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READINESS IN THE AGE OF AUSTERITY

HEARING

BEFORE THE

SUBCOMMITTEE ON READINESS

OF THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES

ONE HUNDRED TWELFTH CONGRESS

FIRST SESSION

HEARING HELD
OCTOBER 27, 2011

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READINESS IN THE AGE OF AUSTERITY

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SUBCOMMITTEE ON READINESS,
Washington, DC, Thursday, October 27, 2011.

The subcommittee met, pursuant to call, at 10:04 a.m. in room 2212, Rayburn House Office Building, Hon. J. Randy Forbes (chairman of the subcommittee) presiding.

OPENING STATEMENT OF HON. J. RANDY FORBES, A REPRESENTATIVE FROM VIRGINIA, CHAIRMAN, SUBCOMMITTEE ON READINESS

Mr. FORBES. Gentlemen, please sit down. We are just waiting for Ms. Bordallo to get here and as soon as she gets here, we will start. Thank you for your patience. So, we are waiting for Ms. Bordallo.

I will just tell everybody what we have been talking about. Apparently votes are scheduled around 10:15 today. We are not sure exactly when, so we may have to break for some votes and come back, but we will be coming back to complete the hearing.

So please work around us and with us, and as you know, they never call us and ask if it is a convenient time to take the votes. So they just have to have them, so we will work around what we have to do.

I want to welcome all of our members and our distinguished panel of experts to today's hearing, focused on how we maintain readiness in an age of austerity. Or more particularly, what is the risk to the national defense of our country if we continue making some of the cuts to defense we hear being discussed in Washington?

I want to thank our witnesses for being with us this morning. And I know several of you had to cancel longstanding personal commitments to be with us this morning. I appreciate your willingness to testify before this subcommittee once again on this most important topic. In the interest of time, because we know we could have votes coming any time and we may have to recess and do those votes and then come back, because this is important and we want to get all of this on the record, I am going to dispense with any normal opening remarks.

Since Ms. Bordallo is not here, we will dispense with her remarks and have both of them put in the record. I would like to, however, look at a procedural matter that we use in this committee, and that is we discussed prior to the hearing that we would like to dispense with the 5-minute rule for this hearing and depart from regular order, so that members may ask questions during the course of the discussion.

I think this will provide a roundtable type forum and will enhance the dialogue on these very important issues. We would like to proceed with standard order for members to address the witnesses; however, if any member has a question pertinent to the matter being discussed at the time, please seek acknowledgement and wait to be recognized by the chair.

We plan to keep questioning to the standard 5 minutes, however, I don't want to curtail productive dialogue. I ask unanimous consent that for the purposes of this hearing, we dispense with the 5-minute rule and proceed as described. Without objection, it is so ordered.

Gentlemen, we are delighted to have you here with us today. We have the honor of having General Chiarelli with us, who is the Vice Chief of the United States Army. He has been such since August 4, 2008. He has commanded at every level from platoon to corps. He has commanded the United States European Command, the Director of Operations and Readiness and Mobilization at headquarters, the Department of the Army.

We also have Admiral Ferguson, and Admiral, we are delighted to have you with us. He is the Vice Chief of Naval Operations, Navy Personnel Command. And he is the Chief of Legislative Affairs and Chief of Naval Personnel.

Also General Joseph F. Dunford, Jr. He is the assistant commandant of the Marine Corps. General Dunford has gone through the U.S. Army Ranger School, Marine Corps Amphibious Warfare School and U.S. Army War College. He has a very distinguished career and we appreciate the expertise that he brings to this panel.

And last, but certainly not least, is General Breedlove. And General, we appreciate you once again being with us. General Breedlove is the Vice Chief of Staff of the U.S. Air Force. He is a Georgia Tech graduate. And General, we enjoyed, as a graduate of the University of Virginia, playing you the other week.

[Laughter.]

And it may be the one bright spot we will have this year, but thanks for your help and cooperation in that. He is also a graduate of Arizona State University, where he had his Master in Science Degree, and the National War College.

And without further ado, we want to get right to your opening statements. We are pleased to have—the ranking member has joined us now.

We also have with us the chairman of the full committee. I know we talked about before you got here with dispensing with our opening statements and putting them in the record, because they are going to call votes at about 10:15.

[The prepared statement of Mr. Forbes can be found in the Appendix on page 41.]

STATEMENT OF HON. MADELEINE Z. BORDALLO, A DELEGATE FROM GUAM, RANKING MEMBER, SUBCOMMITTEE ON READINESS

Ms. BORDALLO. Mr. Chairman, I would just like to welcome our witnesses today and also to place my statement into the record.

Mr. FORBES. And we just appreciate your service to this committee. And Madeleine and I work as very close partners and we

have a special relationship. And I just appreciate her help with this committee and the great work that she does.

With that, we are going to do something a little bit different today. We are going to put your statements in the record, and they have already been made in the record. And as I told all of you before, we want you just to tell us the importance of what we have. And I am going to tee each of you up with a question, but then I want you to expound on it with your testimony, anything that you want to say.

And we will start, General Chiarelli, with you. And as you know, we have heard the—we have already had about $465 billion to cuts to national defense taking place in the country. Some people talk about an additional $600 billion coming. There are discussions that that is going to significantly reduce the force that we have in the United States Army.

General, you have been serving for a long time. You have served in almost every capacity in the Army. When we talk about risk and the risk that these cuts could have, sometimes we talk about them in terms of institutions and missions, but it really comes down to men. You have seen that historically.

What have these kinds of cuts done to the risk to your men that will serve under you? Would you please address that question, and then any other comments you would like for your opening statement. And we now turn it over to you.

STATEMENT OF GEN PETER W. CHIARELLI, VICE CHIEF OF STAFF, U.S. ARMY

General CHIARELLI. Well, Chairman Forbes, Chairman McKeon, Ranking Member Bordallo, distinguished members, I thank you for allowing me to be here today. These are for sure challenging times. You have heard me say that before. We are past a decade of war with an All-Volunteer Force. We have always had volunteers in our force, but I think it is important to note that we have never done this before.

We have never fought for 10 years. We have never fought with an entirely volunteer force. That force is amazingly resilient, but at the same time, it is strained. Its equipment is strained. The soldiers are strained. Families are strained. But they have been absolutely amazing over these 10 years of war.

I would like to leave you with three key points in my opening statement. The first is that we recognize budget cuts and corresponding reductions to force structure will be made. However, we must make them responsibly, so that we do not end up with either a hollowed out force, and I can expand on that later on, or an unbalanced force.

Our Nation is in the midst of a fiscal crisis and we recognize we must all do our part. We are continuing to identify efficiencies. We worked very, very hard on our capability portfolio review process, which have found many of those efficiencies. And we will book many, many more.

When we appeared before the committee in July, we were looking at cuts in the vicinity of $450 billion over 10 years. If the Army's portion of that cut is at historical percentages, at about 26 percent, that will be in fact tough, but as the Secretary of the Army and

the chief of staff of the Army have said, it will be doable. I am the vice. I get paid to worry about things, and I worry our cut may be a little higher than that. And that causes me some angst.

But above and beyond that, will directly and deeply impact every part of our Army and our ability to meet our national security objectives and effectively protect our country against all threats. Whatever cuts are made carry risks. And historically, it is amazing to sit here as the vice chief of staff where so many of the 32 before me—or 31 before me have sat—at a similar time in our history and had to make some of the same arguments, answer some of the same questions.

I am sure that was true in the debate after the war. I was in Indianapolis recently, and I saw a war memorial to "the" war. Of course, it was World War I, and we cut our Army down to just over 300,000 folks. Only to grow it to 8.5 million to fight that 4-year war.

At the end of that war we cut our Army again, down to about 530,000 folks—soldiers. The number sounds familiar, I hope. And we ended up with the Korean War. And in the Korean War, the first battle of that war was, for the Army, a very famous Task Force Smith. An ill-equipped, ill-trained force that had infantry battalions that were incomplete, infantry battalions that were missing, and the results were predictable.

And it is interesting to note that General Bradley, when the cuts were talked about after World War II, supported them. He went on to say that the strength of the military depended on the economy, and we must not destroy that economy. But in his autobiography after the Korean War, Bradley wrote, "My support of this decision, my belief that significantly higher defense spending would probably wreck the economy, was a mistake. Perhaps the greatest mistake I made in my post-war years in Washington."

I lived through an Army that came out of Vietnam and did some of the same kind of things. And for 10 to 12 years we had to rebuild that Army. These questions, these decisions have been made before, and there is just a tendency to believe at the end of a war that we will never need ground forces again. Well, I tell you that we have never got that right. We have always required them. We just don't have the imagination to always be able to predict exactly when that will be.

My final point is that whatever decisions are made, whatever cuts and reductions are directed, we must—we must—ensure we do not lose the trust of the soldiers, the brave men and women who have fought for these last 10 years, and their families.

Mr. Chairman, I thank you, and I look forward to your questions.

[The prepared statement of General Chiarelli can be found in the Appendix on page 43.]

Mr. FORBES. Thank you, General. And we hope to get into that in a little more depth as this hearing goes on, and what that compensation cuts could mean to your force. But thank you for that.

Admiral Ferguson, you are facing a tough time now as we tee up your opening remarks. You are looking at a Navy, as we understand the facts, that—we can argue about numbers—China right today has more ships in their navy than we have in our Navy, according to Admiral Willard. And again, we can pick or choose some

them. Not through any fault of yours, but through dollars and cents we have sent to you.

You have got a $367 million shortfall in your maintenance budget, because of dollars we haven't given to you. We recognize that on surface-to-surface missiles we have a distinct challenge between Chinese missiles and our missiles, because we haven't give you dollars we needed for technology.

And in addition to that, we see the projection for our subs that could put us in the next 10 years where China would have 78 subs to roughly 32 for ours. And we can argue a little bit around the edges of those. But what do these cuts mean to you, this $465 billion that we have already done to your men and women serving under you to the United States Navy? And what would it mean if we put additional cuts out to you?

Anything you want to put in your opening remarks, we want to hear from you now.

STATEMENT OF ADM MARK E. FERGUSON III, VICE CHIEF OF NAVAL OPERATIONS, U.S. NAVY

Admiral FERGUSON. Well, thank you, Chairman Forbes, Chairman McKeon, and Ranking Member Bordallo, and distinguished members of the Readiness subcommittee.

It is my first opportunity to testify before the committee. And it is my honor to represent the men and women of the Navy Active Reserve and Civilian, who do stand watch around the globe today. I would like to offer my appreciation on their behalf for the congressional support of them and their families.

In an era of declining budgets we are ever mindful of the lessons of the past when we assess force readiness. Taken in sum or in parts, low personal quality, aging equipment, degradation in material readiness, and reduced training will inevitably lead to declining readiness of the force. We remain committed to maintaining our Navy as the world's pre-eminent maritime force.

And to do so, we must sustain a proper balance among the elements of current readiness, and to the long-term, and those long-term threats to our national security. Those elements or readiness may be simply stated. Sustain the force structure that possesses the required capabilities to pace the threat. Man that force with high quality personnel with the requisite skills and experience. Support with it adequate inventories of spare parts and weapons. Sustain the industrial base that sustains that force, and exercise it to be operationally proficient and relevant.

So our objective and challenge in this period of austerity will be to keep the funding for current and future readiness in balance, and holding acceptable level of risk in the capacity of those forces to meet the requirements of the combatant commanders. How we shape ourselves in this environment must be driven by strategy. And we feel that is extraordinarily important.

The cuts that are contained that you discussed, Chairman Forbes, we will accept as part of that. Some reductions in capacity. It will affect certain areas of presence that we have around the world, our response times. But the decisions will be tough, but they are executable. And we think that in looking at the strategy with you that is going on in the Department, we can meet those chal-

lenges. And we will meet those challenges that are contained in the Act.

We intend to take a measured approach. And we will look at both efficiencies in our overhead, our infrastructure, personnel costs, our force structure, and our modernization. Absent the support of the Congress, and you alluded to the impact of sequestration. That impact on our industrial base in our Navy will be immediate, severe, and long lasting, and fundamentally change the Navy that we have today.

So, Mr. Chairman, Congresswoman Bordallo, members of the committee, I appreciate the opportunity to testify, and look forward to answering your questions as we go forward.

[The prepared statement of Admiral Ferguson can be found in the Appendix on page 54.]

Mr. FORBES. Thank you, Admiral Ferguson.

And General Dunford, you have also served your entire career with the men and women under you in the Marines. And one of the things that a lot of people believe is that once we get out of Iraq, and we get out of Afghanistan, you will have all the resources you need to do everything you need to do around the world.

If you look at the cuts that have already been made, and we look at these potential cuts from sequestration, the projections are that your forces could go down as low as 150,000 men and women. If that were to occur, what would that impact be on you? And would you be able, even if we were out of Iraq and Afghanistan, to conduct a single contingency around the world?

And with that, if you would answer that question in any opening remarks that you have, General. The floor is yours.

STATEMENT OF GEN JOSEPH F. DUNFORD, JR., ASSISTANT COMMANDANT OF THE MARINE CORPS, U.S. MARINE CORPS

General DUNFORD. Chairman McKeon and Chairman Forbes, Ranking Member Bordallo, members of the committee, thanks very much for the opportunity to appear before you today to talk about the readiness in the Marine Corps, and more importantly, to have the opportunity to thank you for your support of your Marines.

As we meet this morning, almost 30,000 around the world doing what must be done, 20,000 of those in Afghanistan. I want to assure this morning that those marines remain our number one priority. And with your support they are well-trained and ready to do the mission.

Like you and my colleagues, I recognize that the Nation faces an uncertain security environment, and some difficult fiscal challenges. And there is no doubt we have some tough decisions to make. That to support the difficult decisions we have to make, we have recently this year gone through a force structure review effort. We have shared the results of that with the committee in the past, and would offer that that framework will allow us to provide recommendations to the Secretary of Defense, and frankly, to frame the issues similar to the ones that the Chairman asked me as his opening question.

I want to assure you that we recognize the need to be good stewards of resources. And we are working hard to account for every dollar. We are also looking to make sure that every dollar is well

spent. In the end, we know we are going to have to make cuts. As we provide our input, I think we need to address three critical considerations: strategy, balance, and keeping faith.

With regard to strategy, we simply need to know what the Nation requires us to do, and then with the resources available we will build the most capable force we can to do it. As Secretary Panetta refines the strategy, the command is going to use what we learned during the force structure review effort to make recommendations.

With regard to balance, we don't want to make cuts in a manner that would create a hollow force. We have certainly seen that in past drawdowns. Like General Chiarelli mentioned, I have seen that personally in the 1970s as a young lieutenant. And we don't want to go back to the days where we have an imbalance between our training, between our equipment, and between our modernization efforts.

What the command is committed to is that regardless of the size of the Marine Corps at the end of the day, every unit that is in the United States Marine Corps will be ready to respond to today's crisis today. Finally, we have to keep faith with our people. And we need to do that, because it is the right thing to do, and because it is necessary for us to maintain a high-quality All-Volunteer Force.

In all of our deliberations we need to send a loud and unmistakable message that the contributions that our men and women have made over the past 10 years are recognized and appreciated. And there are certainly many different definitions of keeping faith. And I think something attributed to George Washington gives us a good baseline for our discussion this morning.

Washington said, "The willingness of future generations to serve shall be directly proportional to how they perceive veterans of early wars were treated and appreciated by our nation." And those words to me seem as relevant today as they were over 200 years ago.

Chairman Forbes, to get back to your specific question, what happens if the Marine Corps is at 150,000? When we went through the force structure review effort, we came up with a size Marine Corps of 186,800. That is a single major contingency operation force. So that force can respond to only one major contingency.

One hundred and fifty thousand would put us below the level that is necessary to support the single contingency. The other thing I would think about is what amphibious forces have done over the past year. Humanitarian assistance, disaster relief efforts in Pakistan. Supporting operations in Afghanistan with fixed wing aviation. Responding to the crisis with pirates on the M.V. *Magellan Star*. Supporting operations in Libya. Supporting our friends in the Philippines and Japan. And quite frankly, at 150,000 marines we are going to have to make some decisions.

We will not be able to do those kinds of things on a day-to-day basis. We will not be able to meet the combatant commanders' requirements for forward-deployed, forward-engaged forces. We will not be there to deter our potential adversaries. We won't be there to assure our potential friends, or to assure our allies. And we certainly won't be there to contain small crises before they become major conflagrations.

So I think that 150,000 marines I would offer there would be some significant risk both institutionally inside the Marine Corps, because we will be spinning faster and causing our marines to do more with less. But as importantly, perhaps more importantly, the responsiveness that we will have, combatant command's contingencies and crisis response, would be significantly degraded.

[The prepared statement of General Dunford can be found in the Appendix on page 59.]

Mr. FORBES. Thank you, General.

And General Breedlove, we thank you for working in your schedule to be here. Oftentimes, we hear everybody talking about leaving Iraq and Afghanistan. But we know when the Air Force, when everybody else might come home, the Air Force oftentimes does not come home. They still have to stay there and continue to do operations.

I would like to have any comments that you have about what these cuts have made to the Air Force already and what future cuts could do?

And the floor is yours.

STATEMENT OF GEN PHILIP M. BREEDLOVE, VICE CHIEF OF STAFF, U.S. AIR FORCE

General BREEDLOVE. Thank you, Chairman Forbes, Chairman McKeon and Congresswoman Bordallo. Thanks for the opportunity to talk to you today about 690,000-plus proud airmen who serve as a part of a joint team that you see in front of us.

These are challenging times and the Air Force has been at war for more than two decades. We have fought alongside our joint team in Afghanistan since 9/11, and we went to the Gulf in the Gulf War in the beginning of the 1990s, and we didn't come home.

To your point, sir, quite often when the mission comes back from a war we leave significant assets to overwatch remaining forces to provide support to those who would remain behind in the regions. And that was witnessed, as you know, in Northern Flywatch and Northern—Southern Watch. And the Air Force stayed there and kept pretty high OPTEMPO [operations tempo].

The cuts that we see in front, I think my remarks we will talk about in just a minute. They are challenging times and the "ops [operations] tempo" is exacerbated I think by the fact that our Air Force has, since the opening of the Gulf War, has 34 percent fewer aircraft than we started that war with, and about 26 percent fewer people. So the tempo that we face which we don't see a change in, in the future, puts a pretty big stress on the force. And that has led to a slow but steady decline in our unit readiness, as we have discussed with this committee before.

We have tried to reset and in the middle of that, to pick up new missions. As you know, the Air Force has built mission inside, as we have been asked to support this joint team in intelligence, surveillance and reconnaissance. We have also been asked to build an increased capacity in special operations. And we will continue to meet both of those requirements as a part of this joint team and answer the call in the future.

All the while the strain put on our force in the need to recapitalize our aging fighter, tanker and bomber fleets. As you know, we

are flying the oldest fleet that the Air Force has ever flown, and we do need to desperately get to recapitalization during this age of fiscal austerity.

The Department of Defense we know will have to be a part of this recovery, and the Air Force will play its part in that recovery. Our goal is to do two things. And you have heard several of my predecessors remark on them. First of all, maintain a credible military force. We expect that it will be smaller, and quite frankly, much smaller in some areas. But we need to renew a credible and capable force as we get smaller.

And second, to avoid becoming a hollow force, like Joe and Pete mentioned. I was in the Air Force in the 1970s and saw what a hollow Air Force looked like. Flight line with airplanes that couldn't fly and buildings with many people who had no training or ability to go out and accomplish a mission if the airplanes had flown. And we don't want to go there again. We will get smaller to remain capable with the forces that are left behind.

Many of the challenges we see will come on our people and on the backs of our people. As we get smaller and as we expect the tasking does not change, as we mentioned, in many cases we stay behind when there is a peace dividend, the deployed to dwell times and the OPTEMPO on our airmen will only increase. And more importantly, I think the OPTEMPO on our proud Reserve component, which you know is an integral part of our Air Force, will have to increase, because they will become ever more important in a diminishing force.

Finally, sir, if the sequester cuts envisioned in the Budget Control Act are allowed to take place, we are going to have to go beyond just getting to our capacity. We believe we will have to then begin to look at what are the capabilities that we will have to shed and no longer offer to this joint team. A reduction in size would reduce the number of bases that we could support, the number of airmen that we could keep on board the Air Force. The impact to the size of our industrial base will certainly be important, just as it is to the Navy.

And then finally, much as Joe has mentioned, as we downsize, some of the first missions we will have to shed is that engagement that we see around the world, where we preclude further conflict, or where we build allies that will help us to come fight. We will not be able to make those contributions.

I look forward to your questions, Mr. Chairman.

[The prepared statement of General Breedlove can be found in the Appendix on page 65.]

Mr. FORBES. Thank you, General.

And as each of you know, this is probably the most bipartisan committee in Congress. We work together very, very well and it is a privilege to have all of our members here. We are also honored today, we have the chairman of the full committee. And part of that reason that we serve in such a bipartisan and effective means is because of his leadership. He has graciously said that he would like for our members to be able to ask questions, so I don't think he is going to ask any questions. But I would like to defer to him now for any comments that he might want to make.

