

RECORD VERSION

JOINT STATEMENT BY

**THE HONORABLE THOMAS E. WHITE
SECRETARY OF THE ARMY**

**GENERAL ERIC K. SHINSEKI
CHIEF OF STAFF
UNITED STATES ARMY**

BEFORE THE

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ON THE FISCAL YEAR 2002 ARMY BUDGET REQUEST

Mr. Chairman and distinguished members of the Committee, we thank you for this opportunity to report to you today on the United States Army's readiness to provide for our Nation's security today and in the future.

The Army exists for one purpose – to serve the Nation. For over 226 years, American Soldiers have answered the Nation's call to duty, faithfully and selflessly performing any mission that the American people have asked of them. The soldiers are the common denominator that has allowed us to enjoy economic prosperity and stability in a rapidly changing global environment.

Throughout that time, The Army – active component, Army National Guard, U.S. Army Reserve, and Army civilians – has maintained its non-negotiable contract with the American people to fight and win the Nation's wars decisively. Indeed, The Army stands ready to go into harm's way whenever and wherever we are asked. Today, The United States Army is the most formidable land force in the world, a fact that reassures allies and deters adversaries.

Today, The Army must also be capable of executing the broader requirements of the National Security Strategy and National Military Strategy across the full spectrum of operations. The commitment and dedication of Army soldiers and civilians, coupled with the support of the Administration and Congress, are allowing The Army to meet its requirements as the decisive landpower component of the U.S. military.

The bipartisan support of Congress during the past two years has helped The Army build-sustainable momentum for its Transformation. We want to talk to you today, against the backdrop of the President's 2002 amended budget, about where we are in achieving The Army Vision. In our testimony, we will describe the magnificent work the Army has done in recent months and identify the challenges we continue to face. There is still much work to be done, but The Army has moved out. It is transforming in comprehensive and profound ways to be the most strategically responsive and dominant land force of the 21st Century – decisive across the entire spectrum of military operations.

The budget for fiscal year 2002 ensures the Army is funded at sufficient levels to support the National Security and National Military Strategies. It funds People programs to man the force and address quality of life issues relevant to our soldiers and their families, ensures our continued warfighting readiness, and advances The Army's Transformation to a full-spectrum 21st Century force. It is a balanced base program that allows The Army to meet these objectives. It includes significant increases for installation services and infrastructure, mitigating the necessity to divert training funds to installation support.

The Army Transformation is enabled, although not at the optimal level. The Army is accepting moderate risk in the level of training OPTEMPO, but these risks are considered acceptable to ensure stable base operations levels and improved facility maintenance and repair. Sustainment programs also remain stable, and we are able to begin some modernization of our aging helicopter fleet.

Today, The Army's active component "go-to-war" force is forward stationed, deployed, or in the field – advancing our national interests, supporting theater engagement plans, and training for tomorrow's warfight. But, our Army is one-third smaller, deploys more frequently, and is more likely to conduct stability and support operations than its Cold War

predecessor. Accelerating operational and deployment tempos have strained Army capabilities, and over-stretched resources have leveraged our warfighting readiness on the backs of our Soldiers and their families. Indeed, our mission demands create a requirement for forces that increasingly can only be sustained by committing the reserve components. When we speak of The Army – active and reserve components, soldiers, civilians, family members, retirees, and veterans – we are acknowledging a single force with common missions, common standards, and common responsibilities.

The Army has competing requirements that are in constant, daily tension. First is The Army's requirement to have a trained and ready force to fulfill its non-negotiable contract with the American people to fight and win our Nation's wars decisively. That mission is significantly enhanced by being fully engaged around the globe with our allies, partners, and sometimes our potential adversaries to promote stability, to gain influence, and to ensure access in times of crisis. Further, as contingency operations become long-term commitments, our mission tempo – both training and operational – increasingly strains our force structure. Second, but most important, The Army must transform itself into a force for the 21st Century, strategically responsive and dominant at every point on the spectrum of military operations and prepared to meet a growing array of requirements including threats to our homeland. The mismatch between strategic requirements and operational resources forces us daily to prioritize among support for our people, the readiness demanded by the Nation, and the transformation necessary to continue our global preeminence.

The Army Vision

More than ten years ago, during the buildup of Operation Desert Shield, The Army identified an operational shortfall – a gap between the capabilities of our heavy and light forces. Our heavy forces are the most

formidable in the world. There are none better suited for high-intensity operations, but they are severely challenged to deploy to all the places where they might be needed. Conversely, our magnificent light forces are agile and deployable. They are particularly well suited for low-intensity operations, but lack sufficient lethality and survivability. There is, at present, no rapidly deployable force with the staying power to provide our national leadership a complete range of strategic options. The requirements dictated by the rapidly evolving world situation increasingly underscore that capability gap; therefore, The Army is changing.

