stressed in the current conflict.

All Army units deployed, or about to deploy, for missions overseas are fully trained and equipped, often with additional gear for their particular mission. In an expeditionary, rotational force one can expect that units returning from their deployment will decline to a lower readiness level as personnel turn over and equipment is repaired or replaced. The $13.6 billion in reset

funds in the FY 2008 GWOT Request for the U.S. Army will go a long way towards raising the readiness levels across the force.

Force Protection

The war-related requests include $10.4 billion in the FY 2007 Supplemental, and $15.2 billion in the FY 2008 GWOT Request for investments in new technologies to better protect our troops from an agile and adaptive enemy. Programs being funded would include a new generation of body armor, vehicles that can better withstand the blasts from Improved Explosive Devises (IEDs), and electronic devices that interrupt the enemy's ability to attack U.S. forces. Within this force protection category, the FY 2007 Supplemental includes $2.4 billion and the FY 2008 GWOT includes $4.0 billion to counter and defeat the threat posed by IEDs.

Afghan/Iraqi Security Forces

The FY 2007 Supplemental requests $9.7 billion, and the FY 2008 GWOT requests $4.7 billion, to stand up capable military and police forces in Afghanistan and Iraq.

The bulk of these funds are going to train and equip Afghan National Security Forces (ANSF) to assume the lead in operations throughout Afghanistan. As of last month, some 88,000 have been trained and equipped, an increase of 31,000 from the previous year.

The $5.9 billion for the ANSF in the FY 2007 Supplemental is a substantial increase over previous years' appropriations. It reflects the urgent priority of countering increased activity by the Taliban, Al Qaeda, and narcotics traffickers to destabilize and undermine the new democracy in Afghanistan. These funds will significantly upgrade the capability of Afghan forces to conduct independent counter-insurgency operations.

In Iraq, more than 300,000 soldiers and police have been trained and equipped, and are in charge of more than 60 percent of Iraqi territory and more than 65 percent of that country's population. They have assumed full security responsibility for three out of Iraq's 18 provinces and are scheduled to take over more territory over the course of the year. These Iraqi troops, though far from perfect, have shown that they can perform with distinction when properly led and supported. Iraqi forces will be in the lead during operations to secure Baghdad's violent neighborhoods. By significantly increasing and improving the embedding program, Iraqi forces will operate with more and better Coalition support than they had in the past.

Non-Military Assistance

Success in the kinds of conflicts our military finds itself in today – in Iraq, or elsewhere – cannot be achieved by military means alone. The President's strategy for Iraq hinges on key programs and additional resources to improve local governance, delivery of public services, and quality of life – to get angry young men off the street and into jobs where they will be less susceptible to the appeals of insurgents or militia groups.

Commanders Emergency Response Program, or (CERP) funds are a relatively small piece of the war-related budgets – $456 million in the FY 2007 Supplemental, and $977 million in the FY 2008 GWOT Request. But because they can be dispensed quickly and applied directly to local needs, they have had a tremendous impact – far beyond the dollar value – on the ability of our troops to succeed in Iraq and Afghanistan. By building trust and confidence in Coalition forces, these CERP projects increase the flow of intelligence to commanders in the field and help turn local Iraqis and Afghans against insurgents and terrorists.

Conclusion

With the assistance and the counsel of Congress, I believe we have the opportunity to do right by our troops and the sacrifices that they and their families have made these past few years. That means we must make the difficult choices and commit the necessary resources to not only prevail in the current conflicts in which they are engaged, but to be prepared to take on the threats that they, their children, and our nation may face in the future.

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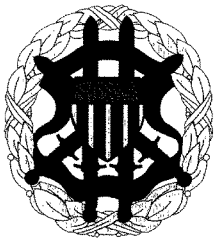
House Armed Services
Committee



POSTURE STATEMENT OF GENERAL PETER PACE, USMC CHAIRMAN OF THE JOINT CHIEFS OF STAFF

BEFORE THE 110TH CONGRESS

HOUSE ARMED SERVICES COMMITTEE

7 FEBRUARY 2007

House Armed Services
Committee

Chairman Skelton, Congressman Hunter, distinguished members of the Committee, it is my privilege to report to you on the posture of the U.S. Armed Forces. On behalf of 2.4 million Active, Guard, and Reserve Soldiers, Sailors, Airmen, Marines, and our families, thank you for your continued support. Your visits to troops in Iraq, Afghanistan, and beyond; comfort to the wounded; and funding for transformation, recapitalization, pay and benefits are deeply appreciated.

America's military is the world's finest, due in large measure to the patriotic sacrifices of our Nation's Service members. I want to thank them and their families for all they have done, and continue to do, to maintain our freedom. For the first time, America's All Volunteer Force is fighting a long term war with a significant commitment of combat forces. Our troops are serving with extraordinary dedication and distinction. They are an inspiration to us all and I am honored to represent them here today.

Winning the War on Terrorism is and will remain our number one priority. At the same time, we will continue to transform our Armed Forces, strengthen Joint Warfighting capabilities, and improve the Quality of Life of our Service members and their families.

Strategic Environment

My biennial National Military Strategy Risk Assessment was recently submitted to Congress. That classified document and the Secretary of Defense's plan for mitigating risk depict the challenges we face around the globe and discuss how we will overcome them. Sustained deployments, equipment utilization, and operational tempo each impart risk from a military perspective. The current heavy demand for ground, sea, and air capabilities is not likely to dissipate in the immediate future.

As stated in my Assessment, our Armed Forces stand ready to protect the homeland, prevent conflict, and prevail over adversaries.

These missions present simultaneous and interrelated challenges of varying intensity, immediacy, and danger.

America's Armed Forces are in our sixth year of sustained combat operations. We are fighting sectarian violence, insurgency, and terrorism in Iraq and Afghanistan. Al Qaeda and its allies threaten the safety of our homeland and our overseas partners – threats made more alarming by the proliferation of Weapons of Mass Destruction. We face other threats and challenges as well:

- Iran sponsors operations in Lebanon and Iraq that are destabilizing those governments. In addition, Iran's drive to enrich uranium highlights its desire to assert greater influence in a region of vital interest to our Nation.
- North Korea's pursuit of nuclear weapons and associated missile technologies poses another strategic challenge. The launch of multiple ballistic missiles on the fourth of July 2006 coupled with the apparent successful detonation of a nuclear device in October 2006 undermines counter-proliferation efforts, threatens many, and could provoke a regional arms race.
- China's military build-up continues unabated, to include offensive strike missiles, expanded sea and air control capabilities, anti-satellite systems, cyber-attack technologies, and an increasingly capable Navy and Air Force.
- Pakistan requires continued international support to maintain stability. Given its possession of nuclear weapons and pivotal location, a stable government in Pakistan is critical to guard against transnational terrorism and ease tensions with neighboring India.
- The Abu Sayaf Group in the southern Philippines and Al-Qaeda's partner Jemaah Islamiyah in Indonesia threaten international maritime security in strategic waterways.
- Narco-terrorists in Latin America destabilize societies, harm nations, and hold American citizens hostage.

- The governments of Venezuela and Cuba are openly anti-U.S. Together, they actively seek to create alignments to oppose us throughout the region.
- Succession questions in Cuba may lead to mass migration.
- Political and humanitarian challenges in Africa are myriad, including the specter of growing instability, genocide, civil war, and safe havens for terrorists.

Given the breadth of these challenges, their complexity, and their potential long duration, we must increase our overall capacity in order to reduce strategic risk. The proposed Fiscal Year 2008 Budget, the Fiscal Year 2007 Supplemental, and the Fiscal Year 2008 Global War on Terrorism Request match resources to these tasks. These budget requests represent a significant investment, but that investment is approximately 3.9% of our Gross National Product – relatively modest in historic terms.

Win the War on Terrorism

We must prevail in the Global War on Terrorism. Sustaining operations in Iraq and Afghanistan, while maintaining readiness to respond to new contingencies around the globe, is a heavy burden for our current force structure. Nearly a million American men and women in uniform have deployed to Iraq and Afghanistan, and more than 400,000 have been deployed more than once. Presently, more than 200,000 troops are deployed to the Central Command area of responsibility; another 210,000 are elsewhere overseas. Most of our Army Brigade Combat Teams and their Marine Corps regiment equivalents receive only one year at their home station before deploying again – and that year is spent actively preparing to redeploy overseas to fight. We will have twenty Brigade/Regimental Combat Teams deployed to Iraq, with another three in Afghanistan, one in Korea, and one in Kosovo. This drives our units to operate at about a 1:1 "deployed:at-

home" ratio – which is about half the time we believe is necessary to sustain readiness for the long term.

To accomplish our missions in Iraq and Afghanistan and remain prepared for other challenges, the President and Secretary of Defense have announced a number of personnel initiatives. These include the increase of force structure for the Army and Marine Corps, and policy changes to the way we mobilize our Reserve Component. The Army and Marine Corps are both focused on using this added troop strength to grow their operational forces. We are committed to building an active Army of 48 Brigade Combat Teams. That is an increase from a previous goal of 42. For the Marine Corps, we are adding one Regimental Combat Team. The Army is also civilianizing military positions, cutting its non-operational force structure, and reallocating those manpower savings to combat units. The Marine Corps is also implementing policy to ensure all Marines have the opportunity to serve in a combat zone.

Approximately 38,000 individual augmentees have deployed to headquarters such as Multi-National Force-Iraq, the International Security Assistance Force in Afghanistan, and U.S. Central Command. Nearly 13,000 others have helped train Afghan and Iraqi forces. Most of these positions are filled by mid-grade leaders normally serving in operational units. Increased manning in these mid-grade ranks, to include the Army's request for an additional 2,852 field grade officers, will fill requirements without undermining combat units.

Our weapons, equipment, and supplies have been reduced by combat loss and consumption in Iraq and Afghanistan during the past five and a half years. We have also used significant resources in disaster relief operations responding to the Asian Tsunami, Hurricane Katrina, and Pakistan's earthquake. The FY2007 Supplemental and FY2008 Global War on Terrorism Request include a total of $51.5 billion to reconstitute our Joint Forces. While it will take some time for newly authorized troops to become available for deployment and for reconstitution of equipment to

take effect, our men and women in uniform are grateful for the much needed additional manpower and resources that are on the way.

The challenges we face are not ours alone; they threaten many others. Working with partners improves our ability to defeat terrorist networks and increases regional stability and security. Our regional security cooperation efforts in Latin America, particularly in Colombia where great progress is occurring, help local militaries protect democratic governments and build partnership capacity to counter terrorist, narcotic, and other illicit activity. In the Far East, our support for Southeast Asia maritime security in the Strait of Malacca and the Sulu and Sulawesi Seas helps fight terrorist and criminal activity. Combined Joint Task Force-Horn of Africa and the Trans-Sahara Counter-Terrorism Initiative deter terrorist activity, provide humanitarian assistance, and improve the ability of African countries to foster security within their own borders. And, we are establishing a new unified command for Africa to better integrate U.S. interagency efforts and partner with other nations and international organizations.