Mr. Chairman.

The CHAIRMAN. Thank you, Mr. Chairman. And thank you for being here and for your comments.

I think that the cuts that you are all working hard to put into place, I met with Admiral Mullen, oh, probably a month and a half ago, and he said that he had assigned to the Chief's $465 billion in cuts. And that came from the President's speech of cutting $400 billion, and the $78 billion that they had found, and the $100 billion that you had gone through in efficiencies, and what we did in the CR [Continuing Resolution]. It is an accumulation of a lot of things, and it is hard to actually get the exact number.

I know when the Secretary came up a couple of weeks ago he was 450-plus. I have also heard 489, so it is somewhere between 450 and $500 billion that you are dealing with that we will start hearing the details on, I am sure, in January. But I think many in Congress, and I think most people in the country, do not understand. They are focused on the "super committee" [Joint Select Committee on Deficit Reduction] and the $500-to-$600 billion that we will be hit with if they are not able to do their work.

But they don't realize the extent of the cuts that you have been working on now for a period of time, and that will be hitting us next year. And we are talking—well, we have had five hearings at the full committee level, not counting all of the committees' meetings, subcommittee levels, to try to get a handle on this and to try to educate the rest of the Congress and the rest of the populace of the country as to what really is going to happen to our military. The first five hearings were the impact of—on the actual military, the men and women that you serve with, those who are laying their life on the line right now as we talk.

I have seen in my lifetime lots of drawdowns. I have never seen us do it when we are fighting a war. And so, I think it is really incumbent upon us to try to get the word out, the message, to see if this is really what people expect. When I go home and talk to people and tell them what is happening, they said, no, that isn't what we wanted. You know, we wanted to get the troops out of Germany, or we wanted to cut the waste, or we wanted to get the troops home from Korea or somewhere. They do not realize the extent of what has already been done, let alone what will happen with that super committee.

And then yesterday, we had another hearing where we had three economists and they talked about the financial impact to our economy. When we are already in a fragile economy with a 9-percent unemployment rate, they are talking about job losses of a million and a half, which would increase that unemployment rate up over 10 percent. And I think when all the members start looking at their districts and at their homes and the lost jobs, the combination of all of this I am hoping will make us sit back and take another breath and say, wait a minute. You know, is this really what we want to do?

This economic problem that we are in right now, that we have been building over decades, cannot be solved in one budget cycle. I think we have to have some real understanding of what we are doing here. And is this really what we want to do, given the risks that we see facing us around the world?

With that, Mr. Chairman, I thank you. I thank you for being here. And it looks like we are going to be having votes, by the way, which is unfortunate. But I am hopeful that we return after the votes.

Mr. FORBES. Thank you, Mr. Chairman.

I am going to defer all my questions until the end, so we can get to as many members as we can.

I would like to now recognize the gentlelady from Guam for any questions she might have.

Ms. BORDALLO. Thank you very much, Mr. Chairman. And I hope everyone bears with me. I have a very bad cold.

I have a couple of questions. And I understand we are coming back for a second round? All right.

My first question, as I pointed out in my opening statement, Admiral Greenert stated in July that further efficiencies and budget cuts would be determined through a comprehensive strategic review. So I am asking to what extent are each of the Services involved with OSD [Office of the Secretary of Defense] in developing this review, what are some of the key tenets of this review? And without a strategic plan in place, why are we proceeding with arbitrary cuts? Why not wait until such a plan is developed?

So I ask this, because I do not understand the rationale for the reductions in force at Naval Facilities Command Pacific, or the deactivation of the two Seabee battalions.

So I guess we will start with Admiral Ferguson?

Mr. FORBES. And if the gentlelady would just yield for a second. Just logistically to our members, they have called a vote I understand now. If any of our members need to go to that vote we will be coming back afterwards for anyone who can come. Ms. Bordallo's questions will be the last ones we take before we recess to go to the vote.

So, and with that, if you would like to answer?

Admiral FERGUSON. Ms. Bordallo, by all the Services are participating at the service chief level and at the vice chief level in the forums that is the ongoing strategy review at the level of the Secretary of Defense, as is the Joint Staff. And those discussions that are ongoing presently are looking at the budget submission that the Services have done, and then looking—and they were primarily given a fiscal target, as you alluded to, for us to reach.

And now, they are looking at those fiscal submissions and then looking at the overall strategy as we go forward. And then, we will take action as we make those decisions through the fall part of the budget submission about balancing between those portfolios in terms of both capabilities and capacity, and does it meet the strategy that we see going forward?

Ms. BORDALLO. So what you are saying, Admiral, is that the reviews are not completely finished; is that correct?

Admiral FERGUSON. That is correct. From our perspective, the decisions regarding the final form of the budget submission are not completed yet. And those discussions are ongoing. And there is very active participation by the service chiefs on that.

Ms. BORDALLO. Do we have time for any of the other answers, or do we have to——

Mr. FORBES. Yes, let us let any of them answer that want to, and then, Madame Secretary, we will come back to any additional questions you have.

Ms. BORDALLO. All right.

Mr. FORBES. Because you and I will be here.

Ms. BORDALLO. Okay.

Mr. FORBES. Would anyone else like to respond to the gentlewoman's question?

Ms. BORDALLO. General Dunford.

General DUNFORD. Congresswoman, thank you. We are also—I mean, Admiral Ferguson got it exactly right. We are participants fully in the process to do the comprehensive strategic review led by Secretary Panetta.

We have an opportunity to provide input in that comprehensive strategic review and we are confident that the results of the strategic review will be the framework within which specific cuts are made.

As Admiral Ferguson alluded to, necessarily what we had to do in the initial going was take a look and assume proportional cuts across the board as we went through the drill of approximately $450 billion. But, again, at the end of the day as we get towards December, the strategic review, at least the major tenets of the strategic review, will be complete and at that point, we will be able to talk about the specific decisions that I think that Secretary Panetta will make.

But our understanding is that he has not made any final decisions about the specific cuts that would be made in order to achieve that initial goal.

Ms. BORDALLO. So pretty much the other witnesses have the same answer?

General CHIARELLI. I would argue from the Army's standpoint that is exactly—we are participating in the internal debate in the building. But like when I get up in the morning and I see the futures, how they are doing in the stock market, if I had to look around town and read what all the think tanks are saying, they seem to be discounting the requirement for ground forces, which is a natural tendency after what we have been through in the last 10 years. But every other time we have done that in our history, as I indicated before, we have done soon the backs of service men and women, soldiers on the ground.

And quite frankly, let us be honest. It has cost us lives. It cost us lives at Kasserine Pass. It cost us lives at Task Force Smith in Korea. It cost us lives every single time.

Ms. BORDALLO. Well, and we haven't done this when a war is going on as our chairman mentioned. What is the timeline for the review completion?

Mr. FORBES. I am going to ask you guys to do this. Let us hold that until we get back, because we have just got a few minutes to get up for vote. So we are going to recess until right after the votes. Anyone that can come back then, we will be there.

[Recess.]

Mr. FORBES. Gentlemen, once again we apologize to you for the inconvenience of us having to go over there and do those votes. But that is what we are here for. So we thank you for your patience.

And we were continuing with Ms. Bordallo.

Ms. Bordallo.

Ms. BORDALLO. Thank you very much, Mr. Chairman.

General Breedlove, we will begin with you. What is the timeline now for the review completion?

General BREEDLOVE. Ma'am, as we were walking out, we all looked at each other, and came to the same conclusion. We expect that the review should wrap up in December. And then as we are working on the budget issues between now and then, as we understand the facets of the review that apply to our budget processes, we do that.

And ma'am, I would just echo with my three compatriots as they said, we are to this point, and we have been a part of formulating that strategy.

Ms. BORDALLO. Thank you very much. So that is the end of December, did you say?

General BREEDLOVE. Ma'am, that is our collective wisdom. We all have the same date in mind.

Ms. BORDALLO. All right. Thank you.

And then, Admiral Ferguson, you didn't answer fully the question that I asked about the review process. I said I did not understand the rationale for the reductions in force at Facilities Command Pacific, or the deactivation of the two Seabee battalions. Could you answer that?

Admiral FERGUSON. As we looked at the force structure of the Construction Battalions around the globe, the initial budget submission that we prepared had a reduction in order to meet the commands of the combatant commanders. And as we size our forces, those forces are really on call to the combatant commanders to serve what we see as a future demand.

As I alluded to in the opening statement, we had to take reductions in certain elements of capacity across the force in order to meet the budget targets that we had. And then we looked at that, areas of the Seabees in particular as a potential reduction. As we go forward in this review process, that is part of the effort that we are looking at as to what the final force structure of the Construction Battalions would be.

Ms. BORDALLO. Thank you. Now, I have one other question. Why would Congress consider any potential changes to recruiting and retention incentives such as military retirement and health care, or reductions to essential training accounts, when the military departments can't identify the cost of what they pay for contracted services?

The Army has fulfilled the requirements of the fiscal year 2008 National Defense Authorization Act that requires contracts, or requires an inventory of contracts, for services. But for nearly half a decade while this Nation has been at war, the Air Force and the Navy and the defense agencies have failed to implement this law, which would help us control the skyrocketing costs and expenditures on contracted services.

So what is each of your military departments doing to reduce contracted services and work requirements, instead of just reducing dollars? If you are only reducing dollars then you are likely setting

up conditions to default to contractors in light of the current civilian hiring freezes.

So I guess Air Force will answer that first.

General BREEDLOVE. Congresswoman Bordallo, thank you for the opportunity. We are, as are other Services, looking at everything we do contractually, especially as we learned the lessons of the wars that we have been in for the past 10 years. What is inherently governmental and what should we be retaining as a blue-suit requirement, versus those things that we contract for, most specifically in combat zones.

And every facet of what we do via contract has been reviewed to see if this is something that we either want to eliminate, do we need to repurchase and bring back into our service those things in a military way? Of course, this is in a time when we expect that our Air Force will get smaller rather than larger, so there is a lot of pressure on that process.

And what are, or how does that relate to those jobs that typically our civilians also do, civilians who are a part of our Air Force? So we are in an ongoing review. We are focusing most specifically on those things that are done in combat zones and whether they should be a blue-suit job or a contract job. And we are putting fiscal pressure on what we spend on contracts to help us incentivize looking at how to get at that approach.

Ms. BORDALLO. Anyone else care to answer?

Admiral FERGUSON. I know that in the Navy the Secretary—Office of the Secretary—is leading an effort that goes across all our budget submitting offices to look at service contracts in particular and other contracts that we have along the same lines that the other Services are, to see what is inherently governmental and where are we paying excessive overhead and charges in that area?

Ms. BORDALLO. Are you all in agreement?

General CHIARELLI. We are doing exactly the same thing. We have appointed, I believe it is a deputy secretary to handle contracts and service contracts, going through a complete review of them to understand where there are redundancies, where there are places that we in fact can cut and where there are certain areas that may fall under the purview of being able to use soldiers to help us in some of these areas.

Ms. BORDALLO. General.

General DUNFORD. Congresswoman, we are a part of the same process that Admiral Ferguson described within the Department of the Navy.

Ms. BORDALLO. All right. When is the timeline for this review?

General DUNFORD. I will be honest, I am not sure. You know, process within the Department of the Navy, I do not know what the timeline is for the review. My assumption is that it is in conjunction with the budget that will be due in December. I know we will at least have initial assessment of our contracting at that time. And I will get back to you if it is going to extend past December.

Ms. BORDALLO. Thank you very much.

Thank you, gentlemen.

Mr. Chairman, I yield back.

Mr. FORBES. And the gentlelady from Guam has yielded back. I know she has some additional questions, but she has graciously de-

ferred those until the end so that some of our members can get their questions in.

We now will have the gentleman from Georgia, Mr. Scott, for 5 minutes.

Mr. SCOTT. Thank you, Mr. Chairman.

And gentlemen, one of the things I would hope that you will continue to do is to inform the committee of things maybe that are in the code sections that we could take out that are increasing your cost of operations, things that we would like to pretend that we can afford, but we can't.

Such as some of the energy mandates and other things that are running up the costs of operations. General Breedlove, as you know, I represent Robins Air Force Base and I would like to once again invite you down to the Air Logistic Center and the JSTARS [E–8 Joint Surveillance Target Attack Radar System]. And if you will come in hunting season I promise I will make it a worthwhile venture.

I will even get you to a Georgia Tech game, although I might wear a different hat at the game than you would. But Georgia Tech would be a great opportunity for you to come as well. But the men and women in our area are very grateful for the commitment of the three-depot strategy and just want to again ask that question, make sure that that is a commitment from the Air Force that we have to maintain the three depots?

Thank you. Thank you so much for that, and I hope that as we go through these cuts that—let me say this as a member of Congress, I know that you know more about running your agencies, your different departments, I should say, than I do. And I hope that you will be very forthcoming with us about what we can do to help you in doing that.

And I want to be an ally for you. I am sorry that we are going through this. I am quite honestly embarrassed that we have more discussions in this Congress about cuts to the military than we do about cuts to social programs. I think that is something that quite honestly is carrying America down a very, very dangerous path. And I know America is tired of the wars in Afghanistan. And I know that our men and women that have been over there will continue to go.

But I also know that they are ready for more time with their families. But I am not so sure that when we come out, that the world is not going to be a more dangerous place than it is today. So again, I want to thank you for everything you have done.

And General Breedlove, again, thank you for your support of Robins. And if I can ever help you, please feel free to call on my office.

General BREEDLOVE. Congressman, thank you and we do have a commitment to the three depots, that we think that is the minimum. And we thank you for your support to us. And as all of us, I think, look at what we can do to address the tail of our forces to add to the tooth, and that will continue to be important as we go forward.

The depots, as you know, bring a capability to all our Services that is unmatched around the world to make sure that our Serv-

ices, our Air Force, and the airplanes that they fly are ready to do the mission, and our commitment is strong there.

Mr. SCOTT. Yes, sir. And the other aspect of it is that those cuts, you know, we need to rebuild a lot of our machines that we have used. And when every dollar that we take out of the rebuilding of those machines is a dollar that comes out of a man or a woman's pocket that is working on that assembly line. So if you want to create jobs in the country, I would respectfully submit that this is the place where you do it.

The country, every citizen gets a direct benefit from a strong, well-equipped military. And every dollar that we spend in rebuilding our equipment is a dollar that goes back into an American working man and working woman's pocket to take care of their families.

So, thank you again for what you have done for our country, and I will continue to stand ready, willing and able to help you.

I yield back.

Mr. FORBES. The gentleman yields back.

The gentleman from Connecticut, Mr. Courtney, is recognized for 5 minutes.

Mr. COURTNEY. Thank you, Mr. Chairman. And thank you for holding this hearing, and to the witnesses for spending some time with us here today.

First of all, I guess I just want to ask a question about a very specific issue, which is the C–27 cargo aircraft, which it appears that a full production sort of plan has sort of been sort of put on hold, or at least partially delayed. And, you know, obviously for the Army that is a big issue in terms of having that lift capacity, because it is a pretty old group of Sherpas that are left there.

I just wondered if somebody can give me an update in terms of where that decision stands, whether it is related to the $465 billion, or are there other issues that are at work here?

And I don't know whether either General wants to comment, but——

General BREEDLOVE. Sir I will be first to comment on that. I cannot speak specifically to what you mention about a decision on full-scale production. We will take that for the record and get back to you.

[The information referred to can be found in the Appendix on page 77.]

General BREEDLOVE. As far as the C–27 and the mission of supporting the Army in its what would probably be called the last portion of the delivery of goods to our ground forces, both Marine and Army, the Air Force has a full commitment to that mission.

We will not back off of the requirement for the Air Force to meet that mission. If that mission is to be done with C–27s or C–130s is a decision that is still pending, and is a part of this ongoing budget review. But that will be worked out in the next few months.

Mr. COURTNEY. Thank you.

General, if you wanted to comment.

General CHIARELLI. Well, the Army is very committed to the C–27. We feel it fills a gap. Right now my rotary wing aviators are at about a 1:1 BOG:Dwell [Boots On the Ground:Dwell], that means boots on the ground for 12 months. And they are coming

home from anywhere from 12 to 14 months. Rotary wing is the coin of the realm down range today, and a lot of it is moving from airfield to airfield where the C–27 could fill in a gap that we think is absolutely critical.

Even in Afghanistan, but if you take it to other places in the world I think it is even more convincing. Plus, it provides a tremendous capability for homeland defense, and that is one of the things that was critical about the C–27 and its ability to get into air fields here in the United States that other aircraft can't get into in the event of homeland defense kinds of missions. So we are totally committed to it.

Mr. COURTNEY. And again, if we can get that follow up, that would be great. A number of us are definitely interested in helping, you know, push that along if there is a way that we can.

Admiral, I think the Chairman in his opening remarks talked about some of the shortfalls in the repair and maintenance account. And you know, in many respects this should be sort of a milestone year for the Navy in at least one aspect, one that probably did for me ad nauseam around here about, which is the submarine fleet, but, you know, we are now at to a year of production for the first time in 22 years, you know?

We are doing, again, full startup of R&D [Research and Development] for the *Ohio* Replacement Program. But obviously, you know, this is progress that could be challenged if the sequestration goes into effect. And I guess, you know, maybe if you could talk a little bit more about Mr. Forbes' comment regarding the repair and maintenance account, in particular in terms of the impact on the fleet size and capability and——

Admiral FERGUSON. Sure. It is an important point, because the Navy we reset in stride. And so, we deploy and, in fact, over half our forces are under way, ships and submarines, on a given day, and about 40 percent are forward-deployed.

The demand for those forces is going up. So we don't have the luxury of taking them offline for prolonged periods of time. And so, the maintenance funding that we have when we bring them home for their turnaround is absolutely essential to sustain that force, to reset it and then prepare to go both the amphibious lift for the Marines, as well as aircraft carriers, submarines and surface ships.

And so we have watched the trend in readiness over time. We are operating within acceptable levels, but as Admiral Greenert testified previously, there is a negative trend over the long term as we shrink those maintenance funds.

And so, as we go forward, we are actually committed to keeping the force whole and ensuring that those forces that are operating are well-maintained and equipped and go forward. But it does present a challenge to us in an era of declining budgets.

Mr. COURTNEY. Thank you.

I yield back, Mr. Chairman.

Mr. FORBES. Thank the gentleman.

The gentleman from Alabama, Mr. Rogers, you are recognized for 5 minutes.

Mr. ROGERS. Thank you, Mr. Chairman.

I thank all of you for being here.

The DOD [Department of Defense] in this current year budget had projected fuel costs for a barrel of oil to be $131 and DLA [Defense Logistics Agency] has recently pegged it now at $166 a barrel, and is projecting that that level will be sustained throughout the balance of this fiscal year.

How are you all going to deal with that?

General Breedlove, let us start with you and let us go down the other——

General BREEDLOVE. Sir, thank you for the opportunity to talk to it. We do have an aggressive program in our fuel savings and are looking at numerous opportunities, both existing technologies and new technologies, to get after it.

A good example is re-coring of our C–130 engines. If we can get to a new core of those aircraft on those aircraft engines running cooler and running more efficiently, the fuel savings is quite important.

Simple things that we are doing across our aircraft fleet like winglets on our larger aircraft and changing, as we buy new aircraft, some of the exterior hull designs, cuts down on a little bit of fuel.

You would think that that is not significant, but we understand, as you do as well, sir, that the Air Force is the number one user of fuel in the United States. And so, every little bit that we can cut saves money to roll back into things that are really needed in our force.

So we are attacking this, because it is the most important thing to get at for Air Force savings and energy.

General DUNFORD. Congressman, thanks so much for the question. We share your concern about that, what I perceive to be a critical vulnerability, a rise in fuel, not only from a cost-perspective, but also from a strained line of logistics as we have seen in Afghanistan, the criticality of getting fuel to our forces. And what that does in terms of putting people in harm's way to deliver that fuel.

All of our units that are on the ground right now in Afghanistan have been fielded with renewable energy sources that started as an experiment, and within about 14 months it has now become every unit that goes over there has renewable energy. And that includes not only solar panels, it includes tent liners, it includes low-energy or energy-efficient lighting.

As we look at our requirements as we acquire new equipment, fuel efficiency is a critical part of our requirements documents as we seek to add new equipment in the future. And then as a whole within the Department of the Navy, the Secretary of the Navy has led a very aggressive effort to replace our fossil fuels with some alternative fuel sources and other initiatives in developing technologies that might be available to release us from truly the shackles of fossil fuels. Again, not only from a cost perspective, but from a challenge in delivering that to the battlefield.

Mr. ROGERS. Well, I guess I am hearing from both of you all that this 25 percent increase in cost that was not budgeted for something you think you are going to be able to adequately deal with?

General DUNFORD. Congressman, what we are doing is we are making choices. I mean, there is other ways that we can, you know,

we increase in the reliance simulation, as an example, to develop proficiency for both our pilots and for our ground forces.