To meet the national security requirements of the 21st Century and ensure full spectrum dominance, The Army articulated its Vision to chart a balanced course and shed its Cold War designs. The Vision is about three interdependent components – People, Readiness, and Transformation. The Army is people – Soldiers, civilians, veterans, and families – and Soldiers remain the centerpiece of our formations. Warfighting readiness is The Army’s top priority. The Transformation will produce a future force, the Objective Force, founded on innovative doctrine, training, leader development, materiel, organizations, and Soldiers. The Vision weaves together these threads – People, Readiness, and Transformation – binding them into what will be The Army of the future.

Achieving the Army Vision

Last year, The Army took the initial steps to achieve the Vision. One step was the continued realignment of our budget priorities, generating investment capital by canceling or restructuring eight major Army procurement programs. Unfortunately, The Army has had to eliminate or restructure 182 programs over the past decade and a half. It is not that these systems and capabilities were unnecessary; rather, our resource prioritization made the programs unaffordable. Joining with the Defense Advanced Research Projects Agency in a cooperative research

and development effort, we began to streamline our acquisition process to focus and accelerate the development and procurement of enabling technologies for our Objective Force. To reduce the risk from the capability gap between our heavy and light forces, The Army developed a concept and began to organize an interim capability until the 21st Century Objective Force is fielded. The Army also completed a comprehensive study of how it trains Soldiers and grows them into leaders, knowing that the capabilities of a transformed Army will reside in competent, confident, adaptive, and creative people.

People

The fiscal year 2002 budget continues to emphasize people, the core of our institutional strength. Well-being – the physical, material, mental, and spiritual state of soldiers, families, and civilians – is inextricably linked to The Army’s capabilities, readiness, and its preparedness to perform any mission.

To improve well-being, we are offering technology-based distance learning opportunities; working to improve pay and retirement compensation; working with the Department of Defense to guarantee that TRICARE meets the needs of our soldiers, retirees, and their families; improving facilities maintenance; and modernizing single soldier and family housing. The much welcomed increases in housing allowance and efforts to reducing out of pocket expenses is an important step toward restoring faith with our Soldiers and their families.

The health care provisions in the fiscal year 2001 National Defense Authorization Act for our soldiers, retirees, and family members represent the types of significant improvements The Army continues to seek for the force’s well-being. Sustained Congressional support for important well-being initiatives helps us recruit and retain a quality force.

Indeed, the pay raise, pay table reform, and retirement reform, as well as diligent efforts by leaders at all levels of The Army helped us

exceed our recruiting and retention goals in fiscal year 2000. Attention to the well-being of our people will keep trained and qualified Soldiers and civilians in The Army in the years to come.

Manning

In fiscal year 2000, we started a four-year effort to increase personnel readiness levels. The Manning Initiative redistributed soldiers to fill all personnel authorizations in every active component combat division and cavalry regiment, but by doing so, we accepted some risk in the institutional base.

This effort exposed the serious gap that has existed in the aggregate between manning requirements and authorizations. It is possible that we will need to increase personnel authorizations to meet all requirements, dependent upon ongoing reviews of overall Army missions. Meeting the requirements with the active component, however, is not enough. As mission demands necessitate increased use of our reserve components, we must bolster their full-time support requirements to better keep them ready and available. Manning the entire force will reduce operational and personnel tempo and improve both readiness and well-being.

The fiscal year 2002 budget increases for enlistment and retention bonuses will enable the Army to sustain its recent recruiting and retention successes, although some shortfalls remain. Funding for change-of-station moves helps to ensure we can place soldiers when and where they are needed to man units at desired grade and skill levels, and further advance the Army's Transformation.

Global Engagement

Readiness is a top priority. It means we must be prepared to execute strategic missions across the full spectrum of operational requirements around the globe. Our military formations must be able to

conduct a range of activities from engagement to stability and support operations to warfighting. On any given day, The Army has nearly 125,000 soldiers and 15,000 U.S. civilians forward stationed in over 100 countries around the world. In fiscal year 2000, on a daily average, we deployed more than 26,000 additional soldiers for operations and military exercises in 68 countries – from East Timor to Nigeria to the Balkans. In Bosnia, the Texas Army National Guard's 49th Armored Division assumed the mission for the Multinational Division (North), the first time since World War II that a reserve component division headquarters has led active component forces in an operational mission. In both Europe and Korea, Army Soldiers continue a successful security commitment made 50 years ago. In Southwest Asia, The Army continues its support of United Nations sanctions against Iraq, stability operations in the Persian Gulf, and peacekeeping efforts in the Sinai. No other military service works as frequently, as continuously, or on as many levels to deter aggression, operate with allies and coalition partners, and to respond at home and abroad with support to civil authorities.