Boosting the capability of other countries' forces and providing direct action support to commanders in the field requires that we expand our irregular warfare capabilities. Irregular warfare includes long duration unconventional warfare, counter-terrorism, counterinsurgency, clandestine operations, and military support for stabilization and reconstruction. Our Special Operations units perform these missions in Iraq and Afghanistan, and deploy to approximately forty other countries around the world. To answer these demands, we are expanding the size of our Special Operations Forces and we have established the Marine Special Operations Command. We are also moving forward with the Global Special Operations Force Posture plan that will maximize the number of Special Operations Units forward deployed.

In addition to physical battlefields, the Global War on Terrorism has a significant information component. Our enemies use propaganda to

deliver their message and justify their actions. We counter the enemy's efforts most effectively when our actions and words reinforce America's strategic goals and national ideals. We deny our foes success in mobilizing sympathizers when local and global audiences understand the enemy's true intent. The Joint Staff, the Combatant Commands, and the Office of the Secretary of Defense are working together to ensure greater consistency and timeliness in our strategic communication efforts.

At its most basic level, winning the War on Terrorism means defending our homeland. To better protect the United States from direct attack, our Armed Forces are working closely with civilian leadership in federal, state, and local governments to provide an effective response in time of crisis. The Navy and Coast Guard are strengthening maritime domain awareness. The Air Force maintains surveillance and interceptor alerts to provide air sovereignty protection. The Army is investing in expanded biological weapons detection equipment and vaccines. And we are continuing to increase the capability of our Chemical Biological Radiological Nuclear and High Yield Explosive Consequence Management Response Forces and seeking more resources to better respond to multiple events in different locations. Contingency plans are continually refined so that the Armed Forces are prepared to assist civil authorities in the event of another terrorist attack. We are creating additional Weapons of Mass Destruction response teams. Moreover, we are working with coalition partners, through intelligence sharing, coordinated planning, and agreements such as the Proliferation Security Initiative to prevent the spread of Weapons of Mass Destruction.

Additionally, your Armed Forces are prepared to assist in responding to natural disasters. In such events, we would provide support in the form of manpower, logistics, transportation, communications, and planning, just as we did following the devastation of Hurricane Katrina. Likewise, military planners are focused on the dangers of a possible global Pandemic

Influenza, to ensure our readiness to execute military missions and support civil authorities.

Accelerate Transformation

The evolving diverse threats to our Nation make it imperative that we adapt and innovate. Transformation is a continual effort to significantly increase our ability to deter and defeat America's foes. It is an ongoing process of rethinking our doctrine and operational concepts; fashioning professional education and training to meet new challenges; restructuring our organizations and business practices to be more agile; improving our personnel policies; adapting our planning systems to be more responsive; reforming our acquisition and budget processes; and harnessing advanced technology. It is not an end state. It is a mindset and a culture that encourages innovation and fresh thinking.

We need a dramatic leap forward in our relationship with interagency and international partners. Today's many challenges – conventional, insurgency, terrorism, and the proliferation of weapons of mass destruction – require that our Armed Forces work closely with our civilian government counterparts and multinational partners. Much like Goldwater Nichols accomplished for our Armed Forces two decades ago, we should assess what new or revised authorities are needed to enhance interagency coordination, and build a more joint and integrated process. To increase our government's overall effectiveness in the War on Terrorism, we must improve three areas.

First, we must improve our ability to build partnership capacity. Our struggle against violent extremists requires that we fight people who hide in countries with whom we are not at war. In many cases, the best way to do this is by augmenting the capacity of those countries to defeat terrorism and increase stability – helping them overcome problems within their borders and eliminate terrorist safe havens. Legislation proposed by the Department of Defense and Department of State, the

Building Global Partnerships Act, extends and expands past enacted 1206, 1207, and 1208 authorities for educating, training and equipping foreign forces for counter-terrorism and stability operations. In addition, an interagency National Security Initiative Fund, to better invest in countering terrorism with other countries is required. In a time when national security priorities require integrated action by multiple government agencies, resource sharing and coordination among departments is essential. Authorization for a National Security Initiative Fund, under Congressional oversight and managed jointly by the Departments of State and Defense, will provide us with needed flexibility. Such a fund will be instrumental in harnessing resources across agencies to address changed circumstances and policies, and will complement congressionally granted transfer authority and emergency supplemental appropriations.

Second, we need greater expeditionary capabilities in U.S. government civilian agencies for stabilization and reconstruction operations. Our civilian agencies are under resourced to meet the requirements of the twenty-first century. Greater investment in these agencies is required if they are to be more effective in the Global War on Terrorism. To increase their expeditionary capability, the President has proposed the creation of a Civilian Reserve Corps for the State Department. We strongly support this initiative to boost our Nation's capability to deploy civilian expertise in tandem with our military.

Third, we must enhance interagency effectiveness. Just as the Goldwater-Nichols Act established a system of incentives and requirements to foster Jointness among military officers, we need to find ways inside of our government to encourage interagency expertise. Rewarding interagency education, interagency experiences, interagency collaboration, and interagency planning will facilitate better synergy between departments. We can go beyond the education we provide our military and civil servant professionals by transforming our National

Defense University into a National Security University. We can build on the success of interagency centers such as the National Counter Terrorism Center and Joint Interagency Coordination Groups at the Combatant Commands – which increase our operational effectiveness while providing personnel with interagency experience. We can increase planning capacity in civilian agencies. And, we can improve our planning, coordination, and operational execution through interagency exercises. Shared deliberate and crisis planning capacity among our interagency partners will improve our Nation's readiness for operations, and better integrate our Nation's diplomatic, military, intelligence, information, and economic instruments to forestall and address crises.

Strengthen Joint Warfighting

To win the war and continue the process of transformation, we are strengthening our Joint Warfighting capabilities. By employing our Service branches in a joint manner, we leverage their complementary capabilities. We can and should, however, go beyond our current level of jointness by moving from an interoperable force to an interdependent force. We have already had some successes. For instance, naval aviation is now responsible for all airborne electronic warfare. Air Force Unmanned Aircraft Systems provide key intelligence for all Services. Moreover, Navy and Air Force security, communications, and logistics elements fill joint requirements in Iraq and Afghanistan.

Combatant Commanders have identified shortfalls in our persistent Intelligence Surveillance and Reconnaissance capabilities, such as shortages of platforms, sensors, and processing infrastructure. To better support our Intelligence Surveillance and Reconnaissance needs, we are budgeting for more capacity. We are also refining integration between our unmanned assets, human intelligence operations, and our analysis capabilities – improving all.

Warfighter demands for satellite platforms and related terminal programs continue to grow as we field more bandwidth-intensive systems, deploy to austere locations, and connect more tactical users to our Global Information Grid. To meet our requirements for beyond-line-of-sight and reach-back communications, we must maintain military satellite communications launch schedules, leverage commercial capabilities, pursue efficiencies, and continue research and development initiatives.

America and our friends around the globe are increasingly dependent on networked communications systems to store, modify, and exchange data. Interruption of our access to cyberspace could significantly damage national defense and civil society. The Armed Forces' new cyber strategy sets a course that calls for the development of new organizations, intellectual capital, and greater interagency coordination. To ensure unity of effort, U.S. Strategic Command's Joint Task Force – Global Network Operations is working with the Combatant Commands, the Services, and the Interagency to strengthen and integrate defensive and offensive cyber capabilities. We are reviewing the authorities and responsibilities required for dealing with cyberspace threats, particularly as they apply to our relationship with other U.S. government agencies. Changes in authority and policy must ensure that the entire U.S. government is able to meet current and emerging threats.

We must also enhance our capability to engage targets globally and rapidly to strengthen strategic deterrence and response. We are developing conventional long range strike capability, improving missile defense, and modernizing our national command and control. These efforts will ensure our strategic deterrence capabilities remain relevant.

Improve the Quality of Life of our Service Members and our Families

Our men and women in uniform are our most precious resource. We must continue to ensure their welfare and that of their families. The most advanced ship, aircraft, or weapon system is useless without

motivated and well-trained people. Every day, our Soldiers, Sailors, Airmen, and Marines serve our Nation with distinction. We do well to honor their service by providing for them and their loved ones.

As of the submission of this statement, the FY2007 Military Construction, Quality of Life, and Veteran's Affairs appropriation is being considered for funding by a House Joint Resolution. Congressional approval of the proposed resolution without amendment will cause a $3.1 billion shortfall in the Base Realignment and Closure (BRAC) appropriation. This shortfall will jeopardize our ability to complete BRAC actions within statutory deadlines and create negative effects on the movement of our troops and their families in support of our global defense posture restructuring.

Predictability of deployments for all Service members is a key factor to quality of life. Sustainable force rotation policies are needed to spread the burden across the Active and Reserve Components. Greater mobilization predictability for Reserve Component members, and their families and employers is required. To accomplish this, the Secretary of Defense has established a new Total Force Policy. The mobilization of Reserve Component forces will be managed on a unit, instead of an individual, basis – and with a goal of one year maximum mobilization, followed by five years at home. This predictability will improve the quality of life in our Guard and Reserve while fostering greater unit cohesion. Stop Loss for both Active and Reserve forces will be minimized.

To our families, protecting our troops in combat is the most important measure of quality of life. All Defense Department personnel in Iraq and Afghanistan have state of the art body armor. As technology improves we are procuring the next generation of body armor. Likewise, thanks to your continued support, currently all of our tactical vehicles that operate off forward operating bases in Central Command's area of responsibility have armor protection. And we are purchasing vehicles

explicitly designed from the wheels up to limit Improvised Explosive Device damage. To further counter Improvised Explosive Devices, we established the Joint Improvised Explosive Device Defeat Organization. Teaming with private industry, we continue to make progress in this vital endeavor.

Providing for our troops and their families also means caring for our wounded. Our military medical system saves lives everyday – and helps them heal here at home. The efforts of our medical professionals and recent advances in medicine, technology, and rehabilitation techniques make a huge difference. Injury survivability rates are at a historic high - nearly 9 in 10 of all wounded troops survive, many of whom would have died in past conflicts. We are also working to address the effects of Post Traumatic Stress Disorder. Many injuries have a profound impact on troops and their families, and our health care system is dedicated to doing everything possible to bring them back to duty, if they wish – or, through our Military Severely Injured Center and the Services' wounded warrior programs, help our wounded return to society empowered to make a positive difference.

Conclusion

I testify before you today with tremendous pride in the performance of your Armed Forces. Some are in combat. Others stand guard. All are at war helping deter attacks on our Nation and allies.

Like World War II did for the Greatest Generation, this war will define this generation, and our troops are doing an extraordinary job. They serve this Nation superbly, willingly, and unflinchingly – volunteers all. The sacrifices they and their families bear for our entire Nation warrant our deepest gratitude. Like so many who have gone before them, their heroism is awe inspiring. It is an honor to serve alongside them.