We will make tradeoffs within our operational maintenance accounts to ensure that we can maintain a high state of readiness and still pay all of our bills.

I am not going to say it is not going to be difficult. It is going to be a challenge. This does exacerbate an already stressed operations and maintenance account. But right now, we are trying to work within the resources that we have, again, to ensure that our folks maintain proper training before they deploy. And we have no issue with delivering fuel obviously to our forces that are forward-deployed as our number one priority.

Mr. ROGERS. Okay. Admiral.

Admiral FERGUSON. We are also a part of the very aggressive energy efforts led by the Secretary for all our basing, but I think more to your point is the challenge in this fiscal year that we are facing.

And should the current prices be sustained, and lately we have seen them start to come down a bit, but if they were sustained for the entire year for the Department of the Navy, the shortfall would be around $1.1 billion that we would face in fuel costs.

We would have to offset those by reductions in other areas of the operations and maintenance account to pay for that, or seek a reprogramming or other action from the Congress to address it.

And because it is in execution here, the horizon of many of our efficiency initiatives won't generate those savings in order to generate them this year. But what we won't do is reduce the commitment of those operating forces to the combatant commanders and be able to sustain what we need to train and operate forward.

General CHIARELLI. I have little to add except for the fact that the Army is working in three specific areas in operational energy where our force is deployed. And, again, we will do whatever we have to do and balance whatever accounts we have to, to ensure that they have what they need, but we are looking at ways to reduce their reliance.

One of them is replacing all our generators with new fuel-efficient generators, and the fuel savings alone down ranges is huge.

Both the request for proposals for the ground combat vehicle, the infantry fighting vehicle, and the JLTV, the Joint Light Tactical Vehicle, include energy savings. And I think that is a big selling point when you look at the total lifecycle cost of those vehicles once we bring them onboard.

And at post camps and stations, we are working with a net zero pilot at least three installations. We are using solar at the National Training Center and other locations to help with our energy needs. And also, we are—the Human Resource Command, the new personnel command of the Army out of Fort Knox, Kentucky—uses geothermal to produce both its heating and cooling in the summertime.

Mr. ROGERS. Thank you all.

Mr. FORBES. The gentlelady from Hawaii, Ms. Hanabusa, is recognized for 5 minutes.

Ms. HANABUSA. Thank you. Thank you, Mr. Chair.

My question is first directed at General Dunford. By the way, I think we owe you a happy birthday to the Marine Corps. And you guys are all celebrating in the next couple of days or so.

Let me first begin with statements that you have made in your statement. I am curious about the fact that you said that our Nation needs an expeditionary force that can respond to today's crisis with today's force today.

Now, first I would like you to explain what you meant by the expeditionary force? And also, then tell me, you are talking about today's crisis with today's force today, but I think what we are looking at as we look forward in a 10-year budget, what is the force to look like in the year 2020? And those, of course, are discussions that we have been having with Secretary Panetta, as well as General—the new chief.

So if you could, proceed accordingly?

General DUNFORD. Congresswoman, the first question concerned expeditionary and what that means is a couple of things. Number one is we wouldn't be reliant on political access being provided by somebody else. If we needed to go some place, naval forces are uniquely capable of being able to do that.

We are capable of operating in an austere environment. So when we come someplace, we come with the water, the fuel, the supplies that our marines and sailors need to accomplish the mission.

And so, that is in general terms what we mean by expeditionary. With regard to today's forces today, you know, as I alluded to in my opening statement, physical presence matters. And physical presence matters for a couple of reasons, you know?

Number one, it absolutely shows a sign of our economic and our military commitment to a particular region. It deters potential adversaries. It assures our friends. And as you start moving up the range of military operations, it also allows you to respond in a timely manner to crises.

Many times you have hours, if not minutes, to provide the—to respond to a crisis, and you certainly can't do that from the continental United States. The naval forces are there on the scene able to be able to do that.

The other thing that it does is it allows you to buy time and space for decisionmakers. When you have some forces there, they can contain a crisis as the rest of the joint force gets prepared to respond to something that may be a bit larger than the crisis that is being dealt with on the scene.

So from my perspective, when you look at expeditionary forces and you talk about responding to today's crisis today, what you really have with four deployed naval forces, which is what I was talking about, is the ability to turn the rheostat up from day-to-day shaping operations, day-to-day engagement with our allies. In the sticker price of that same force, you can then respond to a crisis and in the sticker price of that same force you can then enable a joint force to respond to something larger on the seismic contingency.

Ms. HANABUSA. Now, you also went on to say about regarding to Secretary Panetta's announcement that he directed the Department to cut in half the time it takes to achieve readiness.

Now, I assume that that is one of the reasons what you are speaking to here. However, isn't the underlying assumption that we all have is that we know where we are going to be? So doesn't there also have to be some kind of analysis that if you are going to be ready to go within a couple of hours or whatever it is, that we know where we would most likely be, that your Services are most likely going to be needed?

For example, I am from Hawaii. So have Kaneohe. I mean, you know, if you are going to be deployed in Afghanistan, it is not going to be a couple of hours.

So what is the, I guess, the perceived theater as far as your concern as to where—and we have to make these choices, because of the fact that we just don't have money for everybody.

So where is it that we are going to put our resources? Or where, if you had your magic wand, you would put your resources?

General DUNFORD. Congresswoman, it is pretty clear, I think, to all of us and it certainly has been stated by the Secretary of Defense that the Pacific is the future of our country from both an economic and a military perspective. That is the number one priority.

We will still, for the foreseeable future, for many, many years to come have security challenges in the United States Central Command from Egypt to Pakistan. And so that is another area where we would expect to see significant military presence.

But I would offer to you that if there is one thing that we are not very good at is predicting the future. And so, as sure as we talk about the priority of the Pacific, and then the challenges that exist in the United States Central Command, some place else will cause us to respond, and we don't know where that will be.

And so, when the combatant commander is asked for forward-deployed naval forces to be out there on a routine basis, each of them asks for that. And they ask for that as a mitigation to the risk of the unknown. And that is what I believe we provide. So again, from the priority perspective, certainly we will see the preponderance of effort in our commitment to be in the Pacific Command, in the Central Command. But priority can't be exclusivity.

And we are still going to have to satisfy the requirements of the other combatant commanders, again, to do not only the day-to-day shaping, but as importantly, as a hedge against the risk of the unknown.

Ms. HANABUSA. I am out of time. But if you could respond to me in writing, I am curious as to what an expeditionary force would be comprised of. And I am talking about ships, helicopters, amphibious vehicles, whatever that is? If you could give me an idea, so that when we vote on what are the things are no longer necessary, I have an idea whether or not we know what we are talking about.

General DUNFORD. Congresswoman, I will be glad to do that. And the good news for you is that there is expeditionary capabilities on the islands of Hawaii, and are available in the Pacific in time of crisis. But I would be happy to get back to you in the detailed organization of Marine expeditionary forces, as well as the naval forces that are absolutely critical to our ability to do our job.

Ms. HANABUSA. Thank you very much.

General CHIARELLI. And I would be glad to do the same for the Army.

Ms. HANABUSA. And the Air Force?

And if you call it something other than "expeditionary force," you can tell me that, too.

Thank you very much.

[The information referred to can be found in the Appendix on page 77.]

General CHIARELLI. I just have to underline something that was said. We just don't know. We have been 100 percent right in something. And that is never getting it right.

Ms. HANABUSA. General Dempsey said the same thing.

General CHIARELLI. It is true. It is true. And all you have to do is look at history. And when we don't have a balanced force that can meet wherever U.S. national interests are threatened, where the National Command Authority says that we must provide military force, that is when we get ourselves into trouble.

And I think that is very important to look at the history of how we have done. We are repeating a cycle here that is something that has happened many, many times in our history.

Ms. HANABUSA. Thank you very much.

Thank you, Mr. Chair.

Mr. FORBES. And, gentlemen, I want to thank you for your patience. We have got just a few more questions. But I know that General Breedlove has a hard stop that he has to make.

I am going to ask the gentlelady from Guam if she can ask a quick question of him.

And then I just have one, if you have the time before you have to leave.

Ms. BORDALLO. Thank you very much, Mr. Chairman.

This is for you, General Breedlove. What shortages in critical skill sets in your respective Services—well, actually a question for all of you—are you already experiencing because of manpower reductions already taken? And what impacts would you anticipate from further reductions? How are these shortages affecting your warfighting capability?

And General, why don't you go first, since we know that the Air Force has experienced shortages in more than a dozen enlisted NCO [Non-commissioned Officer] and officer skill sets, especially in the aircraft maintenance area.

Mr. FORBES. And I am going to ask General Breedlove if he would address that, and then we will come back to you gentlemen after General Breedlove has left, if that is okay?

General.

General BREEDLOVE. Ma'am, thank you for the question. And you are absolutely right. There are several skill sets, both in our officer and enlisted corps, that have come under pressure. And I think it talks to capacity, much as General Dunford talked to capacity earlier.

In our Air Force, some portions of our Air Force, such as our lift and others, have a good capacity to handle the first fight. And then we will be stretched a little bit on the second fight. But already in a scenario where we have one full-up warfight, or where we are engaged just like we are now in Afghanistan and Iraq, we are already stressed in some very key areas. And you mentioned several of them.

In our enlisted corps, our crypto linguists, we are growing so fast in intelligence, surveillance, and reconnaissance, that we are struggling to keep abreast of the requirement for those people who take the data that is coming into the system, and break it down for use by our ground forces in others.

Our battlefield airmen that were built for a certain model during the Colder War, we are catching up to the requirements for our battlefield airmen. All of the units on the ground are supported by those TACPs [Tactical Air Control Party], those EOD [Explosive Ordnance Disposal], those air combat control folks. CCT [Combat Control Team], meaning our special tactics folks, and our pararescue. And those are all under pressure now in a one-war scenario, and we have to work on those.

Special operations, weather, and our security forces, as we have picked up more and more of the responsibility of defense around bases are all under pressure. In our officer career field, some of the things that you would have never thought about just simply because of the way that the Services do differently.

We have a lot of senior contracting NCOs and officers. The other Services typically do these with civilians. And so, our expeditionary officers in some of these critical career fields like airfield ops, contracting, and some of our specific airfield civil engineering sets, are all under pressure. And are things that we need to move forward on.

As we constrict our force, and we will across these budget battles, we are going to be keeping our eye on growing those. So the Air Force will come under pressure, I think, in other areas. But we will have to keep an eye on those very critical ones that I mentioned, so that we can grow to a better and more acceptable level of risk in those areas.

Ms. BORDALLO. Thank you very much, General.

Mr. FORBES. And we will come back to that question as soon as the general has just answered one more question.

General, since the Korean War it is my understanding that there has not been a single soldier or Marine who lost his life in combat due to a threat from the air. That is 58 years. And I may be inaccurate, but that is a statement that was given to me. Oftentimes, we call that air dominance. If we were to move to those cuts that sequestration could bring about, would that put into question our continued ability to have that kind of air dominance?

General BREEDLOVE. Mr. Chairman, I would never—we never beg to correct. But I would just correct in one way. We have since the Korean War suffered an air attack by Scuds, and some others who have taken the lives of our soldiers, sailors, airmen, and marines on the ground. So, just with that small correction.

I think the point that you make is the one that is often talked about. And that is to fixed wing air to our opponents' air forces, our naval air forces, we have not lost—been under attack since the latter part of the Korean War. And that is something that our Air Forces, centered on our Air Force, but certainly our Marine air and naval air, and to some degree even the rotary ring of the Army, we have put together what you call "Air dominance" across the years to give our ground forces the ability to react and to fight under that protection.

I give you one small example that my friend from the Army will chuckle about. And that is, when I was an ALO [Air Liaison Officer] in Europe during the late 1980s, and we would practice for the big war on the plains of northern Germany, we would go out in our brigade formation when I was a brigade TACP. And when we came under attack from supposedly Soviet force air, we would do herringbone maneuvers and all kinds of things to react to, so that the air defenders could set up and defend us and so forth.

And we have now come to an age where we are so used to, and so enabled by, that air dominance that the joint team brings to the battlefield, that I can't remember even talking about a herringbone maneuver in the last few years.

Our situation on the ground and on the sea would change drastically were it not for the joint air forces that bring this capability. Certainly, we will all be under pressure under the new budget regimes, and especially if we go to a sequester. And I would just say that I think that without starting a long conversation about areas of the world where we talk about the paradigm of area A2AD—Anti Access Area Denial Events. So that our opponents build an area that is so constrictive to our ability to enter the area or fight in the area due to their ability to put up air defenses, sea defenses, ship defenses that keep us at range.

That the future budget scenario which would severely constrict our ability to approach those requirements, those weapons, those new aircraft or other weapons that would give us a capability in this A2A2—or A2AD anti access sort of environment. I think that is where the pressure will be.

And quite frankly, in some portions of the world if we are not able to break that A2AD environment, I believe that we will be in a position where we will not be able to guarantee that air dominance, or air supremacy, to our sea and land forces as we operate over them.

Mr. FORBES. Yes. General, thank you so much for being here. I know you have to go, and we are excusing you from the hearing now. And please know how proud we are of your service, and the men and women who serve under you in the United States Air Force. And thank you for being with us today.

General BREEDLOVE. Mr. Chairman, thank you very much for the opportunity.

Mr. FORBES. Thank you. And, gentlemen, we are not going to hold you very much longer. But just a couple things that we would like to get for the record, so that we can get to other members. I want to yield back to Ms. Bordallo, so we can finish her question that she had for the generals to answer.

Ms. BORDALLO. We will start with the general.

General DUNFORD. Congresswoman, getting back to our current shortfalls, and then the impact of future reductions. I mentioned in my opening statement that our forward-deployed marines have all that they need with regard to training, equipment, and leadership to accomplish the mission. That is our absolute number one priority.

The cost of ensuring that they have all that they need has been felt by those units back at home station. In fact, about two-thirds of our units that are back at home station are currently in a state

of degraded readiness. And that, of course, impacts on our ability to deal with another contingency, or certainly the unexpected.

There is also a cost when we come back out of Afghanistan to reset the force. To address those equipment shortfalls, and to refresh the equipment that will be coming out of Afghanistan. And we currently estimate that bill at about $3 billion. In some ways that is a good news story, because a couple years ago that bill was in excess of $15 billion. And with the help of Congress over the last couple of years we have been able to do some resetting, even as we continue to support operations both in Iraq and Afghanistan.

So as we look to the future, I would be concerned about two things. One, I would be concerned that we actually do reset the force. We actually do address those deficiencies and replace that equipment set that is worn out from operations in Afghanistan as we move to the future.

The second thing I would be concerned about is our ability to continue to modernize and keep pace with modern threats. And over and above the reset cost, which really gets us back to the force that we had before we went to Afghanistan, replacing that equipment, we need to keep apace and modernize our equipment.

And I would be concerned that further reductions would preclude our ability to modernize. And over time we would get back to that same state we were in, in the 1970s, where our equipment was antiquated and worn out. And that is exactly what we want to try to avoid. And again, that is one of the key aspects of hollowness.

Ms. BORDALLO. Thank you very much.

Admiral.

Admiral FERGUSON. As we look at the manpower issues, the force is under pressure. Our average deployments, as I alluded to earlier, 50 percent of our ships underway are stretching out to about 7 months. Some ships are doing longer, in order to do operational commitments overseas. And so, they are under stress.

And within that area we have a group of very critical specialists. And I am thinking of our nuclear operators, our linguists, our cryptologists, those involved in highly technical fields like acoustics and aviation maintenance and electronics, where, because the outside economy is presently not hiring to the level where they could, you know, think about leaving, they are staying with us.

And my concern as we go forward into this environment, which echoes my fellow vice-chiefs, is concerning this element of keeping faith with the force that we have. And ensuring that we sustain their compensation in an area under high stress, so that should the economy—and hopefully it turns soon—gets better, we might lose those individuals for retention in the future. So the retention element is one that we watch very carefully.

We are enjoying great recruiting right now from the Nation with the highest quality force we have ever had, and we are very appreciate of that. But I think in the long term manpower, it is our highly skilled critical specialties that we are most concerned about for the future.

Ms. BORDALLO. Thank you.

From the Army, General.

General CHIARELLI. Recruiting and retention has never been stronger. It is just absolutely amazing, and if you would have told

me this 10 years ago before we got into this fight, I would have said there is no way we could hold this together for 10 years and have it be as strong as it is today. It is absolutely amazing.

But at the same time, again, as the guy who gets the pay to worry about things, I also believe it is fragile. I worry about rotary wing aviators. That is an area, as I indicated earlier, that my folks are spending 12 months in theater, coming home for 12 to 14, maybe 15 months right now, and then right back down. I have got aviators that have got six and seven deployments. We are increasing our contracting, uniformed contracting corps.

The Secretary of the Army has made a decision to add additional uniformed contracting specialists, officers and senior non-commissioned officers and warrants, to the United States Army even as we downsize the force, because we realize it is absolutely critical. And electronic warfare is also an area where we are adding to our rolls, even as we downsize.

I would like to pile on to what General Dunford said. What really concerns me is in the modernization area. I will tell you, the ground combat vehicle, the infantry fighting vehicle, is absolutely critical for the United States Army. We are not talking about going into full-rate production at this particular time on the ground combat vehicle.

All we are trying to do is get from milestone A to milestone B to see what the industry can give us at a point where we can make a decision 2 to 2½ years from now whether to go to a new build that industry brings us, while at the same time in that 2½-year period, we are going to look at some off-the-shelf solutions to an infantry fighting vehicle. And there are many.

And then, when those two lines of effort converge, 2 to 2½ years from now, we will make a cost-informed decision on what we can afford. But to cut that off now, to not provide us the ability to do that, will only put us 2 years behind a modernization program that is absolutely critical to the Army.

I would argue I think we are doing the same thing with the JLTV, the Joint Light Tactical-Wheeled Vehicle. We are looking at the possibility of recapping Humvees and what that would cost. At the same time, we have entered into a partnership with the Marines and really driven down the requirements on JLTV, so that we believe we can buy this vehicle for somewhere between 200 and $240,000 a vehicle.

We have done that in partnership to drive down those requirements, but that, too, will enter into what they call a technical development phase, and it will come together with what is being looked at with the recap of Humvees. And there will come a point down the road, not probably more than 2 years or shorter than 2 years, where we will be able to make a decision on what is smarter? Do we recap Humvees, or do we go with a new JLTV?

I just think it is absolutely essential that we be allowed to continue that critical work, or we will end up with a force that is not modernized. And a force that is not modernized is an unbalanced force, and in the end, it will cost us lives.

Ms. BORDALLO. Thank you very much. That has been very informative.

General CHIARELLI. Thank you.

Ms. BORDALLO. Thank you.

Mr. FORBES. Gentlemen, one of the things that all three of you have talked about—and first of all, I compliment you. All three of your Services have done a great job in retaining your troops and recruiting. And I have looked and I have seen the pride in each of your eyes as you look at the products that you are able to train and turn out.

But I also hear you using a phrase that I don't think the public always understands, which is "keeping faith" with those troops. And part of that keeping faith is the compensation package.

And each of you told me privately it is kind of a holistic approach. It is more than just the dollars. It is everything. It is the commissaries that they go to. It is the schools that they use. It is the programs that they have as an overall package when someone sits down and determines whether or not they are going to re-up, or whether they are going to sign-up in the first place.

But the question I have for you is if you could elaborate for me a little bit your concerns with this keeping faith? And specifically, I want to ask you this. When we had a major policy change recently in the military with "Don't Ask, Don't Tell," and I am not asking you to weigh in on for that or against that, either one. But we did an in-depth study, surveys, focus groups, that were done, too, before we implemented that policy.

I wonder if you could elaborate a little bit what the Army did, the Navy did and the Marine Corps did in terms of that policy, focus groups, survey, and et cetera? And then compare that to what we have done with the compensation packages? Have we done any similar types of analysis of that?

And General Chiarelli, why don't we start with you?

General CHIARELLI. Well, we haven't, because the proposals have been coming from every direction. And you are so correct that this is a holistic review. It needs to include those benefits that you are going to have for medical care, retirement, educational benefits. They all have to be looked at in a holistic package, and not looked at as individual programs, because they are all interrelated.

We need to do those focus groups. We need to know what the educational benefits mean to the 19-year-old kid coming out of high school, coming into the United States Army. What role did that play in his decision to sign up during the time of war? It is very interesting, when the Defense Business Board published their plan for looking at military retirement, the Secretary of the Army and the chief of staff went out and talked to soldiers.

And they were expecting to get questions, based on the *Army Times* article, from captains, majors, lieutenant-colonels, and colonels, and senior non-commissioned officers. That wasn't it. They got it from a 19-year-old kid who said, "Mr. Secretary, what are you doing to my retirement?"

Now, we know the numbers. Less than 70 percent of those will ever reach retirement. But it leads one to believe that that retirement package had a role in this individual making a decision to join us during a time of war. And if we go back to what we just talked about recruiting and retention, these are huge in our ability to be able to maintain this force over time.