Thank you for your support.

DOCUMENTS SUBMITTED FOR THE RECORD

FEBRUARY 7, 2007

Memorandum September 11, 2006

TO: Hon. Ike Skelton

FROM: Chris Blanchard, Ted Dagne, Kenneth Katzman, Julie Kim, Al Prados, and Clare Ribando
Foreign Affairs, Defense, and Trade Division

SUBJECT: List of recent conflicts involving the United States

This memorandum provides a list of conflicts you identified involving the United States since 1977, with brief descriptions, as per your request. If you have any questions, please call Julie Kim at ext. 73692.

1. **Operation Desert 1.** After the overthrow of the pro-U.S. Shah of Iran in 1979 and subsequent seizure of the U.S. Embassy and 50 U.S. hostages,* the Carter Administration mounted an abortive rescue operation in April 1980 involving the planned insertion of eight U.S. RH-53 helicopters, which were to free the hostages and transfer them to six C-130 transport planes at a rendevous point in southern Iran. President Carter aborted the mission after three of the helicopters malfunctioned. Eight U.S. servicemen were killed in a collision of aircraft on the ground after the decision was made to abort the operation.

*The Iranians originally seized approximately 100 hostages, including approximately 60 U.S. hostages; however, non-US personnel were subsequently released, as were some U.S. hostages on humanitarian grounds.

2. **Lebanon 1982-1983.** In September 1982, the Reagan Administration deployed 1,200 U.S. Marines to serve in a multilateral force to help establish internal security and facilitate the restoration of Lebanese government sovereignty. The situation deteriorated 1983 as the multilateral force came under increasing attacks from Lebanese opposition groups culminating in the bombing of the U.S. Marine Barracks and a French barracks by Shiite Muslim extremists in October 1983. U.S. forces left Beirut in early 1984, after it became obvious that the Lebanese government was not able to extend its control over the various factions in Lebanon.

3. **Grenada.** On October 25, 1983, President Reagan ordered a landing of some 7,000-8,000 Marines and Army airborne troops in Grenada after Maurice Bishop, the socialist-oriented leader who had seized power in a bloodless coup there in 1979, was assassinated. U.S. troops intervened to restore law and order and to rid the island of Cuban influences at the request of five members of the Organization of Eastern Caribbean States.

4. **Libya: Gulf of Sidra Dispute and Operation El Dorado Canyon, 1986**. An ongoing dispute over Libya's territorial water claims in the Gulf of Sidra prompted a series of naval and anti-aircraft skirmishes between Libya and the United States in the spring of 1986. After a terrorist bomb killed three people (including two U.S. Army personnel) and wounded 200 (including 60 U.S. citizens) in the LaBelle nightclub in Berlin on April 5, 1986, President Ronald Reagan cited "considerable evidence" of Libya's responsibility for the explosion as justification for retaliatory action by the United States. On April 15, 1986, some 100 U.S. aircraft attacked two military complexes, two air bases, and a port in Libya in an operation code-named El Dorado Canyon. Libyan sources said 70 people were killed in the attack, including Al Qadhafi's infant daughter. Two U.S. Air Force officers were killed when their F-111 was shot down.

5. **Panama.** In May 1989, in response to General Manuel Noriega's disregard of the results of the Panamanian election, President George H.W. Bush ordered an additional 14,000 U.S. troops to augment the estimated 13,000 U.S. troops already in the area. According to Bush, U.S. troops were sent to protect U.S. citizens living in Panama, to protect the integrity of the Panama Canal Treaty, to defend democracy in Panama, and to combat drug trafficking. Noriega was arrested on January 3, 1990, and brought to the United States to stand trial on drug trafficking charges.

6. **Operation Desert Storm**. On August 2, 1990, Iraqi forces under then President Saddam Hussein occupied Kuwait in an apparent effort to boost Iraq's oil revenues, exert increased control over oil prices, and possibly threaten Saudi Arabia and other Gulf states. President George H. W. Bush said "The invasion will not stand", and mounted a two-phase military operation to roll it back: (1) deployment of over 500,000 troops to the Persian Gulf area to protect our Gulf allies (Operation Desert Shield), and (2) a 40-day air campaign followed by a 5-day ground campaign which succeeded in expelling Iraqi forces from Kuwait (Operation Desert Storm). The Bush Administration suspended combat operations, in which a large allied coalition had also participated, on February 28, 1991. President Saddam Hussein remained in power, however, and Iraq continued to defy terms of the cease-fire.

7. **Somalia.** In December 1992, President Bush ordered U.S. troops, some 25,800 at peak, into Somalia as part of the U.S.-led United Task Force (UNITAF), or Operation Restore Hope. After President Clinton came into office in 1993, he reduced U.S. involvement and turned the mission over to the United Nations, retaining a separate U.S. detachment to support the U.N. force (UNOSOM II). The deaths of 18 American soldiers in a firefight with forces of General Mohammed Farah Aideed in October1993 and congressional pressure forced the Clinton Administration to end U.S. participation in peacekeeping in Somalia. U.S. troops left Somalia in March 1994, and the U.N. ended its mission in the spring of 1995.

8. **Haiti.** In September 1994, President Clinton deployed 1,500 troops to Haiti to restore the democratically-elected government of Jean Bertrand Aristide, which had been deposed by a military coup in February 1991. The U.S. troop level in Haiti quickly reached 21,000, but was later reduced to some 2,500 personnel, who were assigned to the U.N. Mission in Haiti (UNMIH), by March 31, 1995.

9. **Balkans: Bosnia.** In August-September 1995, NATO engaged in Operation *Deliberate Force*, a 12-day air operation against Bosnian Serb forces that shifted the balance of forces in the 3-year Bosnian conflict and set the stage for U.S.-led peace negotiations in Dayton, Ohio, later that year. [NATO air assets had already been enforcing a no-fly zone over Bosnia

since 1993.] In support of the Dayton peace agreement, NATO deployed a 55,000 strong multinational peacekeeping force in Bosnia, including about 16,000-17,000 U.S. troops.

10. **Balkans: Kosovo.** From March 23 to June 10, 1999, NATO (mostly U.S.) forces engaged in Operation *Allied Force*, a 78-day air operation in response to Serbian repression in Kosovo and an ensuing humanitarian crisis. NATO subsequently deployed a 45,000-strong peacekeeping operation, KFOR, which remains in operation in reduced strength (with about 16,000 multinational troops).

11. **Afghanistan.** The U.S. war to oust the Taliban regime in Afghanistan (Operation *Enduring Freedom*) began October 7, 2001; the combat consisted primarily of U.S. air strikes and special operations in support of anti-Taliban Afghan factions. Kabul fell by November 2001 and a new regime was established by the December 2001 "Bonn Conference," although some combat against Taliban forces continues today.

12. **Iraq.** Operation Iraqi Freedom began on March 19, 2003, consisting of an armored assault by U.S.-led forces against Iraqi military units. The offensive made steady progress and Saddam Hussein's regime fell by April 9, 2003; it was replaced by a U.S.-led occupation entity that handed sovereignty to an interim Iraqi government on June 28, 2004. U.S.-led military operations, however, continue as the Iraqi government seeks to consolidate its authority.

CONGRESSIONAL BUDGET OFFICE
U.S. Congress
Washington, DC 20515

February 1, 2007

Honorable John M. Spratt Jr.
Chairman
Committee on the Budget
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

At your request, the Congressional Budget Office (CBO) has estimated the cost of the President's plan to increase the number of military personnel deployed to Iraq under different scenarios related to the duration of that increase. In summary, CBO estimates that costs would range from $9 billion to $13 billion for a four-month deployment and from $20 billion to $27 billion for a 12-month deployment, depending upon the total number of troops deployed and including additional costs that would be incurred during the build-up and ramp-down periods.[1]

The analysis depends critically on three key factors:

- How many additional troops will be deployed?
- How long will the deployments last?
- What are the additional costs associated with incremental troop deployments?

Number of Additional Troops

The President has announced an increase in Army and Marine Corps forces to be deployed to the Iraq theater of operations. Over the next several months, that increase will be accomplished largely by deploying troops sooner than was previously planned and by lengthening the deployment of forces already in the Iraq theater. The increase in force levels has already begun and is expected to reach its peak of about 20,000 additional combat personnel in May.

1. CBO's analysis focuses only on the costs associated with deploying ground forces in Iraq. It does not encompass the costs that will be incurred for deploying additional naval forces to the Persian Gulf.

Thus far, the Department of Defense (DoD) has identified only combat units for deployment. However, U.S. military operations also require substantial support forces, including personnel to staff headquarters, serve as military police, and provide communications, contracting, engineering, intelligence, medical, and other services. Over the past few years, DoD's practice has been to deploy a total of about 9,500 personnel per combat brigade to the Iraq theater, including about 4,000 combat troops and about 5,500 supporting troops.

DoD has not yet indicated which support units will be deployed along with the added combat forces, or how many additional troops will be involved. Army and DoD officials have indicated that it will be both possible and desirable to deploy fewer additional support units than historical practice would indicate. CBO expects that, even if the additional brigades required fewer support units than historical practice suggests, those units would still represent a significant additional number of military personnel.

To reflect some of the uncertainty about the number of support troops, CBO developed its estimates on the basis of two alternative assumptions. In one scenario, CBO assumed that additional support troops would be deployed in the same proportion to combat troops that currently exists in Iraq. That approach would require about 28,000 support troops in addition to the 20,000 combat troops—a total of 48,000. CBO also presents an alternative scenario that would include a smaller number of support personnel—about 3,000 per combat brigade—totaling about 15,000 support personnel and bringing the total additional forces to about 35,000.

Length of Deployments

As requested, CBO estimated costs for a number of different deployment periods, ranging from four months to two years. In each case, the period identified is the length of time that the peak force levels would be sustained. In each case, there is also a three-month period during which forces would be gradually ramped up, and a similar period following the peak during which the force levels would gradually decline.

Cost of Increasing Forces

Estimating the cost of deploying additional troops to Iraq is difficult. DoD prepares monthly reports on obligations incurred in support of the war, but those reports do not contain sufficient detail on many cost elements, nor do they include information on key factors such as personnel levels or the pace of operations. As a result, they are not very useful in developing cost-estimating relationships.

In the absence of sufficient information from the monthly obligation reports or other sources, CBO based its estimate on appropriations provided in 2006 for operations in Iraq and Afghanistan, and for the war on terrorism—a total of $116 billion—and subtracted from that amount the costs of activities not related to the conflict in Iraq or not likely to vary significantly as a result of changes in the number of deployed troops. In total, CBO estimates that $89 billion of the funding provided in 2006 for personnel and personnel support, equipment repair and replacement, operating support, and transportation was related to the size of the deployed forces. CBO then projected costs for operations in Iraq in future years based on changes to those forces that would occur under the scenarios specified above. Most costs would be incurred during the deployment, but some of the costs to restore or replace damaged equipment could lag the end of the deployment by a year or more.