So I would only echo what you say, Chairman. We really need to take the time to look at this. We understand it needs to be looked at; yes. But please, let us do it holistically, and let us take time to put together a total package and understand where that is going to take us.

Mr. FORBES. General, I know, but for the record, how many years have you served in the Army?

General CHIARELLI. Just short of 40.

Mr. FORBES. And during——

General CHIARELLI. I don't look it, do I?

Mr. FORBES. No, you don't.

[Laughter.]

I would have thought 19.

General CHIARELLI. Thank you.

Mr. FORBES. But with all of those years experience, would you say that it would be foolish, at least unpredictable for us, to begin to launch off of some of these compensation packages before we have done an analysis to what it is going to do to the force?

General CHIARELLI. Yes.

Mr. FORBES. Admiral Ferguson.

Admiral FERGUSON. I would echo General Chiarelli's comments, and say that when I go out and I travel to the force and I visit, it is the number one question that I get. And part of the benefit of the review process that happened under the study for the repeal of "Don't Ask, Don't Tell" was that we not only did focus groups, but we allowed a very methodical review of the policy issues.

An ability to socialize discussions with the force, that allowed people to work through and air the questions and things that they had about that policy development. And it was a pretty thorough process of both surveys, policy development and analysis, and communication.

I think in an issue that is as important as retirement to our force, and for their decision about retention, that a similar type review of that thoroughness and nature would be important, as well as the ability to have the force be communicated with on the elements that are under consideration. I just think that is essential for the long-term viability of the force.

Mr. FORBES. Thanks, Admiral.

General.

General DUNFORD. Chairman, thank you for that question, and I would agree with the characterization that you laid out with regard to compensation, General Chiarelli and Admiral Ferguson. And just summarize with a key point, and that is this. There have been many proposals about compensation that are out there that talk about how much money we will save. I have not seen a single proposal that provides the analysis on what the effect on the force would be.

And at the end of the day, what compensation is about, it is about our ability to continue to recruit and retain the high-quality force that we have had in harm's way over the past 10 years. And if you play it forward, I mean, it really is about a conversation that some young sergeant may have with his spouse a couple of years from now.

And the spouse will say, hey, your 4 years are up, what are you going to do? You know, you have been deployed two or three times. You have been away from home 180 days out of every 365 days. This is really hard. You are missing many of the key milestones of your children's lives. Are we going to stay in, or are we going to get out?

And at that point, the family is going to look holistically at the housing, the education for their children. They are going to look at medical support, they are going to look at behavioral health support that exists. They are going to look at some of the intangibles like is their service valued? Do they have respect in the community? Do their leaders treat them with trust? If so, all of that is really the intangible and the tangible aspects that cause people to serve.

And when we talk about compensation, we need to talk about it in that light. It needs to be a holistic approach to ensure that at the end of the day, when that sergeant has that conversation, that the compensation for his service and the value that we place on his service exceeds the challenges and the risks that we ask him to endure.

Mr. FORBES. General, I am going to ask you the same question I asked General Chiarelli. And despite your young, youthful looks, how many years have you served in the United States Marine Corps?

General DUNFORD. I have served, Chairman, a mere 35 years in active duty.

Mr. FORBES. And in that 35 years with all of your experience and the capacity, how detrimental do you think it would be to your force if we launch out changing these compensation packages before we have done these kinds of reviews?

General DUNFORD. Chairman, I think it would be reckless to make changes in our compensation packages right now without an understanding of the effect. And I think that each of the gentlemen that sit at this table and most of us all remember the quality of force that we had in the late 1970s. And that is exactly what we don't want to go back to.

As long as our Nation has made a decision that we are going to have an all-volunteer force, then the critical aspect is that we have to make sure that the compensation meets the requirements of the all-volunteer force. And so whether it is expensive or not really is relative to what you get from it. And how much it costs may or may not be expensive when you think about it in those terms.

And from my perspective, again, the chairman has said we should look at compensation. We should study compensation. I am not for a minute suggesting that there may not be rational and good changes that we might make in compensation. But again, at the end of the day we have to do that in a way that ensures that we continue to recruit and retain that high-quality force.

And folks who lose sight of that I think are actually heading down a path they have no idea what is on the other end.

Mr. FORBES. I would like to shift gears just a little bit. And we hear a lot of discussions, both in Congress and across the country today. If we were to not be forward-deployed, if we would pull all of our troops, all of our assets, from across the globe and bring

them all back into the United States, that that would be a more inexpensive way for us to conduct our national defense and our foreign policy.

General Dunford, can you tell us how that would impact the Marines if that was done? And whether or not you think that would be a good policy for us to undertake?

General DUNFORD. I could, Chairman. First of all, as I mentioned when the Congresswoman from Hawaii asked me, you know, our forward-deployed and forward-based forces, you know, provide an unmistakable sign of our commitment, both economically and militarily, in a region. And they contribute to regional stability. Being forward-deployed and forward-engaged, again, allows us to shape the environment, as opposed to reacting to the environment.

Being forward-deployed and forward-engaged allows us to respond to crises in a timely manner and being forward-deployed and forward-engaged certainly deters, you know, our potential adversaries. To give you an example, from a time and space perspective, of the impact of going back to the continental United States, if you took the Third Marine Expeditionary Force that is currently located on mainland Japan and in Okinawa and soon to have elements on Guam, if you took that force and moved it back to the continental United States, in the event of a crisis or contingency, Chairman, it would take months to move that force to the Western Pacific and seven consecutive miracles in terms of synchronizing the planes, trains and automobiles associated with moving that force.

Mr. FORBES. Admiral Ferguson.

Admiral FERGUSON. Just a little over a week ago we had an International Sea Powers Symposium in Newport, Rhode Island. Over 100 navies were represented around the globe and nearly all were chiefs of their navy that came to talk. An issue that they raised repeatedly was, will you still be here with us? Are you going to be forward and operate? And each of them in the various regions of the world articulated the need for stability against piracy.

To provide missile defense ships, to provide a shield for our allies in Europe. A nuclear deterrent that is forward to be able to operate with our partners, the Marine Corps. To be able to project power both from a carrier air wing, from a submarine, an SSGN [Nuclear-Powered Cruise Missile Submarine], or from the amphibious forces. But the primary element is that stability and surety to our allies, and the ability to be forward and to respond quickly.

The demand for naval forces forward from the combatant commanders has never been higher, both in Central Command and in the Western Pacific, but also in other regions, be it counter-drug or in Africa where humanitarian assistance is needed. Or, to support Special Forces from international waters. So we see that pulling back those forces and their presence would abdicate the Nation's maritime leadership in the world. And would really reduce our ability to influence, shape events around the globe and provide stability.

Mr. FORBES. Thanks, Admiral.

General.

General CHIARELLI. We understand that adjustments are going to have to be made to forward-deployed Army forces. But at the

same time, we think it is absolutely critical. We think it is absolutely critical from an engagement standpoint. The relationships that are made when a young captain meets another captain from another Service and they grow up together in their own Services and have those connections back and forth are absolutely critical.

Particularly in a strategy that is going to rely on the ability of allies to assist us. Without that forward engagement, that living and working and training with those forces, we lose so much. So I would be very, very careful at taking a look at just what the green eyeshade people would look at when they look at forward-deployed-and-stationed forces.

I would look at some of the second and third order effects and the intangibles of the relationships that are built and how critical those relationships are in a time of crisis. It is always good to have someone on the other side you can call. And many of these engagements provide that to us.

Mr. FORBES. One of the other discussions we have had up here from a lot of people, we sometimes get lost in the nomenclature and the syntax and people will say, well, if we make all these cuts we just simply have to come back and redo our strategy so that we can't do as many missions. The Chairman was kind enough to have, or smart enough, I guess, to have the three former chairmen testify before our full committee a couple weeks ago I guess it was. We had former Chairman Hunter and Skelton and also former Chairman John Warner from the Senate.

I asked each of them what warning would you want to give to our committee, or to the Congress, from all of your years of experience. And Congressman Skelton said that throughout his tenure in Congress there were 13 contingencies. Twelve of those were not predicted. Only one of them was predicted.

No matter what we do with our strategy in terms of changing that, do any of you know of a time when any of your Services were asked by the President of the United States to go perform a mission, but you said, no, we can't do it, because it is not in our strategy?

General Chiarelli.

General CHIARELLI. No.

Mr. FORBES. No.

General CHIARELLI. And I will give you an example from my own career. When I was a division commander I spent a year in Iraq. I came back and went into a reset phase. I was back for 3 months when Katrina hit the continental United States. I was told at a time when I was at the lowest readiness level of probably any unit in the United States Army, to pick up a brigade and send it to New Orleans from Fort Hood, Texas, within 24 hours.

When I asked the question, are you kidding me? We just got back from Iraq, I was told, you don't understand. You pick up your brigade, you be in New Orleans in 24 hours. We will never fail you. We will always do it. But if we are not trained, if we are not equipped, if we don't have the proper force structure, the results will not be good. They will not be good.

Mr. FORBES. And General Chiarelli, would it be fair to say that when you say the results would not be good, that includes the number of men and women that come back from——

General CHIARELLI. And that is exactly what I was trying to show in my historical examples of the Kasserine Pass and Task Force Smith. No one ever said, no, we are not going to take Task Force Smith into Korea. They said "Roger, we will do it." But they went in with incomplete infantry battalions, a poorly equipped and trained force, and they took 40 percent casualties.

That is what happens. We will never say no. That I think we all will promise you. But the key is the results when we do that mission.

Mr. FORBES. Admiral Ferguson.

Admiral FERGUSON. I would echo that. In the history of the Nation we have never said no and we won't say no into the future. And so, you know, our forces forward, they will be as ready as we can make them. And we will operate forward. We will be ready and we will take risk at home, rather than in any way keep the forces that we have able to achieve the mission.

Mr. FORBES. Would you agree that if that risk is increased, that risk means the risk of the number of men and women that may come back from that mission, if we send them in unprepared and unready?

Admiral FERGUSON. I think all of us in the Service accept that risk as part of the business of wearing this uniform and serving the Nation. And we accept that as part of the calculus, and that our mission as leaders is to make them as ready, to give them the equipment and minimize that as much as possible.

Mr. FORBES. General Dunford.

General DUNFORD. Chairman, saying no to the commander in chief is not in our DNA. We will never do that, we never have. I would agree with what you and General Chiarelli and Admiral Ferguson said. We will never say no, but if we do go into harm's way without adequate equipment, without adequate training, without adequate leadership, the cost of going into harm's way without being ready, which is what we have articulated here today, is the requirement to keep our forces at a high state of readiness, not to have hollow forces, to be prepared for the unexpected.

But the cost of going into harm's way without having been attentive to balanced readiness is absolutely the cost of young Americans.

Mr. FORBES. And one of the things that I mentioned that we asked the former chairman was if you could give us one warning about these cuts that are coming down, the things that would happen. What would the warning be that you would give to this subcommittee, that we could give to the full committee, that we could give to Congress, from all of your years of experience? What concerns you most?

And with that, please feel free at this time to tell us anything that we have left out that you feel you want to get on this record, so that we can give you that opportunity to do that.

And then I am going to wrap up by letting the Chairman and Ms. Bordallo have any final comments that they might want to make.

Anybody want to start?

General CHIARELLI. My biggest fear is that we will not be able to—and we understand we are going to have to downsize the Army.

We already know we are going to 520—520,000—that is in the books, 27,000 in force structure and 22,000 in a temporary end-strength increase. I am concerned about losing the entire temporary end-strength increase, because I have such a high number of individuals that are in the disability evaluation system and it is taking me way too long to get through that.

I won't go into it in great detail, but I would hope someday we will look at the disability evaluation system, and look to design a system built for an All-Volunteer Force, rather than a system that currently is built for a conscript force. I think that is a huge issue out there when it comes to readiness that we have to look at.

But my fear is we won't do this in a balanced way. Whatever size force we have at the end has got to be modernized, it has to be well trained and maintained. That is absolutely critical. And besides shrinking our force, the real mistake we have made in the past is to take some kind of solace in the fact that from the Army's standpoint we maintained a force structure of X, you name it.

After World War II it was 530,000 folks. But it wasn't the size of the force that got Task Force Smith into trouble. It was the modernization of that force and the training of that force that got it into trouble. That is what caused the problem. That is what caused the 40-percent casualty rate.

So I just ask, as we look at this, that we do it with those three rheostats that I talked about earlier on, that we look at force structure, we look at modernization, and we look at training and maintaining that force. And ensure that whatever size the Army is at the end of this thing, that it is a well-trained, modernized force that can do what the Nation asks it to do.

Admiral FERGUSON. I firmly believe America is a maritime nation faced by two oceans, and our prosperity and our standing in the world in many ways is ensured by the naval forces that we are able to deploy forward.

Around the globe, potential competitors are working to negate that advantage through anti-access aerial denial capabilities, and we have to be able to pace that in the modernization of our forces as we go forward.

Our allies and our friends look to us to provide stability in the global common that is the sea. And we have assured them that we are committed to do so. And I think that is an important point of our security as we go forward.

As I think about the future, the element of balance within the naval portfolio is important. It is about ensuring the forces that we have, whatever level that we set on those from the strategy and the fiscal environment, are extraordinarily capable to meet that threat, they are able to be forward, they are ready with adequate weapons, people, training, such that it delivers to the President and to the Nation options that he can use forward, away from our shores.

As I leave you with, you know, thoughts or things that really affect me, I had the occasion to attend the memorial service for the SEALs [Sea, Air, and Land teams] who were killed in that crash in Afghanistan. And the strength of their families and the commitment of those individuals who are operating on a 700-day cycle, and they are gone for about 500 days of it, they have been doing this for 10 years of war, that core of people in the United States

who are willing to raise their right hand and serve, to me we can never lose that. And that is the most essential element.

Thank you.

Mr. FORBES. General Dunford.

General DUNFORD. Chairman, what concerns me is really what I opened up with, and that is that we will make these cuts without an adequate appreciation of the strategic implications, the implications on our readiness, or the implications of breaking faith, as Admiral Ferguson talked about.

And also, what concerns me is that folks would think that if we get it wrong, well, we can just simply fix it in a year or two. That is not possible, particularly in the latter category. And if we break the trust of our marines, sailors, soldiers and airmen today, it would be decades before we get it back.

And so, some of the decisions that we make, both from an industrial base perspective, but as importantly, from a human factors perspective, the decisions we can't possibly get wrong. We are not going to get it exactly right, but we can't afford to get it wrong. And so, I am concerned about those two things.

And I think probably the last thing is that people would assume that if the United States of America reduces in capability, well, someone else will just be out there to pick up the slack. Chairman, I don't know who that would be. And I think who will pick up the slack are people who do not have interests that are consistent with the United States of America.

And I think we will assume extreme risk in regions that are critical to the United States if we are not there, we are not forward-deployed, we are not forward-engaged, we are not assuring our allies, and we are not deterring our potential foes. Those are the things that concern me.

Mr. FORBES. Thank you, General.

And we have been joined again by our Chairman. I would just like to ask if he has any follow-on final questions or comments he would like to offer.

The CHAIRMAN. Yes, thank you, Mr. Chairman.

Not to drag this out, but I had a call several weeks ago from a young man that I watched grow up. His dad is a good friend of mine. And he is an Air Force officer. He is a physician stationed down in San Antonio. And I guess he had been talking to his dad, and his dad told him to call me. And he said he has been in 12 years, he is looking at re-enlisting, and he wanted to know what can I expect? What is my future? What will be my retirement? He is enjoying the service, but he is very concerned.

And I couldn't tell him. You know, I don't know what his future is, because I don't know where all of this that we are going through. And I was down at Camp Lejeune a couple of weeks ago, and I was visiting with some marines and their wives. The wives spoke up. And they are very concerned. Same questions. You know, what happens on—can we look forward to a career?

I have seen this. I have seen this movie before. When I was pretty new in the Congress, I was going up to visit West Point, and I had a lieutenant colonel with me. They don't let us go anywhere alone. And his dad had been the chief of the Army. No, his grandpa had been the chief of the Army. His dad had been the youngest

brigadier in the Army. And then he suffered a stroke, and that ended his career.

And this lieutenant colonel, his whole life, that was all he ever wanted to do was serve in the military, and he was being "RIF'd" [Reduction in Force], because his class at West Point—they were about 3-year class—this was the drawdown under Bush and Clinton earlier in the 1990s. And he didn't want to leave. And he didn't have a choice.

And when we got to West Point, we were greeted by a lieutenant colonel there, and he was also being RIF'd. It didn't matter as much to him. I mean, he didn't want to leave, but it—to the first guy, it meant a lot. And, you know, I thought, that does break faith, as far as I am concerned. You start somebody out on a career, you send them to West Point or Annapolis, or Air Force Academy, and you make certain promises, and then you break those promises, that is basically what has happened.

And then I think about these young men that are going outside the wire over in Afghanistan every day on patrol and if they are having to think about what is happening about my future, instead of concentrating on IEDs [Improvised Explosive Device], or on snipers, or on ambushes, or just not being able to be totally focused on their job. That puts them at risk today, needlessly.

And I just—I——

Mr. FORBES. Mr. Chairman, we thank you for those comments and for that passion that you have for our men and women who serve in our military.

Ms. Bordallo.

Ms. BORDALLO. Thank you very much, Mr. Chairman.

I want to thank General Dunford for his comments about the Pacific area and how important it is that we continue to increase our force structure. This is a troubled area. And, Mr. Chairman, Mr. McKeon, and our Chairman of our subcommittee, I live there. That is my home. And I want to know that we Americans living in Guam and other islands surrounding us are protected.

And to all of you who gave us information this afternoon, I found it very valuable and how important it is to keep up the strength of our military forces.

Thank you, Mr. Chairman.

Mr. FORBES. Gentlemen, too, all three of you, we thank you for your service to our country, for the men and women who serve under you. And I think you can tell from listening to your testimony, you can tell from listening to the comments up here, this is not just about procurement. It is not just about aircraft carriers. It all does come down to individuals and those men and women who serve under you.

All of us have those stories, stories that make this very, very real. Mine was a young Marine, Colby Childers. Cody, all he wanted to do from the time he was 11 was serve in the Marine Corps. When he was 18, he became a Marine. When he was 19, I was speaking at his funeral.

And Colby had two tattoos. One of them was an American flag, red, white and blue. And one of them was his family. And I was thinking at that funeral, as I looked, this is the absolute best that America has to give.

And one of the things that we have got to make certain of, General Chiarelli, you mentioned it, we don't break that faith, that we continue that. Because, Admiral Ferguson, as you mentioned, if we lose those people, if we lose those families, this country has a tough, tough road for us to travel down.

And so, I think you can tell from this subcommittee we don't plan to go quietly in the night. We plan to fight as much as we can to make sure you guys never have a fair fight. We don't want you to have a fair fight. And we want to make sure the men and women who serve under you, who raise their hand, that we are keeping that faith with them. And that we are making sure they are the best-trained, best-prepared, best-equipped military in the world.

And thank you for your careers and helping to make that happen. And thank you for giving us a record that we can share with other members of Congress to help make that a reality.

So thank you.

And with that, we are adjourned.

[Whereupon, at 12:47 p.m., the subcommittee was adjourned.]

A P P E N D I X

October 27, 2011

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

OCTOBER 27, 2011

Statement of Hon. J. Randy Forbes

Chairman, House Subcommittee on Readiness

Hearing on

Readiness in the Age of Austerity

October 27, 2011

I want to welcome all of our members and our distinguished panel of experts to today's hearing focused on how we maintain readiness in an age of austerity.

I want to thank our witnesses for being with us this morning. I know several of you had to cancel long-standing personal commitments to be with us this morning, and I appreciate your willingness to testify before this subcommittee once again on this most important topic.

I believe it is vital that you are all here with us today, as I suspect this is one of the last opportunities for members of this subcommittee to hear from the Services on the impacts of the Budget Control Act before the "super committee" delivers its recommendations to the Congress.

All this year we have been exploring our current state of readiness and discussing how we remain prepared to meet the challenges we are likely to face in the future.

In July we explored our numerous challenges to readiness and the difficulties we face in meeting COCOM requirements with a force that Gen. Breedlove referred to as "on the ragged edge."

Today we again explore readiness in the context of the Budget Control Act of 2011 (BCA) and its potentially disastrous effects on our military. While there seems to be a prevailing consensus that sequestration under the BCA would be devastating to the military, I remain concerned that we may have already gone too far.

Over the last 20 months, the Department has reduced its 10-year budget authority by $754 billion from the levels submitted with the President's budget for Fiscal Year 2011.

It has already cancelled many of its most advanced systems like the CG(X) next-generation cruiser program, the F-22, the Army's Future Combat Systems, and the transformational satellite program (TSAT), among others.

DOD has also already made tough decisions on force structure and civilian personnel, shrinking the Marine Corps by more than 15,000 marines, the active Army by 49,000 soldiers, and freezing DOD civilian jobs at FY10 levels.

In short, for the past couple of fiscal years DOD has been doing its part to reduce Federal spending. Tough choices have already been made and the low-hanging fruit harvested.

The fact is, we now face strategic uncertainties. Uncertainties such as whether the U.S. can maintain its proud tradition of air superiority or whether the vital amphibious capability of the Marine Corps is sustainable.

No doubt, there are many contributing factors that got us where we are today. Many tough decisions still lie ahead, but we all have a responsibility to ensure our men and women in uniform are given all the tools necessary for the job we have asked them to do.

I look forward to learning more about the real-world impacts of the decisions we make here in Washington and hearing from our witnesses about how we cope with these challenging fiscal times while also maintaining a robust and capable military.

RECORD VERSION

STATEMENT BY

GENERAL PETER W. CHIARELLI
VICE CHIEF OF STAFF
UNITED STATES ARMY

BEFORE THE
SUBCOMMITTEE ON READINESS
COMMITTEE ON ARMED SERVICES
UNITED STATES HOUSE OF REPRESENTATIVES

FIRST SESSION, 112TH CONGRESS

ON

ON READINESS IN AN AGE OF AUSTERITY

October 27, 2011

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
COMMITTEE ON ARMED SERVICES

Chairman Forbes, Ranking Member Bordallo, distinguished Members of the Subcommittee, on behalf of our Secretary, the Honorable John McHugh, our Chief of Staff, General Raymond Odierno, the more than 1.1 million Soldiers serving both here at home and overseas, and our dedicated Army Civilians, I thank you for the opportunity to appear before you today to discuss the Readiness of your United States Army in light of planned and potential defense cuts.

I, along with the other Service Vices, sat before this subcommittee in July. Then, the Budget Control Act had not yet been passed and our testimony was based on predicted cuts estimated at $450 billion over ten years. I told you I believed cuts of that level would be tough, but doable. I also stated my belief that cuts above and beyond the $450 billion mark would directly and deeply impact *every* part of the Army...from modernization to readiness to Soldier programs...nothing would be immune. There is simply no getting around that fact. Once we break that $450 billion threshold, our ability to meet our national security objectives and effectively protect our country against all threats or contingencies would be appreciably and increasingly undermined.

It is even more troubling to note that the $450 billion mark now does not represent the ceiling of expected cuts, but likely the floor. As Secretary of Defense Leon Panetta said while testifying before the House Armed Services Committee on October 13th, 2011, the nearly $500 billion in defense cuts already being imposed are "taking us to the edge." Another $500 billion would be "truly devastating."

For the United States Army, a $1 trillion cut would mean training would have to be curtailed, degrading our overall operational readiness. The size of our force would be reduced, thus limiting our ability to respond to unforeseen contingencies, while also making it increasingly difficult to increase BOG:DWELL ratios for our Soldiers. Purchases of important weapons systems would have to be cut dramatically, thereby limiting or even reducing our military capability, and also crippling our industrial base. Finally, we would have to furlough large numbers of civilian employees. In short, a $1 trillion cut would require us to assume significant operational risk by increasing response time to crises, conflicts, and disasters; severely degrading or impeding our capabilities, as well as our ability to employ forces around the world; and, in the event of unforeseen contingencies, this would most certainly equate to unacceptable risk in future combat operations.

We understand peace dividends are not uncommon. They have occurred following every major conflict up to and including Desert Storm. This time is different, however; in that the United States is still engaged in two theaters of operations. While we expect to have the majority of forces out of Iraq by the end of this year, our Soldiers will remain in harm's way in Afghanistan through 2014. Meanwhile, we have other national security requirements beyond the conflicts in Iraq and Afghanistan that will continue to require significant manpower and resourcing support for the foreseeable future. And, in this era of persistent engagement, we cannot afford to be caught unprepared in the event another unforeseen contingency arises. During a speech delivered last week, Secretary Panetta stated, "Given the nature of today's security

landscape, we cannot afford to repeat the mistakes of past reductions in force that followed World War II, Korea, Vietnam and the fall of the Iron Curtain, which—to varying degrees, as a result of across the board cuts—weakened our military. We must avoid, at all costs, a hollow military—one that lacks sufficient training and equipment to adapt to surprises and uncertainty, a defining feature of the security environment we confront."

We must also guard against making assumptions about future requirements that may very well leave us unprepared or vulnerable in the event of unexpected or unforeseen contingencies requiring large ground forces. There is much discussion of late regarding the potential savings associated with dramatically cutting the size of America's ground forces, stating the belief that they will no longer be relevant on tomorrow's battlefield. To echo the words of Secretary McHugh, we've heard these calls before and history has proven time and time again it is unwise to assume warfare will only be conducted in the air or on the sea. We acknowledge the changing nature of warfare and are continuing to work hard, along with our sister Services, to develop a versatile, tailorable force capable of providing the Nation options, while strongly cautioning against designing a force for the fight we hope to fight while ignoring historical precedents.

As Leaders, we are focused on successfully completing the fights we are in while simultaneously determining the makeup of our Army beyond 2014 given current and future fiscal constraints. Whatever decisions are made, we must go about making the necessary reductions smartly. As our Chief—General Odierno stated, "We have to

be ready for all contingencies, because we are terrible at predicting the future. It's incumbent on us, as an army, to ensure that we have a force that's ready to deal with these unknown contingencies." We must develop a force that strikes a balance between the three components of Readiness: Endstrength, Modernization and Training. We cannot have a hollow force that is lopsided or unbalanced. We must look beyond 2014 to 2020 to develop a force capable of meeting tomorrow's challenges. We must develop a force supported by concepts and capabilities that will enable us to remain dominant across the full spectrum of conflict; recognizing that tomorrow's threat, like today's threat, will likely be a hybrid mix of kinetic, non-kinetic, counterinsurgency and peace-keeping/humanitarian operations.

If allowed time and the necessary flexibility in decision-making, we may develop a force ready to meet this range of challenges. Large, directed cuts, however, would significantly increase risk and jeopardize our ability to meet our national security requirements, particularly in the event of unforeseen contingencies. We must remember that prior to 9/11, the Active Army was approximately 480,000 and that number was supposed to be able to join the other services in carrying out two major wars at one time, according to the national military strategy. Then came the wars in Afghanistan and Iraq — and, the Army proved too small to sustain both conflicts, and grew to its current strength of 570,000.

Meanwhile, we must also be mindful of the fact that our Soldiers, who have remained remarkably resilient, are tired and stressed. Less than one percent of the

Nation's population has fought two wars in two separate theaters for over a decade. Many of our Soldiers have gone on multiple 12-15 month deployments. A significant portion of those who have served are suffering the effects, including injuries, wounds and illnesses. Especially if we will be required to depend on a much smaller force in the days ahead, we must ensure our Soldiers are allowed sufficient time to recover and rehabilitate. We must also ensure sufficient funding is provided in order to conduct necessary study and research in the area of brain science, to include effective protection, diagnosis and treatment, given the large numbers of individuals suffering from the "signature wounds" of this war—injuries to the brain (e.g., mild traumatic brain injury, post-traumatic stress). Bottom line: we must do whatever is required to maintain the trust of our Soldiers and their Families. As Secretary Panetta has stated, [cuts upwards of $1 trillion] "would terribly weaken our ability to respond to the threats in the world. But more importantly, it would break faith with the troops and with their families. And a volunteer army is absolutely essential to our national defense. Any kind of cut like that would literally undercut our ability to put together the kind of strong national defense we have today."

I assure the members of this subcommittee, I and the Army's other senior leaders remain mindful of the fact that our nation is dealing with significant fiscal and economic pressures; and, we fully recognize we must be part of the solution. We also know we cannot expect to operate the way we have over the past decade and we cannot expect the same level of funding and flexibility to continue indefinitely. We understand we owe it to the American public to make the most of every dollar entrusted

to us for the defense of our Nation. Indeed, former Defense Secretary Gates set in motion $178 billion in overhead efficiencies, with $78 billion of that applied to deficit reduction; so the Defense Department has done, and will continue to do, its share.

That said, I appear before you today, deeply concerned about the immediate and long-term potential impacts of the rapid, dramatic cuts associated with sequestration on the capabilities and overall readiness of our Force. Absorbing cuts of up to $1 trillion dollars would be extremely difficult during times of peace. Enacting such cuts while still conducting combat operations, after a decade of war fought in two separate theaters, would not only be extremely difficult, but would also poses tremendous risk to our long-term readiness and the security of our Nation. I believe we need to be allowed the opportunity to implement the $450 billion in cuts already on the table in a responsible way; while not locking ourselves into additional cuts that we may come to regret later. We must recognize that if we get it wrong with defense, the consequences will be measured not just in treasure, but in blood.

The last time I appeared before I you I left you with my readiness priorities as the Vice Chief of Staff of Army. I would like to again conclude with these priorities. These priorities have not gone away and much work remains in each of these areas:

1. Achieving a minimum of 1:3 (Active Component) and 1:5 (Reserve Component) BOG:DWELL. (1:3 means for every one year deployed, an individual has three years at home). This is critical to ensuring the long-term health and well-being of

our Force, particularly given the significant number of individuals struggling with musculoskeletal and other types of physical injuries and behavioral health conditions, including post-traumatic stress and traumatic brain injury. In this era of persistent engagement, we must maintain the appropriate force structure required to meet our national security requirements around the world while allowing our Soldiers and Family Members sufficient time to rest and recover. This is critical to ensuring we do not break faith, but maintain the trust of our people now and into the future. Our analysis shows nearly two-thirds of our Soldiers who have deployed have less than 24 months of DWELL. Clearly we still have a long way to go.

2. "Fulfilling the Contract." We must fulfill our obligation to complete the full Reset process. Reset is a cost of war, and it prepares our formations for an unpredictable future and evolving threats. I am concerned that increased fiscal pressure will force cuts in this area. It is critical to our long-term readiness that we maintain support for the Army's Reset of vehicles and equipment two to three years beyond the conclusion of Overseas Contingency Operations.

3. Commitment to the Army's Modernization Program. We must avoid making cuts to key and critical modernization programs. Given the pace of technology development, such cuts could have far-reaching implications on the readiness of the Force. The Network and the Ground Combat Vehicle (GCV), in particular, are absolutely critical to achieving the Army of 2020.

4. Responsibly Reducing Army Force Structure. We must make whatever reductions are required to our endstrength responsibly. This is critical to achieving the appropriate BOG:DWELL ratios vital to the short-and long-term health of the Force. This also is also critical to ensuring our Force remains a capable force, able and ready to respond when called upon by the Nation.

I assure the members of this subcommittee, your Army stands ready as the most capable and decisive land force in the world. It is better trained and equipped, and our young leaders are better prepared than at any other time in history. With Congress' support over the last decade, we have built a remarkable force that has truly performed magnificently in all endeavors, exceeding all expectations.

These continue to be challenging times for our military and for our Nation. Our Army's senior leaders remain focused and committed to effectively addressing current challenges, particularly with respect to fiscal demands, while also effectively determining the needs of the Force for the future. While we all recognize the requirement to make tough choices and necessary sacrifices in the days ahead, we must do so responsibly, applying the lessons of history, to ensure what remains after the cuts are made and reductions completed is a willing and capable force able to successfully fight and win our Nation's wars. As another President leading this Nation during a period of fiscal crisis, following a hard-fought war stated, "A strong defense is the surest way to peace. Strength makes detente attainable. Weakness invites war, as my generation knows from four very bitter experiences."

Mr. Chairman, members of the subcommittee, I thank you again for your steadfast and generous support of the outstanding men and women of the United States Army, Army Civilians and their Families and I look forward to your questions.

GENERAL PETER W. CHIARELLI

Vice Chief of Staff
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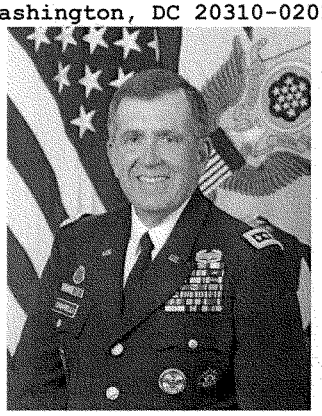


General Peter W. Chiarelli became the 32nd Vice Chief of Staff of the U.S. Army on August 4th, 2008. In his previous assignment, he was the Senior Military Assistant to the Secretary of Defense from March 2007 to August 2008. He hails from Seattle, Washington and is a Distinguished Military Graduate of Seattle University. General Chiarelli was commissioned a second lieutenant of Armor in September 1972. Throughout his career he has served in Army units in the United States, Germany and Belgium. He has commanded at every level from platoon to corps.

His principal staff assignments have been as the Operations Officer, 1st Cavalry Division at Fort Hood, Texas; Executive Assistant and later Executive Officer to the Supreme Allied Commander, Commander United States European Command at SHAPE Headquarters, Mons, Belgium; as the Director of Operations, Readiness and Mobilization, at Headquarters, Department of the Army.

He commanded a motorized infantry battalion at Fort Lewis, Washington; an armor brigade at Fort Lewis, Washington; served as the Assistant Division Commander for Support in the 1st Cavalry Division at Fort Hood, Texas; commanded the 1st Cavalry Division at Fort Hood, Texas and in Iraq during Operation Iraqi Freedom II; and commanded Multi-National Corps-Iraq.

General Chiarelli holds a Bachelor of Science Degree in Political Science from Seattle University, a Masters of Public Administration from the University of Washington, a Masters of Arts in National Security and Strategy from Salve Regina University.

NOT FOR PUBLICATION UNTIL
RELEASE BY THE HOUSE
ARMED SERVICES COMMITTEE

STATEMENT OF

ADMIRAL MARK FERGUSON

VICE CHIEF OF NAVAL OPERATIONS

BEFORE THE

HOUSE ARMED SERVICES COMMITTEE

SUBCOMMITTEE ON READINESS

ON

READINESS IN AN AGE OF AUSTERITY

OCTOBER 27, 2011

NOT FOR PUBLICATION UNTIL
RELEASE BY THE HOUSE
ARMED SERVICES COMMITTEE

Chairman Forbes, Representative Bordallo, and distinguished members of the Readiness Subcommittee, it is a pleasure to appear before you today to discuss the readiness of the force in an era of austerity. It is also an honor to represent the men and women of the United States Navy—active, reserve, and civilian—who remain engaged in combat operations in the Central Command as well as stand watch across the globe as our forward-deployed, ready maritime force. It is truly their performance and service to our nation that makes us the finest Navy in our history. Thank you for your continued support of them and their families.

Current Navy Readiness

As Admiral Greenert discussed with the Committee on July 26th of this year, the readiness of the Fleet remains at an acceptable level as we continue to reset-in-stride between rotational deployments. We continue to experience high operational demand for naval forces in all theaters, and the stress on the force continues after ten years of combat operations. The underlying issue of meeting this demand over the long term remains a challenge. Sustaining our current pace of operations will, over time, reduce the expected service life of our platforms, increase our maintenance costs, and provide additional stress on our Sailors and their families as our forces experience longer deployments with shorter turnaround times.

During previous periods of reduced defense spending, we experienced declines in the readiness of the force when we failed to appropriately fund all of the elements of readiness. The "hollow force" of the late 1970s and early 1980s was characterized by low personnel quality and aging equipment. In the 1990s, degradation in material readiness and low training readiness in our non-deployed forces were evident, although personnel quality was high.

As we enter a period of fiscal austerity, it will be essential to maintain a force structure that possesses the capabilities to pace the anticipated threat, is manned by high quality personnel

with the requisite skills and experience, is supported by adequate inventories of spare parts and weapons, and is sufficiently exercised to sustain operator proficiency.

Potential Impact of Sequestration

Should the efforts of the Joint Select Committee on Deficit reduction not reach an agreement and sequestration occur, severe impacts would be immediately experienced by the Navy. In a scenario where military personnel funding is exempt from sequester, we would anticipate a reduction in our FY13 funding of approximately 25 percent. As current law does not provide the Department of the Navy flexibility in managing these reductions, the cuts would be applied equally to each program, project and activity by budget line item.

As a consequence:

- Programs involving a purchase, such as construction of a ship, submarine, aircraft, or building, would be unable to be executed. Cuts of this nature would result in the breaking of existing multiyear contracts, and would severely disrupt our suppliers and the industrial base.
- The reduced funding for other weapons procurement programs would drive up unit cost, resulting in reduced quantities and delivery delays.
- Research and development programs would be delayed or cancelled.
- Flying hours and steaming days would be reduced, and we would cancel selected depot maintenance availabilities.
- Civilian personnel would be at risk for furloughs.
- Funding for readiness and training would be reduced below levels that could sustain our current force structure.

Finally, despite Overseas Contingency Operations (OCO) funds remaining exempt from sequester, the disruption in the base budget would have adverse effects on our ability to support ongoing operations. Our response times to contingencies would be longer, we would have fewer forces available for deployment, and non-deployed forces would be less ready than today.

The Way Ahead

Our leadership remains committed to providing the nation with the most ready and capable naval forces in the world. The Chief of Naval Operations has outlined three tenets in his "Sailing Directions" that we will apply to our decisions: Warfighting First, Operate Forward, and Be Ready.

Viewing the directed budget reduction in the Budget Control Act of 2011 through this lens, we will continue to seek the best balance between current and future readiness, and search for additional opportunities to deliver appropriate readiness at a reduced cost. We strongly support a course that sustains our readiness improvement initiatives currently underway. This includes upholding our professional and moral responsibility to the welfare of our Sailors, civilians and families who underpin our readiness.

As we proceed, we must remain both a global and ready force. In this fiscal environment, we will look at several areas to achieve savings to meet our fiscal targets. These include greater efficiencies, personnel costs, force structure and modernization, and procurement reform.

Our goal will be to maintain funding for the essential elements of readiness in balance, while holding an acceptable level of risk in the capacity of those forces to meet the operational requirements of the combatant commanders. We believe these decision should be strategy driven. Absent this measured approach, the impact of a sequestration on both the Navy and our industrial base would be immediate, severe and long lasting.

Vice Chief of Naval Operations

8/22/2011 - Present

Admiral Mark Ferguson

Following graduation from the U.S. Naval Academy with the Class of 1978, Adm. Ferguson completed nuclear power training prior to entering the fleet as a surface warfare officer.

His afloat assignments include service on board USS *South Carolina* (CGN 37), USS *Fife* (DD 991) and USS *Dwight D. Eisenhower* (CVN 69). He commanded the USS *Benfold* (DDG 65) and Destroyer Squadron 18.

In addition to various staff assignments, he served as the assistant commander, Navy Personnel Command, chief of legislative affairs, and chief of naval personnel.

Ferguson holds a master's degree in computer science from the Naval Postgraduate School and completed a National Security Fellowship at the Harvard Kennedy School. His awards include the Navy Distinguished Service Medal, the Defense Superior Service Medal, and various unit and campaign awards.

Updated: 7 October 2011

Not public until released by the
House Armed Services Committee

STATEMENT OF

GENERAL JOSEPH F. DUNFORD

ASSISTANT COMMANDANT OF THE MARINE CORPS

BEFORE THE

READINESS SUBCOMMITTEE

OF THE

HOUSE ARMED SERVICES COMMITTEE

ON

READINESS IN THE AGE OF AUSTERITY

27 OCTOBER 2011

Not public until released by the
House Armed Services Committee

Our Nation faces an uncertain future security environment in an era of considerable fiscal constraints. This dynamic has generated a vigorous debate about our national security strategy to include a dialogue about the military capabilities and capacities necessary to protect the broad range of U.S. national security interests across the globe.

As we address this inflection point in our strategic approach, we will be driven to make difficult choices and reduce the size of the U.S. military. With a smaller joint force and perhaps a further reduction of our forward based forces, our future engagement will be more selective.

Reducing our presence in areas where we have traditionally had more robust engagement will create risk and incur opportunity cost. Our challenge will be to mitigate that risk and seek efficient methods to project influence, maintain access, and continue to build the capacity of partner states.

Although we will have reduced capacity, we must continue to deter and defeat our adversaries, respond to unexpected crises and contingencies, and provide a stabilizing presence in key regions of the world. I believe the United States Marine Corps is uniquely postured to contribute to our Nation's security during this difficult period.

WHY THE MARINE CORPS

As was discussed repeatedly during Secretary Panetta's and General Dempsey's testimony, we, as a nation, do not have a good track record when it comes to predicting the future. And attempting to predict it has become more difficult since the end of the Cold War, as the international system within which we operate has become more open and complex. Rather than two primary global powers, there are many regional powers and a host of lethal groups with agendas that are inimical to our interests. These groups do not conform to the old system of nation-state relationships.

Although we can't predict where or what future crises will be, with 75% of the earth's population living within 200 miles of the coast there is reasonably good probability that future crises will occur in the littorals. As such, assured access to the littorals comes from the sea. In addition to being sea-based, a ready-force must be trained and equipped to conduct a wide-range of missions from humanitarian assistance to combat operations.