Results of CBO's Analysis

If DoD deployed a total of 48,000 troops, and sustained that level for four months, costs would be about $13 billion higher than for the current force levels, CBO estimates (see the table below). The 20,000 combat forces account for $5 billion of that cost. If the higher level was maintained for 12 months, costs would be $27 billion higher than the current level—$11 billion of which would fund the combat forces alone. Costs would increase by lesser amounts if the combat forces were accompanied by fewer support personnel. If additional forces totaled 35,000 troops, CBO estimates that sustaining such a deployment would cost $9 billion for four months and $20 billion for 12 months.

ESTIMATED FUNDING REQUIRED TO INCREASE THE NUMBER OF PERSONNEL DEPLOYED TO IRAQ UNDER ALTERNATIVE SCENARIOS

(Budget authority in billions of dollars, by fiscal year)

	2007	2008	2009	Total, 2007-2009
Four-Month Peak Deployment				
Sustain an Additional 48,000 Troops in Iraq (20,000 Combat Troops and 28,000 Support Troops)	9	3	*	13
Sustain an Additional 35,000 Troops in Iraq (20,000 Combat Troops and 15,000 Support Troops)	7	2	*	9
Twelve-Month Peak Deployment				
Sustain an Additional 48,000 Troops in Iraq (20,000 Combat Troops and 28,000 Support Troops)	10	15	3	27
Sustain an Additional 35,000 Troops in Iraq (20,000 Combat Troops and 15,000 Support Troops)	7	11	2	20

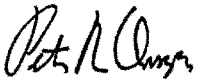
Notes: * = less than $500 million.
Each scenario includes the cost of a three-month buildup and a three-month withdrawal.

A substantially longer deployment would cost much more. A 48,000-person increase in deployed forces sustained for 24 months would cost an estimated $49 billion; a corresponding 35,000-person increase would cost about $26 billion, CBO estimates.

CBO's analysis does not incorporate any effect on federal tax revenues from an increase in the number of troops serving in combat zones, nor does it include any indirect effects on spending (from changes in veterans' benefits, for example). Finally, CBO's analysis does not address the effects that sustaining such increases in deployed forces would have on military readiness and other operational considerations.

I hope this analysis is helpful to you. If you would like additional information on this subject, we would be pleased to provide it. The CBO staff contacts for this analysis are Adam Talaber, Matthew Schmit, and David Newman.

Sincerely,



Peter R. Orszag
Director

cc: Honorable Paul Ryan
Ranking Member

Identical letter sent to the Honorable Ike Skelton and the Honorable Martin T. Meehan.

Hearing Date: Feb 07, 2007
Hearing: Department of Defense Budget
Member: Congressman Hunter
Insert: (Page 140, Line 3402)

(The information follows): The attached spreadsheet provides a description and the operational experience for the Iraqi Security Forces, as requested.

UNIT	COMBAT EXPERIENCE NARRATIVE
1ST IA DIV	
1/1/1 IA	Iraqi Army Lead. Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/1/1 IA	Iraqi Army Lead. Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/1/1 IA	Iraqi Army Lead. Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/2/1 IA	Iraqi Army Lead. Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/2/1 IA	Iraqi Army Lead. Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/2/1 IA	Iraqi Army Lead. Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/3/1 IA	Iraqi Army Lead. Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/3/1 IA	Iraqi Army Lead. Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/3/1 IA	Iraqi Army Lead. Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/4/1 IA	Iraqi Army Lead. Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations. Currently conducting combat operations in Baghdad

2/4/1 IA	Iraqi Army Lead. Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations. Currently conducting combat operations in Baghdad
3/4/1 IA	Iraqi Army Lead. Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
[redacted]	
2D IA DIV	
1/1/2 IA	Iraqi Army Lead. Conducts daily combat operations in Irbil Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations. Currently conducting combat operations in Baghdad.
2/1/2 IA	Iraqi Army Lead. Conducts daily combat operations in Irbil Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations. Currently conducting combat operations in Baghdad.
3/1/2 IA	Limited experience conducting combat operations in Irbil Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations. Requires additional training.
1/2/2 IA	Iraqi Army Lead. Conducts daily combat operations in Mosul. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/2/2 IA	Iraqi Army Lead. Conducts daily combat operations in Mosul. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/2/2 IA	Iraqi Army Lead. Conducts daily combat operations in Mosul. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/3/2 IA	Iraqi Army Lead. Conducts daily combat operations in Irbil and Ninewa Provinces. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/3/2 IA	Limited experience conducting combat operations in Irbil and Ninewa Provinces. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations. Unit required regeneration after failed deployment to Ramadi last year.
3/3/2 IA	Iraqi Army Lead. Conducts daily combat operations in Irbil and Ninewa Provinces. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/4/2 IA	Iraqi Army Lead. Conducts daily combat operations in and around Mosul. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/4/2 IA	Iraqi Army Lead. Conducts daily combat operations in and around Mosul. Operations consist of Cordon and Search, checkpoints, patrols, cache

	clearing, and other counterinsugency operations.
3/4/2 IA	Iraqi Army Lead. Conducts daily combat operations in and around Mosul. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
UNIT	COMBAT EXPERIENCE NARRATIVE
5TH IA DIV	
1/1/5 IA	Iraqi Army Lead. Conducts daily combat operations in Diyala Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/1/5 IA	Iraqi Army Lead. Conducts daily combat operations in Diyala Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/1/5 IA	Iraqi Army Lead. Conducts daily combat operations in Diyala Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/2/5 IA	Iraqi Army Lead. Conducts daily combat operations in Diyala Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/2/5 IA	Iraqi Army Lead. Conducts daily combat operations in Diyala Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/2/5 IA	Iraqi Army Lead. Conducts daily combat operations in Diyala Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
4/2/5 IA	Iraqi Army Lead. Conducts daily combat operations in Diyala Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/3/5 IA	Iraqi Army Lead. Conducts daily combat operations in Diyala Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/3/5 IA	Iraqi Army Lead. Conducts daily combat operations in Diyala Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/3/5 IA	Conducts daily combat operations in Diyala Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
6TH IA DIV	

1/1/6 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/1/6 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/1/6 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
4/1/6 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/2/6 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/2/6 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/2/6 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
4/2/6 IA	Force Generation
5/2/6 IA	Force Generation
1/3/6 IA	Recently completed Force Generation and currently undergoing training. Limited experience.
2/3/6 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/3/6 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/4/6 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/4/6 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/4/6 IA	Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
[redacted]	
UNIT	COMBAT EXPERIENCE NARRATIVE
[redacted]	

1/1/9 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/1/9 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/1/9 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/2/9 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/2/9 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/2/9 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/3/9 IA	Currently undergoing Force Generation and training in Taji. Experience currently limited to fixed site security
2/3/9 IA	Currently undergoing Force Generation and training in Taji. Experience currently limited to fixed site security
3/3/9 IA	Currently undergoing Force Generation and training in Taji. Experience currently limited to fixed site security

UNIT	COMBAT EXPERIENCE NARRATIVE
1ST SIB BN	Iraqi Army Lead. Secures the Shabazz Oil Fields and Kirkuk Pumping Station
2D SIB BN	Secures Kirkuk-Bayj pipeline in Riyadh area
3D SIB BN	Secures western portion of Kirkuk-Bayj pipeline
4TH SIB BN	Iraqi Army Lead. Secures western portion of Kirkuk-Bayj pipeline
5TH SIB BN	Iraqi Army Lead. Secures the Oil Fields and pipeline running to Kirkuk
6TH SIB BN	Minimal ability. Secures Benzene pipeline north of Bayji
7TH SIB BN	Secures oil pipeline and IT-1A pump station north of Bayji
8TH SIB BN	Secures critical infrastructure in and around Bayji, mans checkpoints, and secures oil pipelines from Bayji to COB Speicher
9TH SIB BN	Secures oil pipeline and electrical lines vicinity of Tikrit
10TH SIB	Iraqi Army Lead. Secures oil pipeline and electrical lines vicinity of

BN	Samarra
11TH SIB BN	Currently disbanded. Proposals for reconstitution currently being staffed by Iraqis
12TH SIB BN	Secures oil pipelines north of Bayji
13TH SIB BN	Conducts daily security operations in Ash Sharqat, no current infrastructure mission
16TH SIB BN	Secures the Karkh Oil Facility and 42 kilometers of pipeline to Mahmudiyah
17TH SIB BN	Secure 46 Kilometers of pipeline to Karbala and the Musyayib power plant
18TH SIB BN	Iraqi Army Lead. Conducts daily security operations between Bayji and Kirkuk, no current infrastructure mission
20TH SIB BN	Secures the Al Fathah Bridge northeast of Bayji

UNIT	COMBAT EXPERIENCE NARRATIVE
1 NP DIV	
QRF BN	Was part of the National Police HQ QRF, in support of the KARKH SECURITY DISTRICT. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1-1-1 NP	Operates in the SALMAN PAK Area of Operation. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2-1-1 NP	Operates in the SALMAN PAK Area of Operation. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3-1-1 NP	Operates in the SALMAN PAK Area of Operation. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1-2-1 NP	Currently undergoing Re-Bluing training at NUMANIYAH. Scheduled to conduct operations in RASHID WEST ON 2 APR 07. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2-2-1 NP	Currently undergoing Re-Bluing training at NUMANIYAH. Scheduled to conduct operations in RASHID WEST ON 2 APR 07. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3-2-1 NP	Currently undergoing Re-Bluing training at NUMANIYAH. Scheduled to conduct operations in RASHID WEST ON 2 APR 07. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1-3-1 NP	Operates in RASHID WEST Area of Operation. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.

2-3-1 NP	Formerly operated in RASHID WEST, currently operates in the SALMAN PAK Area of Operation. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3-3-1 NP	Operates in MND-N, in the SAMARRA Area of Operations. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1-4-1 NP	Operates in the NEW BAGHDAD SECURITY DISTRICT Area of Operations. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2-4-1 NP	Operates in the NEW BAGHDAD SECURITY DISTRICT Area of Operations. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3-4-1 NP	Operates in the ADHAMIYAH SECURITY DISTRICT area of Operations. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
[redacted]	
[redacted]	
1-5-2 NP	Operates in MND-N, in the BALAD area of Operations. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2-5-2 NP	Operates in the AL MANSOUR SECURITY DISTRICT Area of Operations. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3-5-2 NP	Operates in the KADAMIYAH SECURITY DSITRICT Area of Operations. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1-6-2 NP	Operates in the RASHID EAST Area of Operations. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2-6-2 NP	Operates in the RASHID EAST Area of Operations. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3-6-2 NP	Operates in the RASHID EAST Area of Operations. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1-7-2 NP	Operates in the RASHID WEST Area of Operations. Scheduled to go to Re-Bluing training in NUMANIYAH on 2 APR. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2-7-2 NP	Operates along Route TAMPA. Scheduled to go to Re-Bluing training in NUMANIYAH on 2 APR. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.