In an era of increased sensitivity to U.S. forces overseas, a sea-based approach provides a discrete, flexible and effective means of selectively engaging to build partnerships and respond to crises. Our nation needs a force that can be forward deployed and forward engaged – flexible and not reliant on host nation support. That force is the Navy-Marine Corps team.

THE GENESIS OF OUR ROLE

We exist in this role of being "the most ready when the nation is least ready" because of the wisdom and foresight of the 82nd Congress. This designation arose in response to the costly lessons our nation learned during the Korean War when a lack of preparedness in the beginning stages of the conflict resulted in large numbers of casualties and tactical defeats.

In 1951 and 1952, Congress conducted hearings about what had happened in the early days of the Korean War. They were angered that we had sent young Americans in harm's way so unprepared. They were horrified at the lack of readiness of our armed forces to respond to the Korean conflict and they determined that we would be adequately prepared for future crises.

After hearing from witnesses and studying the events of 1950, the 82nd Congress concluded that the nation needed a standing, combined-arms force in readiness that was highly mobile, combat ready and able to hold aggression at bay while decisions were being made and the nation mobilized. The 82nd Congress appreciated that forces needed to be forward deployed to respond to crises before they became large contingencies.

In 1951-1952 Congress determined that the Navy-Marine Corps team was the force of choice to perform this role. And our role has been validated with Marines responding from the sea in more than 110 interactions and contingencies just in the last 20 years.

TODAY'S RELEVANCE

Today, while the tactics, techniques, and procedures change, the enduring requirement remains and that is the nation's need for a forward deployed, forward engaged crisis response force. Our nation needs an expeditionary force that can respond to today's crisis, with today's force, today.

This is an important point and it's integral to our ethos. Expeditionary is not a bumper sticker to us, or a concept. It's a state of conditioning that Marines work hard to maintain. And crisis response is incompatible with tiered readiness. Marines don't get ready when a crisis occurs. We must be forward deployed and ready to respond immediately when that 911 call comes. That's the most important aspect of who we are and what we do.

AN IMPORTANT INVESTMENT

The Marine Corps provides that unique and critical capability at an affordable cost. When the nation pays the 'sticker price' for its Marines, it buys the ability to remain forward deployed and forward engaged to assure our partners, reinforce alliances, and build partner capacity. For 7.8% of the total DoD budget (Marine Corps budget plus Navy budget portions that support the Marine mission, including amphibious shipping and naval aviation, corpsmen, doctors, chaplains, etc), our nation gains the ability to respond to unexpected crises, from humanitarian disaster relief efforts, to non-combatant evacuation operations, to conduct counter-piracy operations, raids or strikes. That same force can be quickly reinforced to assure access for other critical joint capabilities anywhere in the world in the event of a major contingency; it can be dialed up or down like a rheostat to be relevant across the range of military operations. No other force possesses the flexibility to provide these capabilities and yet sustain itself logistically for significant periods of time, at a time and place of its choosing.

We are ever mindful of what we provide to this nation and the resources we ask for in order to conduct our missions. We take stewardship of the nation's resources very seriously.

With regard to Secretary Panetta's announcement that he has directed the Department to cut in half the time it takes to achieve audit readiness - the Marine Corps is the first Service to undertake an audit of a major financial statement, the General Fund Statement of Budgetary Resources. We volunteered for this mission because we recognized that a successful audit is critical to effectively managing the resources provided by the Congress, and would further demonstrate our faithful stewardship of the Nation's resources.

Based on the findings to date we are confident that auditability will enhance our readiness posture by enabling better utilization of the funding provided by Congress, and will provide us better data upon which to base future budget development in this period of declining resources. While the audit is not yet complete, the progress we have made has made us confident that our ongoing efforts will ultimately be validated by an audit opinion and continued auditability.

LOOKING TO THE FUTURE

As I testified to the HASC in July, to maintain a ready and relevant Marine Corps for the future, we must address a growing equipment readiness challenge resulting from ten years of constant combat.

We must reset the equipment we have been using for the past decade. This effort is ongoing, but will require continued funding support through the end of operations in Afghanistan and slightly beyond, ensuring that we have time to bring all equipment home and assess its further viability for future readiness.

The other side to our readiness challenge is the modernization of our equipment in order to be more decisively engaged in our traditional role. In terms of modernization, we see the greatest opportunity to maintain operational advantage in four major programs increasingly relevant to readiness in *future* operating environments. These are (1) the F-35B STOVL Joint Strike Fighter to replace our F/A-18 Hornets, AV-8B Harriers and EA-6B Prowlers; (2) a suitable and affordable amphibious combat vehicle; (3) an updated stable of ground tactical vehicles; and (4) available and modernized Navy amphibious shipping and associated support capabilities. These enhancements will ensure Marines remain relevant across the spectrum of potential operations and ready to accomplish future assigned missions.

With Congress' support we will maintain the capability to conduct a managed drawdown of our end-strength so that we can avoid severe 'reduction-in-force' measures that break faith with Marines and their families, and jeopardize dwell times.

In the future, we believe combatant commanders will increasingly call for the unique capabilities offered by naval amphibious forces to meet their ongoing and most likely future requirements. Even today, their demand for MAGTFs significantly outstrips available capacity. After the draw down from Afghanistan, the Marine Corps will continue to be heavily engaged around the world shaping, training, deterring, and responding to all manner of crises and contingencies. In an increasingly dangerous and uncertain world, this Nation must provide for the protection it needs.

The Navy-Marine Corps Team is the first-level investment in that protection because we are always on station and on watch.

General Joseph F. Dunford, Jr.
Assistant Commandant of the Marine Corps

General Dunford was promoted to General and assumed the duties of Assistant Commandant of the Marine Corps on 23 October 2010. A native of Boston, Massachusetts, General Dunford graduated from St. Michael's College and was commissioned in 1977.

General Dunford's assignments in the operating forces include Platoon and Company Commander, Co K, 3rd Battalion, 1st Marines; Company Commander, Co A, 1st Battalion, 9th Marines; and Company Commander, Co L, 3rd Battalion, 6th Marines. He served as the Operations, Plans, and Training Officer in 2d ANGLICO and the Regimental Executive Officer, 6th Marines. He commanded the 2nd Battalion, 6th Marines and the 5th Marine Regiment. He served as the Chief of Staff, 1st Marine Division.

Other assignments include Aide to the Commanding General, III MEF and a tour in the Officer Assignment Branch, HQMC. He has also served as the Marine Officer Instructor, College of the Holy Cross; as a member of the Commandant's Staff Group; and as the Senior Aide to the Commandant of the Marine Corps. Joint assignments include service as the Executive Assistant to the Vice Chairman, JCS; Chief, Global and Multilateral Affairs Division (J5); and Vice Director for Operations (J3).

As a general officer, he has served as the Assistant Division Commander, 1st Marine Division; the Director, Operations Division, Plans, Policies and Operations, HQMC; and the Deputy Commandant for Plans, Policies and Operations; and most recently as Commanding General, I MEF and Commander, Marine Forces Central Command.

General Dunford is a graduate of the U. S. Army Ranger School, Marine Corps Amphibious Warfare School, and the U. S. Army War College. He holds an M.A. in Government from Georgetown University and an M.A. in International Relations from the Fletcher School of Law and Diplomacy.

DEPARTMENT OF THE AIR FORCE

PRESENTATION TO THE READINESS SUBCOMMITTEE

COMMITTEE ON ARMED SERVICES

UNITED STATES HOUSE OF REPRESENTATIVES

SUBJECT: READINESS IN AN AGE OF AUSTERITY

STATEMENT OF: GENERAL PHILIP M. BREEDLOVE
VICE CHIEF OF STAFF OF THE AIR FORCE

OCTOBER 27, 2011

NOT FOR PUBLICATION UNTIL RELEASED
BY THE PERSONNEL SUBCOMMITTEE
COMMITTEE ON ARMED SERVICES
UNITED STATES HOUSE OF REPRESENTATIVES

The United States continues to need a strong and agile military to confront a diverse range of threats in a dynamic international security environment. With our Joint partners, the Air Force defends and advances the interests of the United States by providing unique capabilities across the full spectrum of conflict in order to succeed in today's wars and prevent future conflicts. The Air Force remains a mission-oriented and highly prepared force — not an easy task after more than 20 years of constant combat operations.

Current Operations

This year, the Air Force has been engaged in a broad range of operations across the globe. From humanitarian support of our Japanese friends; to the ongoing stability and counterinsurgency operations in Afghanistan and Iraq; support for the NATO no-fly zone and protection of civilians in Libya; to the continuous air sovereignty, space, cyber and nuclear deterrence missions we execute every day – the speed, precision, and versatility of the Air Force has been tested and proven every day, all around the world.

This level of activity reflects our commitment to provide *Global Vigilance*, *Reach*, and *Power* in today's Joint fight. However, this high operations tempo (OPTEMPO) has had some detrimental effects on our overall readiness. Since 2003, we have seen a slow but steady decline in reported unit readiness indicators. Maintaining our ability to be ready for the full spectrum of operations, with an acceptable level of risk, is challenging, especially for the Combat Air Forces (CAF) and some limited-supply/high-demand units.

Airpower Reset

Over the past 10 years, the Air Force has substantially reshaped itself to meet the immediate needs of today's irregular conflicts. For example, we've boosted our Intelligence,

Surveillance, and Reconnaissance capacity, increased special operations capacity, added hundreds of new aircraft, funded the development of over 30 satellites, and added thousands of Airmen for critical nuclear and cyber operations as well as acquisition support. To fund this reshaping, we've retired over 1,500 older aircraft, canceled major acquisition programs, shed manpower in less critical career fields, and deferred much needed military construction.

However, even as we continue to fulfill our commitment to the Joint and Coalition team in the current fight, we must also ensure that our Air Force is positioned to face future threats. Looking forward, the Air Force faces a multi-year effort to recapitalize our aging tanker, fighter, bomber, and missile forces; modernize our satellite constellations; meet dynamic requirements in the cyber domain; and replace aging airframes for pilot training, vertical lift, and presidential support. We are constrained fiscally at a time when we are also called upon to meet the full spectrum of threats in a period of tremendous uncertainty.

Age of Fiscal Austerity

Our task of resetting our military after two decades of combat operations would be daunting even without the urgent need to bring our Nation's debt and deficit spending back under control. Despite increasing mission requirements, we know that the Department of Defense (DoD) will be a part of the solution to the Nation's fiscal problems. The first step was the DoD's effort to identify over $100 billion of efficiencies in order to move money from support to mission-critical activities. In the Air Force alone, nearly $33 billion was reallocated. We are now in the process of identifying at least $450 billion in national security budget reductions over the next 10 years.

However, as Secretary Panetta has said, we don't have to make a choice between national security and fiscal solvency. With the other Services, we are participating in a strategy review

that will help us to identify which missions, roles, and/or capabilities can be scaled back or eliminated. Until this strategy review is complete, Secretary Panetta has outlined four guiding principles for the current budget reductions: maintain a military force capable of deterring conflict, projecting power, and winning wars; avoid a hollow force; institute better business practices by trimming overhead, introducing competition, and reducing the cost growth in personnel accounts; all while not breaking faith with our men and women in uniform.

As DoD senior leaders have noted, we did not begin this budget exercise at a low level of risk. Even before the passage of the Budget Control Act (BCA), the Air Force was at a moderate level of risk, caused partially by increasing operational requirements, which we mitigated through force management policies. To meet the initial requirements of the BCA, we are projecting that the future Air Force will face significant risk in mission accomplishment, and, although our analysis isn't complete, I believe we will have several capability areas that are at risk of mission failure if the sequester occurs. These elevated levels of risk all assume a relatively static level of operational requirements. However, history has shown that as U.S. military forces withdraw from active combat, the relative requirement for airpower actually goes up, not down.

To meet our share of the $450 billion reduction, the Air Force's budgetary strategy has been to reduce capacity while maintaining capability. However, since we have not yet completed our reduction planning, we may be forced to eliminate some capabilities — even without the sequester cuts — to gain the savings from their associated operations, infrastructure, modernization, and maintenance costs. Considering just the initial BCA cuts, this future Air Force will be capable of accomplishing many of the mission sets of today, but will do so at a significant level of risk and with less capacity to respond to multiple crises. Assuming that the

operational requirements remain at the same level, we will continue to be prepared to respond to major conflict and will retain our strategic deterrence forces. However, due to reduced capacity, our Airmen and equipment will face increasing rotational requirements. This will lead to shorter deploy-to-dwell timelines, further stress on our Reserve component, and exacerbate the aging of our airframes as well as the stress on our personnel.

In a scenario where the budget reductions exceed the $450 billion of cuts envisioned by the BCA, we would need to go beyond merely constricting our capacity, and instead shed several required capabilities, thereby fundamentally changing the complexion and character of the Air Force. We may be unable to continue to perform certain missions and would certainly increase the risk of mission failure in those capabilities that we retain. A reduction of this size would affect the number of bases we can economically support; the number of Airmen, civilians, and contractors necessary to man a reduced force; the size of the industrial base for aircraft, weapons, and space vehicles; and the benefits that accrue from closely working with our allies, partners, and friends across the globe.

Depending on the total level of reductions, we would be unable to repeat the simultaneous global operations that the Air Force has been known for and demonstrated earlier this year. In late March and early April, U.S. Airmen were concurrently responsible for evacuating 7,500 American citizens and delivering 60 percent of U.S. relief supplies to Japan, even as they contributed more than 65 percent of all coalition sorties in Libya — all while executing full spectrum operations in Iraq and Afghanistan in support of our Joint and Coalition partners.

In any budget scenario, we know that we will be required to continue to provide certain capabilities that offer our Nation's leaders a wide range of strategic options for rapid and flexible

power projection. Our core contributions result in tailored effects at the time and place of our choosing, enabling America's global engagement. As such, in our budget drills, we have prioritized funding towards the Air Force's unique contributions to national security. These core contributions reside in four main areas:

- Establishing and exploiting control in air, space, and cyberspace;
- Holding any target on the globe at risk—such that we can strike it at the time and place of our choosing;
- Providing responsive ISR across the spectrum from on orbit to tactical remotely piloted vehicles;
- Rapid mobility—to include moving people and equipment with unmatched speed anywhere in the world.

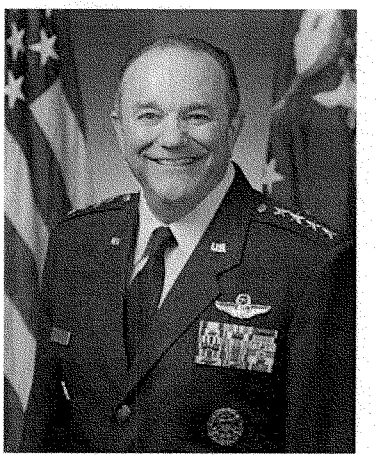
These four unique contributions are enabled and enhanced by our superior command and control networks. Without these contributions, the United States would have to fundamentally recast its expeditionary power projection capability.

We live in challenging times for our Nation and its military. Your Air Force remains ready to make the tough choices required to cut costs without compromising our Nation's security. Despite the current fiscal challenges and high operations tempo, our Airmen, along with their fellow Soldiers, Sailors, Marines, and Coast Guardsmen, remain committed to accomplishing the mission. We remain grateful for your continued support, and are committed to continuing to provide *Global Vigilance, Reach, and Power* in defense of our Nation's interests.

BIOGRAPHY

UNITED STATES AIR FORCE

GENERAL PHILIP M. BREEDLOVE



Gen. Philip M. Breedlove is Vice Chief of Staff of the U.S. Air Force, Washington, D.C. As Vice Chief, he presides over the Air Staff and serves as a member of the Joint Chiefs of Staff Requirements Oversight Council and Deputy Advisory Working Group. He assists the Chief of Staff with organizing, training, and equipping of 680,000 active-duty, Guard, Reserve and civilian forces serving in the United States and overseas.

General Breedlove was raised in Forest Park, Ga., and was commissioned in 1977 as a distinguished graduate of Georgia Tech's ROTC program. He has been assigned to numerous operational, command and staff positions, and has completed nine overseas tours, including two remote tours. He has commanded a fighter squadron, an operations group, three fighter wings, and a numbered air force. Additionally, he has served as operations officer in the Pacific Command Division on the Joint Staff; executive officer to the Commander of Headquarters Air Combat Command; the senior military assistant to the Secretary of the Air Force; and Vice Director for Strategic Plans and Policy on the Joint Staff.

Prior to assuming his current position, General Breedlove served as the Deputy Chief of Staff for Operations, Plans and Requirements, Headquarters U.S. Air Force, Washington, D.C. He was responsible to the Secretary of the Air Force and the Chief of Staff for formulating policy supporting air, space, irregular warfare, counterproliferation, homeland security, weather and cyber operations. General Breedlove has flown combat missions in Operation Joint Forge/Joint Guardian. He is a command pilot with 3,500 flying hours, primarily in the F-16.

EDUCATION

1977 Bachelor's degree in civil engineering, Georgia Institute of Technology
1982 Distinguished graduate, Squadron Officer School, Maxwell AFB, Ala.
1991 Distinguished graduate, Air Command and Staff College, Maxwell AFB, Ala.
1991 Master of Science degree in aeronautical technology, Arizona State University
1995 Master's degree in national security studies, National War College, Fort Lesley J. McNair, Washington, D.C.
2002 Fellow, Massachusetts Institute of Technology Seminar XXI, Washington, D.C.

ASSIGNMENTS

1. March 1978 - March 1979, student, undergraduate pilot training, Williams AFB, Ariz.
2. March 1979 - August 1979, pilot instructor training, Randolph AFB, Texas
3. August 1979 - January 1983, T-37 instructor pilot, evaluation flight examiner and runway supervisory unit controller, Williams AFB, Ariz.
4. January 1983 - September 1983, F-16 student pilot, MacDill AFB, Fla.
5. September 1983 - January 1985, F-16 aircraft commander and instructor pilot, 614th Tactical Fighter Squadron, Torrejon AB, Spain
6. January 1985 - March 1987, air liaison officer, 602nd Air Support Operations Group, Kitzingen AB, West Germany
7. March 1987 - January 1988, F-16 pilot, 526th Tactical Fighter Squadron, Ramstein AB, West Germany
8. January 1988 - August 1988, Chief of Flight Safety, 316th Air Division, Ramstein AB, West Germany
9. August 1988 - August 1990, F-16 flight commander, then assistant operations officer, 512th Tactical Fighter Squadron, Ramstein AB, Germany
10. August 1990 - July 1991, student, Air Command and Staff College, Maxwell AFB, Ala.
11. July 1991 - May 1993, Chief of Air Operations, United Nations Command and Republic of Korea/U.S. Combined Forces Command, Yongsan Army Garrison, South Korea
12. May 1993 - July 1994, Commander, 80th Fighter Squadron, Kunsan AB, South Korea
13. July 1994 - June 1995, student, National War College, Fort Lesley J. McNair, Washington, D.C.
14. June 1995 - July 1997, operations officer, U.S. Pacific Command Division, Joint Staff, the Pentagon, Washington, D.C.
15. July 1997 - June 1999, Commander, 27th Operations Group, Cannon AFB, N.M.
16. June 1999 - May 2000, executive officer to the Commander, Headquarters Air Combat Command, Langley AFB, Va.
17. May 2000 - May 2001, Commander, 8th Fighter Wing, Kunsan AB, South Korea
18. June 2001 - June 2002, senior military assistant to the Secretary of the Air Force, Headquarters U.S. Air Force, Washington, D.C.
19. June 2002 - June 2004, Commander, 56th Fighter Wing, Luke AFB, Ariz.
20. June 2004 - June 2005, Commander, 31st Fighter Wing, Aviano AB, Italy
21. June 2005 - October 2006, Vice Commander, 16th Air Force, Ramstein AB, Germany
22. October 2006 - July 2008, Vice Director for Strategic Plans and Policy, Joint Staff, the Pentagon, Washington, D.C.
23. July 2008 - August 2009, Commander, 3rd Air Force, Ramstein AB, Germany
24. August 2009 - January 2011, Deputy Chief of Staff for Operations, Plans and Requirements, Headquarters U.S. Air Force, Washington, D.C.
25. January 2011 - present, Vice Chief of Staff of the U.S. Air Force, Washington, D.C.

SUMMARY OF JOINT ASSIGNMENTS
1. July 1991 - May 1993, Chief of Air Operations, United Nations Command and Republic of Korea/U.S. Combined Forces Command, Yongsan Army Garrison, South Korea, as a major
2. June 1995 - July 1997, operations officer, U.S. Pacific Command Division, Joint Staff, the Pentagon, Washington, D.C., as a lieutenant colonel
3. October 2006 - July 2008, Vice Director for Strategic Plans and Policy, Joint Staff, the Pentagon, Washington, D.C., as a major general

FLIGHT INFORMATION
Rating: Command pilot
Flight hours: More than 3,500
Aircraft flown: F-16, T-37 and C-21

MAJOR AWARDS AND DECORATIONS
Distinguished Service Medal
Defense Superior Service Medal
Legion of Merit with three oak leaf clusters
Defense Meritorious Service Medal with two oak leaf clusters
Meritorious Service Medal with three oak leaf clusters

Aerial Achievement Medal

EFFECTIVE DATES OF PROMOTION
Second Lieutenant June 1, 1977
First Lieutenant Dec. 10, 1979
Captain Dec. 10, 1981
Major Nov. 1, 1988
Lieutenant Colonel June 1, 1993
Colonel Jan. 1, 1998
Brigadier General Oct. 1, 2003
Major General June 23, 2006
Lieutenant General July 21, 2008
General Jan. 14, 2011

(Current as of January 2011)

WITNESS RESPONSES TO QUESTIONS ASKED DURING THE HEARING

OCTOBER 27, 2011

RESPONSE TO QUESTION SUBMITTED BY MR. COURTNEY

General BREEDLOVE. The C–27J program is currently in the Low Rate Initial Production phase. A Full Rate Production (FRP) decision review was planned for June 2011, but was postponed in order for the Air Force to consider options to reduce program life cycle costs. The FRP decision remains on hold, pending the outcome of internal Department of Defense programmatic and budgetary deliberations. [See page 16.]

RESPONSE TO QUESTION SUBMITTED BY MS. HANABUSA

General CHIARELLI. Over the past decade the Army has transformed from a forward-deployed Army to an expeditionary Army capable of providing the critical land component element of the Joint Force. The Army has developed two specific expeditionary capabilities.

The Army's contribution to the Nation's Global Response Force (GRF) consists of an Airborne Infantry Brigade Combat Team. This unit is trained to execute a full spectrum of missions from fighting a modern nation state military to conducting security force assistance with our allies to providing humanitarian assistance. The Army provides a tailored package of enablers to augment the Brigade Combat Team (BCT) and ensures it has all the required capabilities to accomplish its mission. In total, the Army's GRF consists of 8000 soldiers ready to deploy on short notice. In conjunction with its joint partners, the Army is prepared to deploy the GRF wherever the Nation's interests require it.

In addition to the GRF, the Army has developed a sustainable 1–5–20–90k expeditionary capability. This expeditionary force consists of a Corps Headquarters, 5 Division Headquarters, 20 BCTs and a tailored package of 90,000 enablers that can be sustained anywhere in the world indefinitely with a partial mobilization of the Reserve Component, the Total Army expeditionary force is a vital component of national strategy. This is the capability the Army has deployed successfully to Iraq and Afghanistan for the past decade. The downsizing of the Army will reduce the size of the force but the capability will be sustained as the land component of the Joint Force. [See page 22.]

Admiral FERGUSON. Naval expeditionary forces are comprised of four distinct pillars that combine capabilities to project power on land; Amphibious Warfare, Mine Warfare (MIW), Navy Expeditionary Combat Command (NECC), and Naval Special Warfare (NSW). Naval expeditionary forces are manned, trained, equipped, and task-organized to support operations from the sea. Unlike garrison forces, maritime expeditionary forces provide the United States an asymmetric advantage by conducting forward presence and force employment from international waters. This capability has been tested across the full spectrum of operations to include: Non-Combatant Evacuation in Lebanon; Humanitarian Assistance/Disaster Relief in Pakistan/Japan; Tactical Recovery of Aircraft and Personnel in Libya; Anti-Piracy operations off the coast of Somalia, and combat operations in Afghanistan. The Navy's fleet of amphibious ships—LHA, LHD, LPD, and LSDs—enables Navy and Marine Corps forces to sustain forward presence, exert sea control over large areas, and project power ashore. These survivable ships are equipped with rotary and fixed wing aviation capabilities, surface assault landing craft, assault forces, logistical sustainment, and joint command and control capabilities. The agility and forward presence of naval expeditionary forces provide combatant commanders flexible options and the ability to rapidly employ forces in access denied areas. Additionally, forward-deployed naval expeditionary forces are engaged in building partner capacity with our coalition partners and allies across the globe. The Navy's mine warfare capability includes support to operational commanders with deployable staffs and operational/contingency plan development, focusing efforts across numerous organizations and operational commands to ensure Navy-wide competency in MIW. NECC provides rapid deployable and agile expeditionary forces to warfare commanders in support of maritime security operations around the globe. NECC's capabilities include: Explosive Ordnance Disposal (EOD), Riverine, Naval Construction (Seabees),

Maritime Civil Affairs and Security Training, Expeditionary Intelligence, Expeditionary Training Group, Expeditionary Guard Battalion, Mobile Diving and Salvage, Maritime Expeditionary Security, Expeditionary Logistics, and Expeditionary Combat Readiness. It is comprised of several different organizations and includes both active duty and reserve mission specialists. NSW prepares and deploys individuals, elements and forces with capability across the spectrum of defense, from cooperation to combat, to meet the exercise, contingency, and wartime requirements of the regional combatant commanders, theater special operations commands, and numbered fleets located around the world. NSW forces are comprised of Special Warfare Operators (SEALs), Special Warfare Boat Operators (Special Warfare Combatant-craft Crewmen—SWCC), and support personnel. While these forces are directly in support of operations ashore, all naval forces to include carriers, cruisers, destroyers, submarines (SSGN) are considered expeditionary in that they are rotational and project power ashore. Navy welcomes the opportunity to provide an in depth brief of both the composition of its expeditionary forces as well as a concept of operations in support of the Committee's desire to fully understand this most important naval capability. [See page 22.]

General DUNFORD. During recent testimony you asked me to describe the composition of an expeditionary force. I am pleased to do so and appreciate your interest.

Expeditionary forces possess the capability to deploy to an area of interest, to provide presence or response, and sustain themselves without extensive reliance on host-nation support or overseas infrastructure. They can survive and thrive under austere conditions. They are flexible and adaptable, and have the ability to withdraw from an operation, reorganize, and deploy to a different operation, all without returning to their home stations.

Marine Corps Air Ground Task Forces (MAGTFs) fit the definition of expeditionary forces. They are established for specific missions, or in anticipation of a wide range of possible missions. They have long provided the United States with a broad spectrum of response options when U.S. and allied interests have been threatened, be it from human aggression or natural disasters. Selective, timely and credible commitment of expeditionary air-ground units have, on many occasions, helped bring stability to a region and sent signals worldwide to aggressors that the United States is willing to defend its interests, and is able to do so with a significantly powerful force on extremely short notice.

MAGTFs are organized around four organic elements: command, ground combat, aviation combat, and logistics.

The Command Element contains the MAGTF headquarters and complimentary units that provide intelligence, communications, and administrative support. It provides the command and control essential for effective planning and execution of operations, and it synchronizes the actions of each of its subordinate elements.

The Ground Combat Element (GCE) provides the over-land combat power of the MAGTF. It can include infantry, artillery, reconnaissance, engineer, armor, light armor, assault amphibian, and other forces as required. The GCE can vary in size and composition. It can consist in many forms from of a light, air-transportable battalion up to a relatively heavy and mechanized unit of one or more divisions.

The Air Combat Element (ACE) provides a surveillance platform, lift capability, assault support and close air support. It is formed around an aviation headquarters with appropriate air-control agencies, in addition to fixed and/or rotary wing aircraft units and air defense units. An ACE can have a diverse mix of aircraft; from F/A–18 and AV–8B jets to MV–22 tilt-rotor aircraft to AH–1, UH–1, and CH–53 helicopters.

The Logistics Combat Element provides the supply and maintenance support, ensuring the MAGTF's readiness and sustainability. It enhances the mobility of the unit and allows the unit to establish architectures that don't exist such as expeditionary runways. Its capabilities include supply, maintenance, transportation, explosive ordinance disposal, military police, water production and distribution, medical and dental services, fuel storage and distribution, to name a few.

A MAGTF does not have a specific roster of equipment because, by its very nature, it is scalable and task organized. To give you an idea of the equipment that comprises a MAGTF—the Marine Corps has seven rotating MAGTFs called Marine Expeditionary Units (MEUs). MEUs are the smallest of the standing MAGTFs. They typically deploy with approximately 200 marines in their Command Element, 1,200 in their Ground Combat Element, 500 in their Air Combat Element, and 300 in their Logistics Combat Element. Their major equipment items include M1A1 tanks, M777 Howitzers, assault amphibian vehicles, high mounted mobile wheeled vehicles, light armored reconnaissance vehicles, 7-ton trucks, MV–22 Ospreys, CH–53 E

Super Stallion helicopters, AH–1W Super Cobras, UH–1N Hueys, AV–8B Harriers, and KC–130s.

Three critical components of naval expeditionary forces that support MAGTFs are Navy ships, pre-positioning ships, and connectors. Amphibious ships such as LHDs, LPDs, and LSDs give Marine Corps expeditionary forces staying power by providing sovereign territory to operate from at sea, and logistical sustainment obviating the requirement for host nation support. Ships allow the U.S. military to operate in areas without fixed bases. Pre-position ships allow expeditionary forces to fall in on equipment already in the region. Connectors, such as LCACs and LCUs, enable expeditionary force personnel and equipment to embark on and debark off ships.

Thank you for your interest in our expeditionary force construct. Please let me know if you have further questions. [See page 22.]

General BREEDLOVE. Our expeditionary task force organizes capabilities from across the Air Force to provide combatant commanders with forces tailored to meet their specific requirements. Currently, the expeditionary Air Force forces, comprised of squadrons, groups, and wings, are filled by individuals or small teams from across the Air Force, forming an Air and Space Expeditionary Task Force (AETF). While this composition has served us well for the past 10 years, we realize our expeditionary force presentation must evolve to better respond to global crises.

Therefore, in the future, the Air Force will present its expeditionary forces in terms of capability-based Airpower Teams (APTs). The APTs will account for all elements of combat airpower, to include the enabling functions of the Air Force, and will provide the following expeditionary capabilities to the combatant commander: strike, mobility, command and control, intelligence and surveillance (C2ISR); space and cyberspace; special operations; and agile combat support. The AETF will still be formed by squadrons, groups, and wings, but will be filled by right-sized, capability-based APTs who train and deploy together, thus improving the stability, predictability and visibility for Airmen fulfilling Combatant Commander requirements. [See page 22.]

QUESTIONS SUBMITTED BY MEMBERS POST HEARING

OCTOBER 27, 2011

QUESTIONS SUBMITTED BY MR. FORBES

Mr. FORBES. Earlier this month, Army Chief of Staff GEN Raymond Odierno said that the Army's end strength will likely shrink below the preferred size of 520,000 soldiers that set before the Budget Control Act was enacted. Given today's strategy, would you be able to effectively prosecute your mission with a force of 500,000 or smaller?

General CHIARELLI. The reduction in end strength will challenge the Army's ability to project land power and execute Decisive Action in many of the world's potential hot spots. This reduction will reduce the Army's ability to build partnership capacity, to prevent and deter conflicts, and protect American and Allied interests. The Army expects an impact on its forward engagement presence and its ability to sustain any long duration stability and support operations. The Army will respond to any contingency that threatens our Nation and our way of life, however, our ability to rapidly respond simultaneously will be limited and could place our Soldiers and allies at risk. As the Active Army decreases in size, the lesson of Task Force Smith must not be forgotten. In post-World War II defense budgets, the Nation failed to provide the resources required to enable the Army to adequately train, equip, and organize itself for battle. The parallel between Task Force Smith and now is most compelling. As a nation, if we fail to fully resource the training, manning and equipping accounts for the Army that remains, our Soldiers will pay the price in battle. The Army will always answer the call, but the cost like in Korea in 1950 will be high if the readiness accounts are not properly resourced. The current strategy requires an Active Army that is more responsive to rapid deployment. The requirement for an immediate response is the justification for fully resourcing the Army's readiness accounts for the Active and Reserve Component. As the early deployers are beginning movement, key decisions on mobilizing the Reserve Component and increasing Active Component readiness out of the reset pool must be made in order to provide a sustained force presence.

Mr. FORBES. What impact to training (i.e. training miles, flying hours, training ammo, spares, etc.) will the Budget Control Act have? How would sequestration affect this important component of readiness?

General CHIARELLI. Based on Budget Control Act required funding level, the Army will potentially have to reduce the Ground Operations Tempo (OPTEMPO) and Flying Hour Programs. This can impact on the Army's ability to provide units trained for Decisive Action by reducing funded miles and crew hours, thereby curtailing the number and intensity of training events at home stations and at the Combat Training Centers. This reduction in training would result in a reduced demand for purchase of repair parts and would reduce required repairs of Depot Level Reparable components and the workforce required to make those repairs. The Army may have to curtail units scheduled to train at the Combat Training Centers or send only portions of those units, limiting the training value derived from training with world class Opposing Forces, detailed and impartial After Action Review from the Observer Controllers, and a robust Contemporary Operating Environment enabling concurrent and simultaneous training in multiple environments against hybrid threats. As a consequence, the Army could be challenged to prepare for contingencies across the spectrum of conflict and may require more time to prepare larger formations for deployment to meet strategic objectives.

Budget Control Act reductions could also impact the Army's ability to execute home station individual and collective gunnery training by limiting the availability of ranges and deferring replacement of damaged targets. Range modernization efforts may be impacted as the construction footprint of several military construction (MILCON) projects will not have Unexploded Ordnance clearance completed. Reductions to Mission Training Complex capabilities could limit Battalion, Brigade, Division, and Corps staff proficiency on their mission command systems in a realistic training environment. Training Support Centers may not be able to provide Instructor/Operator support for numerous complex virtual trainers, including for flight simulators and support for Medical Simulation Training.

Budget Control Act reductions may also impact on the Army's Institutional Training capability to conduct Initial Military Training and critical functional skills train-

ing. This could result in a back log of recruits awaiting training at the institutional training base. Soldiers may not receive duty specific skill training required by the Soldier's unit thus contributing to degradation in unit readiness. Additionally, funding reductions may impact the Army's ability to develop agile and adaptive leaders at all levels by reducing the Army's capacity to conduct Professional Military Education.

Mr. FORBES. If sequestration severely degraded our depot maintenance capability, how would that impact your ability to successfully prosecute your mission as it stands today?

General CHIARELLI. With sequestration, we estimate depot maintenance funding would support only 50% (or less) of Depot Maintenance Requirements. This would have a detrimental impact on the overall readiness of the Army and our ability to meet current and future contingency operational requirements. A 50% funding level reduces the Army's ability to sustain critical organic depot core capabilities. This funding level would require the Army to reassess and rightsize the workforce, leading to releasing all contractor and temporary/term Government employees who were hired to support critical wartime surge requirements. It is likely the Army will need to release some permanent employees who possess the critical workforce skills necessary to support our current wartime requirements. These workforce reductions would degrade the Army's ability to surge in support of future contingency operations.

Mr. FORBES. If sequestration were to occur, my understanding is that every discretionary account would be cut equally. What are the repercussions of a cut of such a large magnitude and indiscriminate nature? How does it affect the All-Volunteer Force?

General CHIARELLI. Although equal, across-the-board cuts would only apply to Fiscal Year (FY) 13, the magnitude of cuts under sequestration to both military and civilian force structure, readiness, and modernization would be devastating. The indiscriminate nature of these large and arbitrary cuts in FY13 does not allow the Army to provide the necessary flexibility to react to the uncertain security environment.

Overall, such reductions would result in lower readiness levels of units, adversely impact our modernization efforts, and degrade the defense industrial base. Moreover, we risk breaking faith with our Soldiers and their Families who have performed superbly over ten years of continuous conflict. Sustaining the all-volunteer force is absolutely essential for the Army's ability to support our Nation's defense.

Mr. FORBES. Since the FY11 budget submission, the Department has seen its budget erode through H.R. 1, the "Budget Control Act," the $178 billion efficiencies initiative, and most recently, OMB guidance for FY2013 that holds spending at FY2010 levels. Many would argue that the military has already done its share for deficit reduction. Do you agree with that assessment? Should DOD be immune from further cuts?

General CHIARELLI. While recognizing the Nation's deficit challenges, it is imperative that any future reductions to Army's budget be based on comprehensive strategic analysis. Further we must ensure that we preclude hollowing the Army by maintaining balance in force structure, readiness, modernization efforts, and commitments to the all-volunteer force. The Army will take a comprehensive approach towards executing these potential cuts to ensure we do not create a hollow Army.

Mr. FORBES. How would a long-term CR further exacerbate the cuts prescribed under the Budget Control Act?

General CHIARELLI. Acquisition strategies and military construction projects generally avoid contracting efforts (new start, production and construction contract awards) in the 1st quarter of any fiscal year due to the likelihood of a CR. Additional CR's that extend into the 2nd quarter of FY12 may impact the Army's investment strategy. Additionally, the lack of an appropriation holds the Army to draft congressional language, which includes rescissions (reductions to prior year funding) and marks (reductions to current year requests). Finally, there would be no funding for expansion of ongoing programs, new starts, or new multiyear procurements using advance procurement funding. The results would be limiting procurement to last year's efforts, no ability to assimilate new technologies against an evolving enemy, or gain efficiencies through economic order quantities.

Mr. FORBES. What impact to training (i.e. training miles, flying hours, training ammo, spares, etc.) will the Budget Control Act have? How would sequestration affect this important component of readiness?

Admiral FERGUSON. Should sequestration occur, it is expected to have an adverse impact on Navy training. In general, we will experience reduced flying hours and steaming days, with a resulting decrease in overall readiness and operational capa-

bility of the force. Reductions in our training accounts will limit the ability of our forces to meet combatant commander requests for forces in a timely manner.

Mr. FORBES. If sequestration severely degraded our depot maintenance capability, how would that impact your ability to successfully prosecute your mission as it stands today?

Admiral FERGUSON. Reduced depot maintenance would adversely impact mission readiness and our industrial base. While the Navy's approach of "resetting in stride" between deployments has enabled it to maintain an acceptable and stable overall readiness posture, the current increased demand has compressed the time to execute intermediate-level and unit-level maintenance. If sustained, reduced funding for maintenance would decrease the service lives of our ships and aircraft as well as increase maintenance expenses over the long term. Reductions over the long term in maintenance funding would reduce our industrial base, as there would be insufficient work to sustain our private sector repair yards. A reduction in capacity would limit our ability to both prevent maintenance backlogs and recover from them in the future.

Mr. FORBES. If sequestration were to occur, my understanding is that every discretionary account would be cut equally. What are the repercussions of a cut of such a large magnitude and indiscriminate nature? How does it affect the All-Volunteer Force?

Admiral FERGUSON. Sequestration applies uniform percentage cuts to each "program, project, and activity" which means that every weapons program, research project, and military construction project will have to cut by an equal percentage. Under current law, the Department of the Navy is not granted the discretion to adjust or prioritize these reductions causing our readiness and procurement accounts to face a reduction of about 18 percent. This reduction would increase to approximately 25 percent in the event military personnel funding is exempted from full sequestration. The size of these cuts would substantially impact our ability to resource the Combatant Commander's operational plans and maintain our forward presence around the globe. The Navy will continue to be able to perform its missions but will be smaller—and less globally available—than the Navy today. With fewer ships, response times to crises will be longer, non-deployed forces will be less ready and sustained naval presence will not be possible in some regions. The development of new capabilities will be slowed and the fleet may be unable to overcome improvements by our potential adversaries in their efforts to deny Joint operational access.

With this magnitude of reduction, the Navy would face severe and long-lasting impacts:

- Programs involving a purchase, such as construction of a ship, submarine, aircraft, or building, could not be executed as currently programmed. Cuts of this nature would result in the breaking of existing multiyear contracts, and could severely disrupt our suppliers and the industrial base;
- Reduced funding for other weapons procurement programs would drive up unit cost, resulting in reduced quantities and delivery delays;
- Research and development programs would be delayed or cancelled;
- Flying hours and steaming days would be reduced;
- Selected depot maintenance availabilities would be cancelled;
- Civilian personnel would be at risk for furloughs; and
- Funding for readiness and training would be reduced.

All of these cuts would affect our all-volunteer force with reductions in training, extended deployment cycles, postponement of facilities restoration and modernization projects on our bases, curtailment of all non-readiness travel, and degradation of facilities service levels.

Mr. FORBES. Since the FY11 budget submission, the Department has seen its budget erode through H.R. 1, the "Budget Control Act," the $178 billion efficiencies initiative, and most recently, OMB guidance for FY2013 that holds spending at FY2010 levels. Many would argue that the military has already done its share for deficit reduction. Do you agree with that assessment? Should DOD be immune from further cuts?

Admiral FERGUSON. We recognize the fiscal challenges facing our Nation. It is clear that, particularly in this environment, the Navy must use its resources in the most efficient manner possible to achieve the maximum return on investment to the U. S. taxpayer. Additional reductions to DOD funding should be based upon our national security strategy and balanced against the other demands for federal funding.

Mr. FORBES. How would a long-term CR further exacerbate the cuts prescribed under the Budget Control Act?

Admiral FERGUSON. The combination of a long-term Continuing Resolution (CR) and the budget cuts prescribed in the Budget Control Act would have significant impact on our operations and manpower accounts due to our limited ability to recover deferred work and actions in future fiscal years.