3-7-2 NP	Operates in the RASHID WEST Area of Operations. Scheduled to go to Re-Bluing training in NUMANIYAH on 2 APR. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1-8-2 NP	Operates in SADR CITY SECURITY DISTRICT Area of Operations. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2-8-2 NP	Operates in SADR CITY SECURITY DISTRICT Area of Operations. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3-8-2 NP	Operates in the RUSAFA SECURITY DISTRICT Area of Operations. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1-1 NP MECH	Conducts operations along Route IRISH. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3-1 NP MECH	Conducts operations along Route IRISH. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.

UNIT	COMBAT EXPERIENCE NARRATIVE
3D IA DIV	
1/1/3 IA	Iraqi Army Lead. Conducts daily combat operations in Ninewa Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/1/3 IA	Iraqi Army Lead. Conducts daily combat operations in Ninewa Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/1/3 IA	Iraqi Army Lead. Conducts daily combat operations in Ninewa Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations. Currently conducting combat operations in Baghdad
1/2/3 IA	Iraqi Army Lead. Conducts daily combat operations in Ninewa Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/2/3 IA	Iraqi Army Lead. Conducts daily combat operations in Ninewa Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/2/3 IA	Iraqi Army Lead. Conducts daily combat operations in Ninewa Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/3/3 IA	Iraqi Army Lead. Conducts daily combat operations in Ninewa Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.

2/3/3 IA	Iraqi Army Lead. Conducts daily combat operations in Ninewa Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/3/3 IA	Iraqi Army Lead. Conducts daily combat operations in Ninewa Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
[redacted]	
[redacted]	
1/1/4 IA	Iraqi Army Lead. Conducts daily combat operations in Salah Ad Din Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/1/4 IA	Iraqi Army Lead. Conducts daily combat operations in Salah Ad Din Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/1/4 IA	Iraqi Army Lead. Conducts daily combat operations in Salah Ad Din Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
4/1/4 IA	Iraqi Army Lead. Conducts daily combat operations in Salah Ad Din Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations. Currently conducting combat operations in Baghdad.
1/2/4 IA	Iraqi Army Lead. Conducts daily combat operations in Tamim Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/2/4 IA	Iraqi Army Lead. Conducts daily combat operations in Tamim Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/2/4 IA	Iraqi Army Lead. Conducts daily combat operations in Tamim Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
4/2/4 IA	Iraqi Army Lead. Conducts daily combat operations in Tamim Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/3/4 IA	Iraqi Army Lead. Conducts daily combat operations in Sulaymaniyah Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations. Currently conducting combat operations in Baghdad
2/3/4 IA	Iraqi Army Lead. Conducts daily combat operations in Sulaymaniyah Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations. Currently conducting combat operations in Baghdad
3/3/4 IA	Iraqi Army Lead. Conducts daily combat operations in Sulaymaniyah Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.

UNIT	COMBAT EXPERIENCE NARRATIVE
6THIA (CONT)	
4/4/6 IA	Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
5/4/6 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/5/6 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/5/6 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/5/6 IA	Iraqi Army Lead. Conducts daily combat operations in Baghdad. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
7THIA 1ST DIV	
1/1/7 IA	Iraqi Army Lead. Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/1/7 IA	Iraqi Army Lead. Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/1/7 IA	Iraqi Army Lead. Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/2/7 IA	Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/2/7 IA	Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/2/7 IA	Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/3/7 IA	Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.

2/3/7 IA	Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/3/7 IA	Conducts daily combat operations in Al Anbar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
[redacted]	
[redacted]	
1/1/8 IA	Iraqi Army Lead. Conducts daily combat operations in Qadisiya Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/1/8 IA	Iraqi Army Lead. Conducts daily combat operations in Najaf Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/2/8 IA	Iraqi Army Lead. Conducts daily combat operations in Babil Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/2/8 IA	Iraqi Army Lead. Conducts daily combat operations in Babil Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/3/8 IA	Iraqi Army Lead. Conducts daily combat operations in Wasit Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/3/8 IA	Iraqi Army Lead. Conducts daily combat operations in Wasit Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/3/8 IA	Iraqi Army Lead. Conducts daily combat operations in Wasit Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/4/8 IA	Iraqi Army Lead. Conducts daily combat operations in Karbala Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/4/8 IA	Iraqi Army Lead. Conducts daily combat operations in Karbala Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
[redacted]	
UNIT	COMBAT EXPERIENCE NARRATIVE
[redacted]	
1/1/10 IA	Iraqi Army Lead. Conducts daily combat operations in Basrah Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.

2/1/10 IA	Iraqi Army Lead. Conducts daily combat operations in Basrah Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/1/10 IA	Currently in Force Generation and training in Basrah Province.
1/2/10 IA	Iraqi Army Lead. Conducts daily combat operations in Muthana Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/2/10 IA	Iraqi Army Lead. Conducts daily combat operations in Muthana Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
1/3/10 IA	Iraqi Army Lead. Conducts daily combat operations in Dhi Qar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/3/10 IA	Iraqi Army Lead. Conducts daily combat operations in Dhi Qar Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations. Currently conducting combat operations in Baghdad
1/4/10 IA	Iraqi Army Lead. Conducts daily combat operations in Maysan Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
2/4/10 IA	Iraqi Army Lead. Conducts daily combat operations in Maysan Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations.
3/4/10 IA	Iraqi Army Lead. Conducts daily combat operations in Maysan Province. Operations consist of Cordon and Search, checkpoints, patrols, cache clearing, and other counterinsugency operations. Currently conducting combat operations in Baghdad

QUESTIONS AND ANSWERS SUBMITTED FOR THE RECORD

FEBRUARY 7, 2007

QUESTIONS SUBMITTED BY MR. HUNTER

Mr. HUNTER. On the question of embedded troops, I would think that Iraq's neighbors—and I am thinking of neighbors that have helped us to some degree in terms of training schools and things, like Jordan, could start supplying some embedded troops in what I would call the benign disciplines—that is, combat medical capability.

Could Jordan, for example, or Saudi Arabia or others provide some combat medic teams that could be embedded with Iraqi troops in place of American embeds after a while?

Maybe some in the areas of communications, transportation, logistics and other areas, that would seem to me to be an embedded—a species of embedded forces that would not be a threat to the Iraq sovereignty or to the leadership of the Iraqi military.

Could you speak to that?

Secretary GATES. The attached spreadsheet provides a description and the operational experience for the Iraqi Security Forces, as requested.

[The spreadsheet referred to can be found in the Appendix on page 111.]

QUESTIONS SUBMITTED BY MR. MCHUGH

Mr. MCHUGH. The FY 2008 President's budget has reduced the Defense Health program for fiscal year 2008 by at least $2.1 billion based on the assumption that by May of this year the Defense Task Force on the Future of Military Health Care will provide recommendations to achieve that level of program cut. This reduction includes $1.862 billion of assumed savings that are to be generated based on benefit reforms and another $298 million of undefined initiatives.

I note neither of your formal statements today addresses this reduction when last year achieving TRICARE savings formed a major element of the written DOD posture testimonies.

I also understand that the Task Force was unaware until yesterday that DOD expected them to develop recommendations that achieved such savings. Why do you think that the Task Force can develop program and benefit changes to achieve such a significant one-year reduction? In other words, how realistic is this objective?

Secretary GATES. We believe that a one-year reduction of at least $1.9 billion is possible. The Administration has proposed an option that would increase enrollment fees for non-Medicare eligible retirees only to a level that would still be attractive relative to cost-shares paid by beneficiaries of other programs and private employer-provided insurance. We believe that any examination of the cost structure of this program cannot help but find that maintaining the status quo is infeasible and indefensible. Realignments in the cost-sharing structure are essential.

The National Defense Authorization Act for FY 2007 directed the Department to establish a Task Force on the Future of Military Health Care. Among the areas required to be reviewed is "the beneficiary and government cost sharing structure." The Task Force has begun its deliberations. The Task Force is to complete its work in December 2007. However, this issue of cost structure must be addressed in the Task Force's interim report, due by May 31, 2007.

Mr. MCHUGH. Did DOD or OMB provide guidance to the Task Force on how these reductions might be achieved? Will the savings be generated by TRICARE fee increases alone?

Secretary GATES. No, DOD did not provide any guidance on how these reductions might be achieved. The savings generated were originally calculated based on three factors: (1) increase in revenue from fees that would be increased; (2) reduced utilization by users of the military health care system due to increased co-payments; and, (3) reduced number of users for those who have other health insurance and would choose not to enroll in TRICARE or to drop their TRICARE enrollment in preference to their other health insurance.

Mr. MCHUGH. What is the Department's course of action if the Task Force does not develop recommendations to achieve the full savings? Does DOD have a plan for making the Defense Health Program whole in fiscal year 2008, or will the as-

sumed program reductions take place regardless of what the task force recommends?

Secretary GATES. The FY 2008 President's Budget Request assumes a placeholder for $1.9 billion in savings from changes to the health benefit and changes in pharmacy incentives. The National Defense Authorization Act for FY 2007 directed the Department to establish a Task Force on the Future of Military Health Care. Among the areas required to be reviewed is "the beneficiary and government cost sharing structure." The Task Force has begun its deliberations. The Task Force is to complete its work in December 2007. However, this issue of cost structure must be addressed in the Task Force's interim report, due by May 31, 2007. The Department will use the Task Force's findings to work with the Congress to achieve the planned savings. The Department has not addressed how it might pay for these assumed savings because our focus is on supporting the Task Force and then working with Congress to determine how best to structure costs in order to sustain our military's superb health care benefit.

QUESTIONS SUBMITTED BY MR. MEEHAN

Mr. MEEHAN. As this Committee begins to consider the DOD's budget proposal, I would like to ask you what is the Army proposing to do to address the growing small arms and sniper threat in Iraq? More specifically, how does the Supplemental Appropriations proposal before us address this threat? Is this an area where the Army or the Department expects Congress to appropriate additional funds?

Secretary GATES. In FY07, the supplement funded critical counter sniper programs such as Vanguard, Boomerang, Ghost and the QUICKCAM systems. The Army expects that FY08 supplemental funds will be needed to fund these and other emerging solutions. The Army Asymmetric Warfare Office is actively coordinating near-term training solutions with the Asymmetric Warfare Group (AWG); material solution efforts through the Rapid Equipping Force (REF); and the far-term doctrine, organizations, training, materiel, leadership and education, personnel, and facilities (DOTMLPF) solutions with the U.S. Army Training and Doctrine Command's Army Capabilities and Integration Center. The AWG and the REF are on the ground, in theater, continuously accessing war fighter requirements. It is too early in the assessment cycle of the current solutions to identify any additional requests for funding. The Army will provide detailed funding requests as a result of changing threat and assessments, validation, and subsequent fielding and training requirements of new material solution.