Military Personnel, Navy (MPN) funding is our most significant challenge under a CR. Near term effects will be the deferral of nearly all PCS orders not associated with separations or retirements starting in January, 2012. If we operate under a full year CR for FY12, we will have shortfall of approximately $1.6B in our pay accounts. To overcome this shortfall, our primary recourse would be an Above Threshold Reprogramming (ATR) to shift funds from procurement and readiness accounts into MPN because there is not sufficient flexibility in our manpower account to accommodate the entire shortfall.

As the length of time the Navy must operate under a CR in FY 12 increases, the flexibility to manage our Operations and Maintenance, Navy (OMN) accounts decreases. This shortfall may be mitigated, but not without consequences. Actions we will be forced to take include the deferment of depot maintenance on our ships and aircraft, postponement of almost all facilities restoration and modernization projects on our bases, civilian hiring freezes and reduction or cancellation of bonus programs, reductions in post-deployment training phases, curtailment of all non-readiness travel, and degradation of facilities service levels. If we operate under a full year CR for FY12, we face an OMN shortfall of approximately $2.6B.

For our investment programs, long-term operation under a full year CR for FY12 will result in impact to procurement due to the inability to execute multi-year contracts, achieve quantity increases, and commence new start programs.

As the Budget Control Act reductions take place in FY13, the near term effects of a CR are more critical and the Departments seeks approval of the FY12 appropriations before January, 2012.

Mr. FORBES. What impact to training (i.e. training miles, flying hours, training ammo, spares, etc.) will the Budget Control Act have? How would sequestration affect this important component of readiness?

General DUNFORD. The full impact of the Budget Control Act and subsequent sequestration increase risk and degrade our ability to maintain readiness. Fiscal reductions will not be focused in any one single category of Marine Corps funds; spending reductions will likely span each of the Marine Corps accounts: manpower, operations and maintenance, and investment. A reduction in funding to any one or all of these accounts will have a negative impact on readiness.

- Manpower: Unless demand for Marine Operations declines proportionately, lower investment in manpower translates to fewer marines. If fewer units are available to respond when needed, dwell times between deployments for marines will shrink. Less dwell time between deployments means less time to train, maintain equipment, and increases stress on marines and families, ultimately placing at risk the all-volunteer force.
- Operations & Maintenance: A reduction in funding to the operations and maintenance account will degrade Marine Corps training at every level, from the small-unit to the large scale Marine Air Ground Task Force (MAGTF). In addition, forward-deployed training with partner nations and allies will be reduced.
- Investment: Reducing the investment account causes our equipment to age more quickly that it can be replaced or refurbished. This not only increases the operations & maintenance funding required, but eventually causes a gap when the equipment cannot be maintained at required readiness levels, at required quantities, or the equipment becomes technologically obsolete. It ultimately places modernization at risk and negatively affects our ability to incorporate innovative technologies and warfighting capabilities.

Mr. FORBES. If sequestration severely degraded our depot maintenance capability, how would that impact your ability to successfully prosecute your mission as it stands today?

General DUNFORD. If sequestration occurs, the Marine Corps will have to make difficult choices about the allocation of funding in all accounts—including depot maintenance. The Marine Corps relies on our depot maintenance facilities and providers to rebuild equipment marines have worn out over the last decade, in both combat/stability operations overseas and home station training. Our depot maintenance providers will be critical as we bring equipment back from theater and then rely on it to return units to their prewar readiness levels. Sequestration will create additional risks to the Marine Corps mission as America's "Force in Readiness." The Commandant has made clear that the Marine Corps will ask only for what is re-

quired to prosecute our mission successfully, and depot maintenance funding is a requirement.

Mr. FORBES. If sequestration were to occur, my understanding is that every discretionary account would be cut equally. What are the repercussions of a cut of such a large magnitude and indiscriminate nature? How does it affect the All-Volunteer Force?

General DUNFORD. Large, across-the-board cuts to our budget harm the Marine Corps and the Joint Force we leverage for success in crises. Marines serve our Nation by leveraging a frugal blend of joint capabilities, especially lift, acquisition, and logistical support. We maintain a very lean organizational structure with significantly lower overhead than the other Services while generating the highest tooth-to-tail ratio in DOD. We have fewer General Officers and the smallest percentage of civilian employees when compared to our sister Services. In our all-volunteer force, Manpower comprises ~60% of our Total Obligation Authority, the largest percentage among the Services. Given this already lean force, a cut applied equally to the Marine Corps removes a disproportionate amount of operational capability from the Nation's Expeditionary force in readiness.

Mr. FORBES. Since the FY11 budget submission, the Department has seen its budget erode through H.R. 1, the "Budget Control Act," the $178 billion efficiencies initiative, and most recently, OMB guidance for FY2013 that holds spending at FY2010 levels. Many would argue that the military has already done its share for deficit reduction. Do you agree with that assessment? Should DOD be immune from further cuts?

General DUNFORD. The Marine Corps is fully aware of the fiscal challenges facing our Nation and will remain faithful stewards of funding that we receive. Over the past two years, the Marine Corps has aggressively sought and found efficiencies in how we spend our scarce resources. These efficiencies have created a lean Marine Corps that remains capable of serving as America's "Force in Readiness". However, further cuts significantly increase readiness risk and will further challenge our efforts to train and equip marines. As Congress moves forward with the difficult fiscal challenges ahead, the Marine Corps remains committed to its tradition of frugality. Additional indiscriminate funding cuts beyond those already imposed will have a devastating impact on the Marine Corps ability to meet known warfighting requirements.

Mr. FORBES. How would a long-term CR further exacerbate the cuts prescribed under the Budget Control Act?

General DUNFORD. The Marine Corps is fully aware of the fiscal challenges facing our Nation. Under a Continuing Resolution (CR), OSD policy requires the Services to manage funds at the line item or program level vice at the appropriation level, thereby limiting flexibility to reallocate funds to higher priority requirements requested in the pending appropriations legislation. New starts and military construction cannot be initiated under a CR without specific approval; and individual projects must be specifically authorized and appropriated.

The impacts of a long-term CR are manageable at the beginning of the fiscal year but grow dramatically as the year continues. A CR extended beyond the end of the calendar year creates an unmanageable shortfall in the Marine Corps manpower account. While the Marine Corps can mitigate some of this manpower shortfall through management actions, a significant reprogramming action will require offsetting resources from other critical accounts (investment or operations and maintenance) which are already reduced to minimum levels, and create challenges for equipment levels, training readiness, and our marines' quality of life until there is a final appropriations bill.

Mr. FORBES. Gen. Breedlove, you have mentioned on several occasions that the Air Force will likely have an enduring mission in CENTCOM after our troops leave Afghanistan and Iraq. Similarly, you have been called upon to support a host of other operations in support of NATO in Libya and humanitarian lift in South America and Asia. Will the Air Force be able to meet all these commitments in the future with the cuts contained in the Budget Control Act or under sequestration? Will we be forced to make tradeoffs supporting important mission like Air Sovereignty Alert and support for the other combatant commanders?

General BREEDLOVE. The Air Force has accepted increased risk to the total force in order to maximize support to the geographic commanders. As demands for our assets increase, the Air Force has capability areas that are rotating at or near one to one dwell. To mitigate our personnel readiness concerns, the Air Force uses a modified deployment construct to account for surge and to capture actual risk levels. To continue to meet geographic commanders' taskings, through the Global Force Management process, the Air Force will provide capabilities to meet the demand.

As budget reductions take effect driving the Air Force to a smaller force, we will have to re-examine our capabilities and determine what we would no longer be able to provide the joint team. Sequestration could require the Air Force to stop performing lesser priority tasks and redirect resources in order to ensure we preserve readiness in core functions. The Air Force will meet Aerospace Control Alert (new terminology for "Air Sovereignty Alert") mission and other missions with trained, ready, and capable airpower with a balanced approach across the total force.

Mr. FORBES. In July you mentioned that the Air Force had the oldest fleet in its history. Given that the Air Force has been challenged in recent years to keep backlogged aircraft maintenance low and mission capable rates up, even as OPTEMPO remains high, how does the Air Force intend to keep platforms going beyond their expected service life in this constrained budgetary environment?

General BREEDLOVE. The Air Force remains focused on maximizing aircraft service life through a number of formalized fleet health sustainment programs. Most platforms leverage proactive integrity programs, such as the Aircraft Structural Integrity Program, in which areas such as airframe strength, durability, damage tolerance, corrosion control, and material defects are closely managed. Additionally, avionics modernization programs focus on continuous avionics and software systems upgrades to capitalize on emerging technology to address diminishing manufacturing sources and retain capability in dynamic threat environments. Furthermore, many platforms undergo formal Service Life Extension Programs in which structural, propulsion, avionics, and mechanical subsystems are extended and/or upgraded. Also, the Air Force utilizes the Fleet Viability Board to provide the Secretary of the Air Force/Chief of Staff of the Air Force with technical assessments of aging Air Force fleets, leading to sustainment or retirement decisions. Lastly, the Air Force Scientific Advisory Board promotes the exchange of the latest scientific and technical information to enhance the accomplishment of the Air Force mission. These proven programs are critical to ensuring continued airworthiness for service life extensions. Adequate funding will ensure supply chains, maintenance operations, and flying operations avoid further stress, which could negatively impact war readiness engine levels, aircraft availability, and mission readiness. However, even if all those programs are funded robustly, the Air Force legacy platforms continue to be operated with increased risk due to a variety of "unknowns" associated with the oldest fleet in Air Force history.

Mr. FORBES. Gen. Breedlove, the Air Force has already had to reduce its flying hour training program and is currently reexamining its mix of live and virtual training, including opportunities to rely more on the use of simulators. How will the Budget Control Act and sequestration impact this vital component of individual and unit readiness?

General BREEDLOVE. The Air Force will continue to leverage critical live fly training with increasingly capable virtual training devices and simulators. The Air Force continually reassesses the mix between live fly and virtual training to strike the right balance. As simulator technology and fidelity improve, training methods and simulator capabilities are assessed to ensure requirements are met as efficiently and effectively as possible. The Air Force has already shifted a significant amount of live fly training into our simulators. Reductions in flying hours require investments in infrastructure and training system upgrades and procurement. Unit commanders assess unit readiness on a monthly basis via the Status of Resources and Training System (SORTS) and the Defense Readiness Reporting System (DRRS). Unit training programs track Individual readiness. Any negative training impact to Air Force operational readiness would be reported and tracked through those reporting systems. During these fiscally constrained times, the Air Force will balance our resources to meet our priorities with our total force. As budget reductions take effect driving the Air Force to a smaller force, we will have to re-examine our capabilities and determine what we would no longer be able to provide the joint team. Sequestration could require the Air Force to stop performing lesser priority tasks and redirect resources in order to ensure we preserve readiness in core functions.

Mr. FORBES. Gen. Breedlove, there have been several press reports calling into question the viability of the current and future bomber fleet in this challenging budgetary environment. How vital is our bomber fleet to current mission requirements? What level of risk would we be accepting if we divest ourselves of our bomber capability?

General BREEDLOVE. A viable and capable conventional force is critical to the shaping, deterrence, seizing the initiative, and dominate phases of military operations. Our current and future bomber force is vital in each of these phases. Long range bombers provide the Joint Force Commander with unique capabilities to assure allies and persuade potential adversaries in a deliberate and controlled manner. In deterrence operations, bombers offer unique attributes: they are survivable

and responsive when generated, inherently able to signal resolve, and critical to extended deterrence and assurance. Should shaping and deterrence efforts fail, the bomber force is especially capable of quickly seizing the initiative in a joint operation. Examples of this are the beginning air strikes in OPERATION IRAQI FREEDOM flown by B–1s, B–2s, and B–52s and, more recently, the first air strikes flown by B–2s in Libya, OPERATION ODYSSEY DAWN. Contributions of the bomber force in the dominate phase of operations is unparalleled due to the persistency, range, and payload of the bomber force. In OPERATION ALLIED FORCE, B–2s flew less than one percent of the sorties but dropped 11 percent of the bombs. In OIF/OEF, B–1s have flown five percent of the sorties and account for 40 percent of the bombs delivered. Under the Budget Control Act, the Air Force may have to incur greater risk to our warfighting strategy by reducing bomber force structure and modernization programs. Should sequestration occur, the Air Force would be forced to take even more risks within the bomber force. This could result in a much higher campaign consequences such as higher Coalition losses and longer campaign timelines.

Mr. FORBES. What impact to training (i.e. training miles, flying hours, training ammo, spares, etc.) will the Budget Control Act have? How would sequestration affect this important component of readiness?

General BREEDLOVE. Further reductions driven by the Budget Control Act would require an enterprise-wide review of all resources and the potential elimination of training for lower priority missions and capabilities. The Air Force will continue to leverage critical live fly training with virtual training devices and simulators to ensure our force meets requirements as efficiently and effectively as possible.

As budget reductions take effect driving the Air Force to a smaller force, we will have to re-examine our capabilities and determine what we would no longer be able to provide the joint team. Sequestration could require the Air Force to stop performing lesser priority tasks and redirect resources in order to ensure we preserve readiness in core functions. The impacts of sequestration will not produce an across the board reduction in readiness. The Air Force must assess the risks then balance available funds among force structure, readiness, and modernization accounts to deliver trained, ready, and capable airpower for the highest priority mission areas.

Mr. FORBES. If sequestration severely degraded our depot maintenance capability, how would that impact your ability to successfully prosecute your mission as it stands today?

General BREEDLOVE. In a sequestration environment, the Air Force would need to make sustainment and modernization decisions to optimize readiness. The Air Force would identify maintenance to defer based upon capability priorities in line with Department of Defense strategies and guidance. The impact of this deferred maintenance would likely be to reduce the size and flexibility of our industrial base, to include the three organic depots. The Air Force would make a more precise assessment of impacts to mission accomplishment upon our receipt and analysis of a funding status on force structure changes, flying hour distribution, and prioritized distribution of sustainment funds. Effective management of force structure and depot maintenance requirements would be key components in maintaining maximum possible mission readiness. Presently, the Air Force has not deferred any required depot maintenance.

Mr. FORBES. If sequestration were to occur, my understanding is that every discretionary account would be cut equally. What are the repercussions of a cut of such a large magnitude and indiscriminate nature? How does it affect the All-Volunteer Force?

General BREEDLOVE. Sequestration would drive an additional reduction above the first phase of the Budget Control Act reductions to the Air Force FY13 budget request. Additional programs would need to be restructured, reduced, and/or terminated. All investment accounts would be impacted including our high-priority Acquisition Category I modernization efforts such as MQ–9, Joint Strike Fighter, and KC–46A. Sequestration would drive potential internal realignment and loss or descoping of military construction projects. The Air Force would need to implement actions to the operations & maintenance appropriation such as reductions to flying hours and weapon system sustainment; curtail training; slowdown civilian hiring and implement potential furloughs or reductions in forces; reduce daily operations to emphasize mission critical operations (i.e. training, supplies, equipment); and defer/stop infrastructure investments and mission bed downs. Absorbing these reductions would drive readiness impacts, potentially "hollowing out" the force while making our ability to cover any emergent execution year requirements (i.e., fuel price increase or Libya operations) extremely difficult.

Sequestration would undoubtedly have negative long-term effects on the all-volunteer force, which will ultimately diminish the Air Force's ability to recruit and re-

tain the best Airmen. Recruiting funds would be reduced, resulting in less contact with potential Airmen and limited recruitment opportunities. Top talent would be increasingly influenced to seek opportunities in the private sector. Reductions in training resources would reduce agility and make it more difficult for the Air Force to shape the force into the remaining and emerging mission areas. Civilian workforce reductions would need to occur, putting increased demand and responsibility on a shrinking force. When the economy recovers, the Air Force's ability to retain experienced Airmen would become increasingly difficult.

The President has indicated that he would exempt the military personnel appropriation from sequestration meaning that larger reductions would be required in other areas. Programmatic decisions could ultimately drive associated changes in authorized end strength. However, it is not possible to determine the specific manpower impacts until a corporate strategy is developed.

Mr. FORBES. Since the FY11 budget submission, the Department has seen its budget erode through H.R. 1, the "Budget Control Act," the $178 billion efficiencies initiative, and most recently, OMB guidance for FY2013 that holds spending at FY2010 levels. Many would argue that the military has already done its share for deficit reduction. Do you agree with that assessment? Should DOD be immune from further cuts?

General BREEDLOVE. The Department of Defense has proactively pursued a budget reduction/efficiencies strategy and the Air Force has taken its share of reductions over the past few years. As the Administration moves forward to reduce the deficit, no one will be immune from further cuts. However, any further cuts should be based on reductions in force structure or mission changes. Reductions without programmatic content should be avoided.

Mr. FORBES. How would a long-term CR further exacerbate the cuts prescribed under the Budget Control Act?

General BREEDLOVE. A long-term Continuing Resolution (CR) would create significant impacts within the investment, Military Construction (MILCON), and Operation and Maintenance (O&M) appropriations. For the Military Personnel (MILPERS) appropriation, a long-term CR would not drive significant issues as long as Congress authorizes the military pay raise and other incentive authorities on 1 January 2012 and an appropriation is received before the last payroll of the fiscal year.

A long-term CR would drive potential breaks in contracts or delays in production, forcing a major restructuring of Air Force acquisition programs. Without specific authority, MILCON projects cannot be awarded and would drive inefficient management and workarounds. For O&M, a long-term CR would drive inefficient management of contracts which drives additional workload to process various contract modifications for each CR period. It also decreases the Air Force ability to make strategic decisions to properly fund Air Force missions. To stay within CR limits, the Air Force would need to defer infrastructure and mission bed downs, continue hiring slow downs, reduce daily operations such as travel, training supplies and equipment along with applying reductions to aircrew training and weapon system sustainment. In addition, covering unplanned execution year bills such as fuel price increases or cash flowing Libya or similar operations would further reduce O&M flexibility. A long-term CR bow waves requirements into out-years with ripple effects into the POM. Programs that were scheduled to start or increased quantities in FY12 would not be allowed to go forward without specific Congressional language and would impact programs scheduled for FY13.

QUESTION SUBMITTED BY MR. ROGERS

Mr. ROGERS. The Stryker vehicle has grown considerably in weight and size over the last decade with the addition of valuable capability enhancements and protection to support its mission. The addition of Slat armor for RPG protection when first installed added nearly 6,000 pounds and 36 inches of width to the vehicle. This increased weight and size has significantly impacted the initial mobility of the platform. My question revolves around what has the Army done to reduce the weight of the vehicle to recapture this mobility? I understand that improvements to the slat armor reduce that kit weight to 3500 pounds several years ago but net-based improvements in RPG protection since then have not only increased the protection level but have reduced the kit weight to around 1100 pounds. Are these net-based RPG protection kits being installed and deployed on the Strykers today and if not, why are we not capitalizing on this enhanced protection and significant weight reduction?

General CHIARELLI. The net-based Rocket Propelled Grenade (RPG) protection kits are not being installed and deployed on Strykers today. The Capabilities and Limitations Report published in October 2011 by the Army Test and Evaluation Command states that the net-based RPG protection kits provide less protection than Slat Armor. The Project Management Office for the Stryker Brigade Combat Team has questioned this finding and is requesting additional information from the Army Evaluation Center to determine what test data this assessment was based on, and to assess if additional testing is required to do a more rigorous comparison between the two protection kits. This effort is in the initial stages and it is too soon to establish the number and type of tests required. This data is needed to complete a detailed schedule for the assessment. Most importantly, I assure you and the American people that we will make the right decision that provides our Soldiers the very best protection possible.

QUESTION SUBMITTED BY MRS. ROBY

Mrs. ROBEY. In working with the bases in my state, I understand the Army has a goal to have a joint multi-role aircraft for rotary wing transport on the books by 2030. The concern is that emphasis has been placed on modernizing our current rotary wing fleet and we may have lost sight on moving to a new platform. Current platforms are going limited even with modernization in several areas that we must move forward including: need crafts to go faster than 200 knots, reducing logistic footprint and reduce fuel consumption. With all of the concerns of what the action of Joint Select Committee on Deficit Reduction will have on DOD appropriations, what will the possible reduction in appropriations do in impacting that deadline?

General CHIARELLI. Reductions in appropriations for the Department of Defense could delay the development of technologies that could be applicable to the Joint Multi-Role Aircraft (JMR). Stable funding is key to developing and maturing these required technologies.

The Army fully intends to continue to pursue development of the JMR in an attempt to fill capability gaps that cannot be addressed now because current technologies are either infeasible or too immature. These capability gaps are in the areas of survivability, lethality, performance, maintainability, supportability, flexibility, and versatility. Development of the JMR will lead to common aircraft components that will be scalable in size and will provide a common aircraft architecture that will support mission-specific equipment packages to meet future vertical lift requirements.

While the Army pursues the development of the JMR, it must also continue with modernization efforts on current platforms to ensure that Army aviation units are modular, capable, lethal, tailorable, and sustainable. These modernization efforts mitigate capability gaps until the JMR technologies mature.

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