Mr. MEEHAN. We just received the FY07 Supplemental along with the FY08 budget. My understanding is that the Department approved the Army's request to include funds in the Supplemental for upgrading the remainder of the Patriot fleet to Configuration 3, thereby making every Patriot launcher in the U.S. Army capable of firing our most advanced missile, the PAC–3.Unfortunately, the Administration (OMB) denied this request and removed Patriot upgrade funds from the Supplemental. The President even mentioned in his speech to the nation on January 10, 2007 that he ordered more Patriots to the Middle East to reassure our friends and allies. I further understand that the Army did not request funding for these upgrades in the FY08 budget. What are the Department's and the Army's plans to fund the remaining upgrades to make all of the Patriots Configuration 3?

Secretary GATES. The Army will address the PAC–3 upgrades through the normal budget process since the supplemental request was not supported. A two to three year delay in fielding the PAC–3 capability is the result.

QUESTIONS SUBMITTED BY DR. SNYDER

Dr. SNYDER. Technology research budgets tend to have a higher inflation rate than other aspects of American life and so that can be a significant cutback in actual people doing work. Revisit that issue if you would.

Secretary GATES. The level of S&T funding in the Fiscal Year (FY) 2008 President's Budget Request (PBR) is 2.1 percent lower than the adjusted FY 2007 request, in constant dollars. However the Department's request for S&T is still very high in historical terms. The seven highest requests for S&T, in constant dollars, have occurred in the last seven years. Within the FY08 PBR we have looked hard at all DOD investments, and had to fund the priorities within the Department.

S&T is important to me and in my most recent position as the President of Texas A&M University, I was privileged to lead an organization proficient in S&T research. Taking account of that experience, future DOD budgets will reflect strong continued commitment to S&T.

Dr. SNYDER. You mentioned that in your opening statement, your written statement. One very specific issue I want to ask. It came out of Goldwater-Nichols. It was considered a reform for the service fees to be removed from the chain of command when it came to procurement projects.

So your chief of naval operations plays no role in overseeing the construction of a vessel, despite cost overruns or whatever is going on.

Is it time, General Pace, to revisit that issue of the service chiefs being in the chain of command when it comes to procurement?

Secretary GATES. We recognize and value the importance of Service Chiefs participation and influence in the Department's requirements, budgeting and acquisition processes and are taking steps not only to strengthen existing means available for that participation, but creating new ones as well.

Central to this is the recently created Tri-Chaired Committee which is intended to better integrate processes that define needed capabilities, identify solutions, and allocate resources to acquire them, enabling corporate decision-making that cuts across traditional stovepipes. The Tri-Chaired Committee conducts Concept Decision Reviews with the Component Acquisition Executives, Service Vice Chiefs/VCNO/Deputy Commandant and OSD principals. The goal of the Concept Decision Review is to ensure that, as early as possible, DOD makes affordable corporate choices that balance operational needs and programmatic risks. These reviews are conducted in an open and transparent manner.

The Service Chiefs are also directly engaged in the existing means by which requirements and budgeting issues are reviewed and approved. With concern to requirements, Service Vice Chiefs are sitting members of the Joint Requirements Oversight Council. On budget and program issues the Service Chiefs sit on the senior-level review groups that oversea the Service Program Objective Memorandums and Budget submissions. Additionally, with respect to the acquisition decision process, the Vice Chiefs serve with the Service Acquisition Executives as co-chairs of their respective major acquisition decision review councils.

Also, Senior Leadership meetings are held throughout the year at junctures aligned with the budget and acquisition process and provide Service Chiefs similar opportunities to participate directly in formulating programs and budgets.

QUESTIONS SUBMITTED BY MR. ANDREWS

Mr. ANDREWS. How many police and security forces in Iraq will be trained in fiscal 2007 and in fiscal 2008?

I would ask, that you submit a detailed year by year breakdown, in both Iraq and Afghanistan, of the number of persons who have entered training, the number of persons who have successfully completed training, the number of persons who have taken the off-ramp for whatever reason, and how much on a per capita basis we have spent in both Iraq and Afghanistan, in both the security forces and the police.

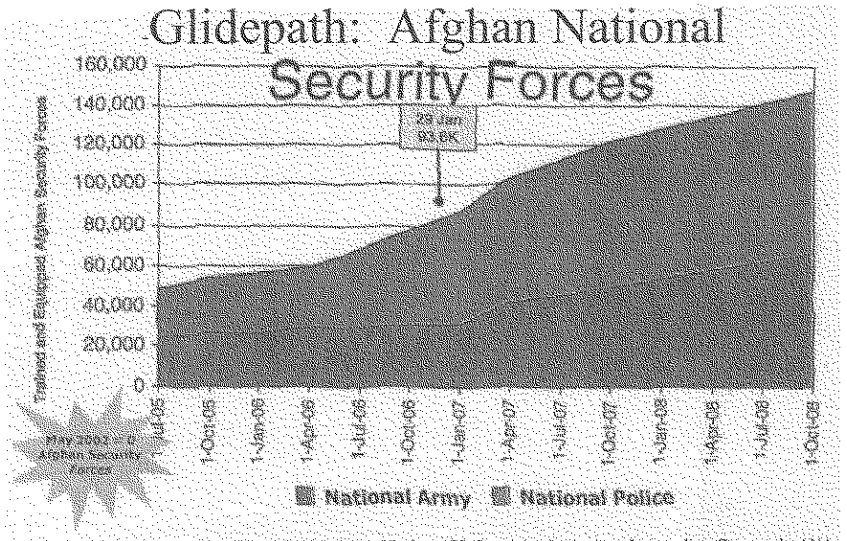
Ms. JONAS. Between February 2007 and January 2008, we expect 41,000 Iraqi security force personnel to be trained and equipped. See chart below.

Afghanistan

As of January 2007, 31,300 soldiers and *56,635* police have been successfully trained, equipped and assigned in Afghanistan. The attached chart shows the actual and projected security forces increases since July 2005 when the ASFF funds were first available. The total reflected, breaks down to an increase of about 7,150 soldiers and 31,562 police since July 2005.

The attrition rate for soldiers could be due to their service contracts ending; retirement; death or unauthorized leave (AWOL). A lack of communications and banking infrastructure in Afghanistan sometimes prompts soldiers to leave their units in order to deliver their salaries to their families. Combined Security Transition Command-Afghanistan (CSTC–A) estimates that the attrition rate at about 1.8 percent per month from the fielded soldiers and about 10 percent from trainees.

The per capita cost of a successfully trained, equipped and assigned national police officer will run about $60,500 and for an Afghan soldier it is about $144,000. This figure includes the FY 2007 and FY 2008 requests for funds and the projected number for the Afghan National Police and Army units at the end of FY 2008.



1. Afghan National Army includes Ministry of Defense/GS, Sustaining Institutions, Intermediate Commands, ANA Combat Forces, and Afghan Air Corps

2. Afghan National Police includes Ministry of Interior, Sustaining Institutions, Uniformed Police, ANAP, ANCOP, Border Police, Counter Narcotics Police, CID, Customs Police, and Counter Terrorism Police

Iraq

- As of February 2007, 136,400 soldiers and 192,300 police have been successfully trained, equipped and assigned in Iraq. The attached chart shows the actual and projected security forces increases through January 2008.
- As is true in Afghanistan, the attrition rate is due to a number of factors. The Coalition estimates that the attrition rate for Police forces is around 20% per year and for Defense forces around 12% per year.
- The per capita cost of a trained, equipped and assigned police officer is about $42,000 and for a soldier is about $150,000. This figure includes the FY 2007 and FY 2008 requests for funds and the projected number of Iraq Defense and Police forces.

QUESTIONS SUBMITTED BY MR. LARSEN

Mr. LARSEN. How might the recent Chinese anti-satellite test change the Department's National Space Program investment priorities? Are there any programs that are likely to receive additional emphasis?

Secretary GATES. Space capabilities are vital to U.S. national interests and to the effectiveness of our military operations. Our space capabilities face a wide range of threats including radio frequency jamming, laser blinding, and anti-satellite sys-

tems. A broad range of diplomatic and military options will be required to counter these threats. The maturation of these threats, to include China's anti-satellite capability, is carefully factored into planning for our system architectures and our resulting investment priorities. Our space control planning and budgeting efforts will continue to emphasize a strong foundation of space situational awareness, protection of U.S. space systems from the broad spectrum of space threats and protection our terrestrial forces from threats posed by adversary use of space.

Mr. LARSEN. What has been the official response of the Department of Defense to the Chinese ASAT test? How does the Department characterize this particular test? How does the Department characterize the test program and what are the implications for relevant parts of the DOD budget?

Secretary GATES. China is modernizing its military forces across the board and at an accelerated rate. As part of this broad effort, China is developing area denial capabilities, including counterspace capabilities that could have strategic implications for regional stability. China's recent anti-satellite test is one example, but is particularly disturbing given the inconsistency we see between this test and the spirit of cooperation outlined by President Bush and President Hu Jintao, including in the area of civil space cooperation. Chinese military modernization lacks transparency and has the potential to lead to crisis, instability and miscalculation of intent.

National Space Policy requires the Department to develop capabilities, plans and options to assure our freedom of action in space and to achieve our national security objectives. Our investment strategy for space and space-related activities is a balanced approach to achieving these capabilities. Our space control efforts, for example, continue to balance the need for situational awareness, protection of our space capabilities and protection of our terrestrial forces from threats posed by adversary use of space.

Mr. LARSEN. This committee seems to be seeing a huge budget increase in satellite programs. Given the recent Chinese ASAT test and given statements out of StratComm that space situational awareness is critical, is the committee going to see appropriate investments into space situational awareness assets?

Secretary GATES. Space capabilities are vital to U.S. national interest and the effectiveness of our worldwide defense operations. China's emerging ASAT capability is just one of the many threats our space systems face. Space situational awareness (SSA) is a foundational element for space operations and key enabler for our space control mission. Our investment strategy for space situational awareness continues to balance the need to: sustain existing capabilities; avoid gaps in current operations; develop the SSA network by adding new sensor capabilities and data sources to meet the challenges of emerging space threats; and integrate new and existing multi-source data utilizing new, value added processing capabilities to provide real-time, actionable SSA for rapid decision making.

Mr. LARSEN. Will the Department provide a report to this committee before the FY 2008 defense authorization markup describing this test, how this test fits into the Chinese military space program, what U.S. assets are threatened by this capability, what U.S. assets we currently have to counter this capability, and what U.S. assets we are developing or plan to develop to counter this capability?

Secretary GATES. We believe China's ASAT test must be taken in the context of their broader counter space and overall military modernization efforts. We, along with the intelligence community and the State Department briefed the HASC on 19 Jan. 2007 on the test event, risks to U.S. space systems, diplomatic actions and policy implications of the event. The Department also submitted to Congress its Space Control Review and Assessment on 28 July 2006 per the National Defense Authorization Act for FY 2006, Section 911. This report provides an overview of DOD requirements for space control, an assessment of current programs to meet these requirements and plans for future space control mission. The Department plans to submit our annual Report on Military Power of the Peoples Republic of China to Congress per Section 1202 of the National Defense Authorization Act for FY 2000, Public Law 106–65 as soon as possible. We believe these briefings and reports respond to these questions and frame China's ASAT test in the context of their broader military modernization and space control efforts. We would be pleased to brief you on any issues which require further clarification or amplification.

Mr. LARSEN. In the wake of the successful Chinese ASAT test in January, General Cartwright advised members of our Subcommittee on Strategic Forces that the most important response should be to improve U.S. space situational awareness. I see that the President's 2008 budget request increased National Security Space funding by $1.2 billion over 2007, not including funding for Space Radar, which is now classified. How much funding is included in the President's budget request for Space Situational Awareness? How large an increase is this funding from the FY 2007

level? In addition, would you provide the committee with details about the systems and associated budgets related to Space Situational Awareness?

Secretary GATES. The FY 2008 funding for Space Situational Awareness is $187.8 million, an increase of $66.1 million from the FY 2007 level.

Space Situational Awareness takes advantage of capabilities from existing collection systems through integration and processing of their data. It is knowledge of all aspects of space related to operations and is the foundation for space control. It encompasses intelligence on adversary space operations; surveillance of all space objects and activities; detailed reconnaissance of specific space assets; monitoring space environmental conditions, and conducting integrated command, control, communications, processing, analysis, dissemination, and archiving activities. The budget details for Space Situational Awareness provided in the table below reflects the costs associated with the integration, processing, and distribution of Space Situational Awareness. The budget for the existing systems are contained in their individual budget lines and represent the funding for those systems which support a much broader set of requirements.

Space Situational Awareness (SSA) Systems funding for RDT&E, AF (Millions):

FY07	FY08	FY09	FY10	FY11	FY12	FY13
121.7	187.8	160.5	313.3	379.9	351.7	264.3

Mr. LARSEN. In the Secretary's testimony, he outlines in broad strokes the elements of the 2007 supplemental and the 2008 supplemental. A quick look at these numbers shows that they do not add up to the total of each supplemental. The descriptions of elements in the 2007 supplemental falls 20 billion dollars short of the total and the descriptions of elements 2008 supplemental falls 12.4 billion dollars short of the total. What elements make up these shortfalls?

Secretary GATES. The data in Secretary Gates's testimony purposely included only the largest elements in the two bills, not every element. The table below, similar to the one from the Department of Defense Press Release, shows all the elements in the FY 2007 Supplemental and the FY 2008 Global War on Terror Request.

FY 2008 Global War on Terror Request

Table 2. Funding by Functional Category

$ in Billions

	FY 2006[1]			FY 2007					FY 2008	
Continuing the Fight	Title IX	Supp	Total	Title IX	Supp	Adjustment	Subtotal	Total		
Operations	31.8	35.3	67.2	30.5	39.2	0.4	39.6	70.2	70.6	1%
Force Protection	1.6	3.7	5.4	3.4	8.0	0.5	8.5	11.8	11.2	-5%
IED Defeat	1.4	2.0	3.3	1.9	2.4	-	2.4	4.4	4.0	-8%
Military Intelligence Program	0.2	1.3	1.5	0.8	2.7	-	2.7	3.5	2.7	-23%
Iraq & Afghan Security Funds	-	4.9	4.9	3.2	9.7	-	9.7	12.9	4.7	-64%
Coalition Support	-	1.2	1.2	0.9	1.0	0.1	1.1	2.0	1.7	-15%
CERP	0.5	0.4	0.9	0.5	0.5	-	0.5	1.0	1.0	2%
Military Construction	-	0.2	0.2	-	1.1	-0.1	1.0	1.0	0.7	-27%
Regional War on Terror	-	-	-	-	0.3	-0.3	0.0	0.0	-	-
Modularity	1.2	3.8	5.0	-	-	-	-	-	-	-
Factory Restart	-	-	-	-	0.0	0.1	0.1	0.1	-	-
Provincial Reconstruction Teams	-	-	-	-	0.0	0.1	0.1	0.1	-	-
Reconstituting the Force										
Reconstitution	9.0	10.2	19.2	23.6	13.9	-1.6[3]	12.4	36.0	37.6	4%
Enhancing Ground Forces										
U.S. Forces "Plus Up"	-	-	-	-	5.6	1.0	6.5	6.5	-	-
BCTs / RCT	-	-	-	-	3.6	-	3.6	3.6	1.6	-57%
Grow the Force	-	-	-	-	1.7	-0.2	1.5	1.5	-	-
Non-DoD Classified & Non-GWOT	2.8	3.0	5.7	5.1	3.6	-	3.6	8.8	5.9	-32%
Total	48.5[2]	66.0	114.5	70.0	93.4	0.0	93.4	163.4	141.7	-13%

[1] *Reflects FY 2006 enacted amounts*

[2] *Does not include $1.5B for Non-GWOT activities*

[3] *Adjustment removed two F-35s, five C-130Js, five EA-18Gs, and one CV-22 aircraft from the request*

10090055-2.4 CATEGORIES

75

Note: Includes amended 2007 Supplemental levels based on the President's amended request submitted to Congress on March 9, 2007.

Mr. LARSEN. In the Chairman's testimony, he argues on pp. 8–10 the importance of three elements of what he terms transformation. First, he calls for extending and expanding Sections 1206, 1207, and 1208 authorities. Will the Chairman provide a

specific description of the implementation of these authorities and specific plans for the future use of these authorities? Has the Building Global Partnerships Act been introduced or do you envision its inclusion in the defense authorization bill?

General PACE. Section 1206 allows the Secretary of Defense with concurrence from Secretary of State to train and equip foreign military forces for counterterrorism or in stabilization efforts where U.S. forces are operating.

In FY06 this authority was limited to $200M. The Department exercised the authority in the following countries: Pakistan (improving counterterrorism strike capabilities); Indonesia (securing strategic sea lanes); Sri Lanka (reducing ungoverned maritime spaces); Gulf of Guinea (reducing ungoverned maritime spaces); Yemen (countering cross-border activity); Caribbean Basin (forward defense of homeland); Lebanon (reducing Hezbollah operational space); and Morocco, Algeria, Tunisia, Chad, and Senegal (securing the region against terrorism).

In FY07 the authority limitation was raised to $300M. We have prioritized a number of important projects and are currently sourcing the funding which is scarce. Section 1206 is an authority without an appropriation. All funding must come from existing resources.

The foreign and security assistance process takes 2 to 4 years from concept to execution. Section 1206 allows us to respond in a matter of months to urgent and emergent threats and opportunities when they become extent. Annually, the number of urgent and emergent threats and opportunities vastly exceeds the current $300M authority.

Plans for the future: The Department has requested expansion of this authority to include non-military security forces, to make the authority permanent, and to increase the cap to $750M. This would enable us to build partner capacity when and where needed. The Department has also requested a $500M appropriation for 1206 in FY08 in addition to the expanded authority. All combatant commanders have cited 1206 as the most important authority they have to get ahead of threats in the War on Terrorism. We would appreciate the opportunity to sit down with your staff and review this program in detail.

Section 1207 allows the Secretary of Defense to provide services to, and transfer defense articles and funds to the Secretary of State for purposes of reconstruction, security, or stabilization assistance to a foreign country. This authority was enacted in January 2006 and expires 30 September 2007.

In FY06, we used this authority to bolster host nation, U.S. government, and international efforts to clear unexploded ordnance in Lebanon that pose an immediate hazard to noncombatants, impede reconstruction efforts, and breed resentments exploited by local militias like Hezbollah. It also funded efforts to train and equip additional Lebanese internal security forces to perform police functions. This task was especially critical because Lebanese Army forces previously performing police duties in areas such as the Bekaa Valley had been deployed south of the Litani River to enforce the current cease-fire, hampering the Lebanese government's ability to enforce law and order in areas vacated by the army. Training police forces helped reduce gaps in government services that could be exploited by Hezbollah and permit the Lebanese government to maintain army forces in the southern part of Lebanon.

For FY07 we have notified Congress of our intent to transfer funding for the Department of State for an integrated program to address gang control of Cite Soleil, Haiti. This is the country's most populous slum and longstanding source of instability, unrest, and violence. The plan is to tackle the security challenge by intensively focusing on policing interventions, local government support, judicial rehabilitation, service delivery, and economic development to improve stability.

Plans for the future: The Department supports the requested budget for State's reconstruction office (S/CRS) to enable them to be more responsive to stabilization needs in foreign countries.

Section 1208 gives the Secretary of Defense authority to expend up to $25,000,000 in a fiscal year to provide support to foreign forces, irregular forces, groups, or individuals engaged in supporting or facilitating ongoing military operations by U.S. special operations forces to combat terrorism. This authority was enacted October 2004 and expires on 30 September 2007.

Over the past 2 years, this authority has been used when needed and only as approved by the Secretary of Defense and with appropriate notifications made to Congress.

Plans for the future: The Department would like to see this authority made permanent and to revise the notification requirements. The use of this authority has proven an essential tool in executing the global war on terror. We would appreciate the opportunity to sit down with your staff and provide a classified briefing on the uses of this important tool.

We hope the Building Global Partnerships Act will be included in the Defense Authorization Bill. We would appreciate the opportunity to sit down with your staff and go over the 16 new authorities we are proposing in detail.

Mr. LARSEN. He argues for an interagency National Security Initiative Fund to better invest in countering testimony with other countries where required. How does the Chairman envision congressional oversight for this Fund and the activities it will fund? Can the Chairman provide specific examples of what this fund will finance? How would these activities differ from past examples of U.S. Government funding of other countries' internal security activities that have resulted in recipient countries' repression of its citizens? How many taxpayer dollars does the Chairman envision will be needed for this fund? How will it differ from the Building Global Partnerships Act (sections 1206, 1207, and 1208)?

General PACE. I envision a notification to Congress not later than 15 days following the determination to transfer funds or if an agency is directed to provide assistance. This notification would include a description of the assistance, the purposes and anticipated cost of the assistance, and the justification for providing the assistance.

The purpose of this fund would be to enable response to unforeseen, emergency situations arising in foreign countries, as well as those that threaten the security or stability of a country or region which could tend to foster, create, or enlarge ungoverned areas or safe havens, and that pose significant threats to the nation security interests of the United States. These situations could include responding to natural disasters such as the Indonesian tsunami; immediate action in post-conflict scenarios such as Lebanon, or preventative strategies such as helping to establish rule of law and good governance in Haiti. My staff and I would appreciate the opportunity to sit down with your staff and discuss the requirements for such a fund in detail.

The fund would be executed in full compliance with existing U.S. laws to include the Foreign Assistance Act and the Arms Export Control Act of 1961. I see this fund as providing opportunities to better ensure our national security by executing the fund in an environment that fosters the growth of our national values and ultimately counters ideological support to terrorism. The partnership between the State Department and Defense Department, combined with a whole-of-government approach to addressing crisis areas will help us institute a system of checks and balances to ensure that U.S. investments are well and thoughtfully planned to achieve the best strategic affect.

As Chairman, I defer to the Secretary of Defense and the President on specific budget requests. I believe, however, we could easily identify over $1 billion in annual requirements to build the capacity of foreign partners in critical regions and countries and that this is of national strategic importance to the United States.

I envision using the National Security Initiative Fund for activities beyond the Building Global Partnerships Act to include funding civilian capabilities such as those in the State Department, USAID, Department of Justice, Department of Agriculture and Department of Energy.

I understand that the Administration does not yet have a cleared position on establishment of a National Security Initiative Fund or other similar contingency account, but is reviewing the full range of needs that could be met with such a contingency fund and exploring alternatives to finance such an account.

Mr. LARSEN. I am encouraged by the Chairman's testimony in support of an improved interagency process based on the Goldwater-Nichols model that extends to all elements of the federal government in order to better "forestall and address crises." As you know, several members of this committee have investigated this matter closely. Do you have a legislative proposal on this issue now? If not, would you be willing to work with this committee to develop legislation?

General PACE. To my knowledge, the Department does not have a comprehensive proposal that is comparable to the Goldwater-Nichols Act. However, the Quadrennial Defense Review directed the Department to support and enable our partnerships with other USG agencies in order to improve policy formulation, planning, and execution of national and homeland security missions. I am attaching a copy of DOD's Building Partnership Capacity Roadmap, which describes numerous ongoing initiatives that are related to this goal.

Additionally, the Defense Department, in collaboration with the State Department and often with a much broader team of federal departments and agencies, has developed several concepts for achieving better unity of effort in Washington and for conducting more unified civil-military operations abroad. The creation of a new United States Africa Command should provide a vehicle to test and refine these concepts.

The Joint Chiefs of Staff, in coordination with our OSD counterparts, are very willing to cooperate with the Congress as they develop legislation that enables unity

of effort in Washington and unified civil-military operations abroad. We also would like to work with you and the Department of State on development of legislation that would support creation of a civilian stabilization and reconstruction corps. We would like to open informal discussions with your staff on all of these issues.

QUESTIONS SUBMITTED BY MR. WILSON

Mr. WILSON. Do you believe that the equipment appropriation account should be re-established for the reserve components?

Secretary GATES. I completely support full visibility and total accountability of all equipment required for our National Guard and reserve. We are currently developing a new reserve component equipping and resourcing strategy as an integral component of the emerging operational reserve construct. At the moment, it would be premature to consider creation of new budget appropriations, or to resurrect Cold War era budget structures. I am not confident that the establishment of separate appropriations would serve the guard and reserve, and might inhibit essential flexibilities needed to support our warfighters. The Services are currently working hard to ensure all components are appropriately equipped and resourced. If changes are needed to support the operational reserve, the Department will request your legislative support.

QUESTIONS SUBMITTED BY MS. SHEA-PORTER

Ms. SHEA-PORTER. What percentage would you say is al Qaeda in Iraq and in Baghdad?

Secretary GATES. The exact percentage of violence al Qaeda in Iraq causes is undetermined. Al Qaeda in Iraq's effectiveness is not measured solely by its rate of operations. Probably more important are the qualitative value of individual attacks and the ability of the group to conduct attacks. The type of attacks the group conducts—such as large-scale suicide bombings, attacks against prominent Shia targets, etc.—contribute to the group's disproportionate impact on the security environment.

QUESTIONS SUBMITTED BY MR. COURTNEY

Mr. COURTNEY. Does the Navy have a plan in future years to ask for more than one sub?

General PACE. The Navy plans to increase procurement of VIRGINIA Class attack submarines in fiscal year 2012 to two submarines per year, as detailed in the Navy's Report to Congress on Annual Long-Range Plan for Construction of Naval Vessels for FY 2008.

QUESTIONS SUBMITTED BY MS. GIFFORDS

Ms. GIFFORDS. Mr. Gates, I recently met with an Army officer who is responsible for the pre-redeployment screening. He told me that 70 percent of the soldiers that he has seen, he is advising to seek immediate counseling—70 percent. And the majority of those soldiers are not receiving the counseling.

Could you please address that?

Secretary GATES. Since January 1, 2003, over one million Service members have completed pre-deployment processing at least once. The reviewing health care providers found 95% of these Service members medically fit to deploy; 4–5% of the Service members were offered a referral of any type, which would include counseling of any kind, including mental health care.

Following deployment, over one million Service members have, likewise, completed post-deployment health assessment processing. Of those, approximately 20% received a referral of any kind, with about 5% being referred specifically for mental health or family concerns. Of those referred for any reason, approximately 90% were seen for a health care visit in the military health system within the six months following referral.

Ms. GIFFORDS. I'm concerned that as we grow the force and increase our operational tempo for the President's surge of troops in Iraq, that we not mortgage our future by ignoring or reducing the training budget for important functions like intelligence analysis. Can you comment on the overall level of training funding as well

as what you are doing to ensure that we do not sacrifice training to get combat-ready units to Iraq or Afghanistan?

General PACE. We are committed to preserving and building future capability in the Armed Forces. Service training funds and joint training funds, including the Joint Exercise Program and new Combatant Command Exercise Engagement and Training Transformation Defense-wide fund, provide the resources necessary to execute Service and Combatant Command annual training plans to prepare forces to accomplish their assigned missions.

Service and Joint training programs are adequately funded. Specific areas where we desire to reduce risk are augmented by supplemental funding requests. Training activities and associated funding have not been reduced to support the President's surge of troops. While the surge has created some challenges by reducing training timelines, we are adapting our processes to keep pace. All Services, as well as U.S. Joint Forces Command (USJFCOM) in its role as the Joint Force Trainer, report that we have not and do not forecast sacrificing training to get combat-ready units to Iraq or Afghanistan. For example, USJFCOM, working closely with the U.S. Army's Battle Command Training Program, continue to conduct an intensive mission rehearsal exercise for all forces deploying to U.S. Central Command.

Intelligence analysis training funding has increased to achieve the desired capability within the Department. In fact, training throughput has been maintained or expanded in several key courses to meet the growing demand for trained personnel and ensure the required level of fidelity for the warfighters. Finally, the Services have developed new exportable training capabilities to reach more of the Reserve Component to build and strengthen our intelligence analysis capability.

Ms. GIFFORDS. The development of small, tactical UAVs for Army battlefield use has provided important new tools for soldiers. Are you satisfied that the Army has currently met its requirement for these platforms? If not, can procurement be accelerated given the industrial base and the evolving technology?

Secretary GATES. The Army is in the process of meeting its requirement for small and tactical Unmanned Aerial Systems (UAS). Procurement of these small systems such as the hand-thrown Raven at 4.5 lbs., and the 350 lb. Shadow can be accelerated given additional funding.

Beginning in 2001, there was a rapid request from combat units for small UAS to provide tactical coverage integrated with their operations. Our Raven Small UAS (SUAS) program was initiated out of a one of these urgent needs statements from both Army and Special Operations Forces. The Army alone currently has 271 Systems in Operation Iraqi Freedom (OIF) and 43 Systems in Operation Enduring Freedom (OEF). Over the course of the GWOT, and working thru the Joint Capabilities Integration and Documentation System (JCIDS) and Federal Acquisition Regulation (FAR) the Army has upgraded this system by increasing the endurance from 60 to 90 minutes; reducing the weight soldiers must carry by 25%; adding tunable (frequency) channels; significantly improving the video resolution and stability; adding a laser illuminator all while reducing per unit cost by over 20% since our original procurement. From inception, the Shadow Tactical UAS (TUAS) was initiated using JCIDS/FAR program of record standards for integrated tactical support to Brigade Combat Teams (BCT). First fielded in 2001, the Army currently has 19 Shadow TUAS in OIF and 2 systems in OEF. In OIF 1, we only had 2 Shadow Systems and none in OEF. In addition, the Army is rapidly procuring Shadow systems for the USMC to replace their aging Pioneer UAS. Shadow TUAS has also received significant product improvements in its' short lifespan: Increased endurance from slightly over four hours to almost six hours, Improved electro-optical and infra-red video sensor that includes a laser illuminator that will be upgraded to a coded laser designator in approximately 18 months. The Army is actively working with industry to develop a small heavy fuel engine (HFE) for this class of air vehicle that to date does not have a wide requirement in the civilian sector. Additionally, the Army is rapidly developing a tactical common data link (TCDL) to transition our UAS (Shadow, ER/MP) to a common digital datalink. Finally, in concert with our Future Force modernization and to answer a capability gap that provides the ability for hovering, vertical take-off and lift (VTOL) UAS, the Army (along with DARPA) developed a Class I UAS for squad and platoon operations. The Future Combat Systems is transitioning support of the prototypes being exercised by 25th Infantry Division along with developing a HFE and network connectivity and control of the Class I. The Army continues to assess the ability to accelerate the Class I UAS as part of FCS Spin-Out plan.

Ms. GIFFORDS. Recently at Naval Air Station Oceana the Navy lost a court case and had to pay significant sums to local residents to settle noise complaints and charges. As the military continues to consolidate missions in fewer installations, I am concerned about the future of bases in urban areas, where they may run into

this issue again. What is the Department doing with regard to urban installations to ensure we don't have situations like that again?

Secrertary GATES. The situation at NAS Oceana provides an illustrative, although perhaps extreme, example of the serious effects unchecked encroachment can have on military readiness. The Department recognizes the problem and has instituted a more comprehensive approach to ensure our installations and ranges remain viable. The Department has a number of tools at its disposal that have proven effective in combating encroachment. The Air Installations Compatible Use Zones (AICUZ) Program has been effective in helping local communities understand noise and safety issues associated with air operations and to enact land use controls to foster compatible development around airfields. Additionally, the Joint Land Use Study (JLUS) Program managed by the Office of Economic Adjustment has funded numerous JLUS efforts to assist local communities develop a comprehensive land use plan for their community and provide technical assistance so they can better understand the Military Service concerns with incompatible development. As part of the FY03 NDAA, the Congress enacted legislation enabling the Services to enter into partnerships with State and local governments as well as conservation organizations to protect lands around our installations and operating areas and establish buffers and preclude incompatible development or loss of habitat. For example, the Navy has partnered with Escambia County in Florida to protect land adjoining the Pensacola Naval Air Station's boundary from being turned into a subdivision. The land, which is less than a mile from the base's runways and control tower, is now being used for a community park. These are just a few of the approaches being used to better engage state, local, and regional partners in the challenging job of planning for more compatible land use that better suits the long-term goals of interested parties. DOD and the Services are fully aware that success lies in working with communities and other stakeholders to ensure actions reflect the Department's desire to be a welcome part of the larger community, and conversely, that the actions of our neighbors do not threaten the military mission.

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