Civil Support

The Army provides military support to civil authorities, both domestically and around the globe, for crisis response and consequence management. Army support after natural disasters ranged from personnel and equipment to suppress wildfires to logistical and medical support following the disasters in the South African, Central American, and Asian Pacific regions. Last year, within the United States, the U.S. Soldier and Biological Chemical command trained over 28,000 people and conducted crisis response and consequence management exercises in 105 cities with federal agencies, state and local governments, and non-government organizations in support of the Domestic Preparedness Program. The Army Corps of Engineers prevented an average of \$21.1 billion in damages through flood control management projects including 383 major flood control reservoirs and 8,500 miles of flood control levees as part of

its flood fighting authority and the Federal Response Plan. The Army supported civil law enforcement agencies in more than 380 counter-drug operations in 41 states. Finally, as part of a joint program, The Army led the development and testing of a fixed, land-based National Missile Defense system that offers the most mature technology for a near-term deployment decision. The Army stands ready to respond to the full breadth of security requirements in the homeland and abroad now and in the future.

Readiness

The fiscal year 2002 budget request supports our most critical readiness requirements, although we have accepted some risk in the level of funding for active component air and ground OPTEMPO to stabilize the deterioration of our facilities and augment training enablers.

Measuring the readiness of The Army to respond to the Nation's call requires accuracy, objectivity, and uniformity. Our current standards are a Cold War legacy and reflect neither the complexity of today's strategic and operational environments nor other important factors. Near-term factors encompass the overall capability of units to deploy and include training enablers such as training ranges, institutional support, and depot maintenance; full time support for our reserve components; and installation support. Long-term readiness factors affect The Army's ability to fight in the future and to retain quality personnel. We are re-examining how to measure Army readiness in the near-term, the long-term, and across the range of missions we may be expected to undertake. This new reporting system will provide timely and accurate information on the status of The Army's readiness, with measurements that are relevant and quantifiable, to enhance the ability of commanders to make the best possible employment decisions. It will also give the American people a more accurate assessment of how ready their Army is to do what it is asked to do.

Installation Readiness

Installations are an essential, but often overlooked, part of our warfighting readiness. They support Soldiers and their families, enhance the rapid deployment of The Army, and provide efficient and timely support to deployed formations. Funding facility Sustainment, Restoration and Modernization (SRM, formerly termed Real Property Maintenance, or RPM) accounts is one of The Army's greatest concerns this year. We must maintain, modernize, and transform the training platforms and ranges that prepare the force; the depots and arsenals that maintain and equip the force; and the power projection platforms and information infrastructures that support the force when deployed. The fiscal year 2002 budget provides military facilities and soldier housing needed to improve Army readiness, quality of life, and efficiency. The military construction projects provide new and renovated facilities that improve strategic mobility, modernize barracks, and support the missions of the Army's active and reserve components. The family housing budget includes funding for operation, maintenance, leasing, construction, revitalization and privatization of housing in the U.S. and overseas. Only by taking care of installation infrastructure now can The Army secure readiness for the future also.

In the past, we paid other bills at the expense of facilities upkeep or masked these costs by migrating funds from operating tempo accounts – a practice we have stopped.

Of course, The Army would prefer to divest itself of excess infrastructure and receive full funding to maintain installations and repair critical facilities. The Army's current goal is to sustain facilities to a level that prevents further deterioration and to improve both the quality and the quantity of facilities to meet validated deficits in strategic mobility by fiscal year 2003, barracks by fiscal year 2008, and family housing in fiscal year 2010.

However, even with this significant investment, our overall infrastructure condition continues to decline. While the budget meets the Army's strategic mobility goal of fiscal year 2003, we need sustained funding to achieve our goals of barracks renewal and family housing upgrade. Previously, we have funded SRM at only 60 percent. The significant increase of SRM funding to 94 percent for fiscal year 2002 will allow the Army to aggressively attack its deteriorating infrastructure and impede the growth in the backlog of maintenance and repair. We currently have an unfunded SRM backlog of \$17.8 billion and an unfunded facilities deficit of \$25 billion. The solution requires a 30-year commitment to fully fund and focus SRM funding on selected facility types, in ten-year increments. Army installations will take on a greater role as we attempt to reduce the deployed logistical footprint and rely on reach-back links for enhanced command and control capabilities. Transformation of our operational force without a concurrent renovation of the installation infrastructure will create an imbalance that will impinge on advantages gained by a transformed force.

Transformation

The third thread of the Vision requires a comprehensive transformation of the entire Army. This complex, multi-year effort will balance the challenge of transforming the operational force and institutional base while maintaining a trained and ready force to respond to crises, deter war and, if deterrence fails, fight and win decisively. Transformation is far more extensive than merely modernizing our equipment and formations. It is the transformation of the entire Army from leader development programs to installations to combat formations. All aspects – doctrine, training, leaders, organization, material, and Soldiers – will be affected.

Transformation of The Army's operational force proceeds on three vectors – the Objective Force, the Interim Force, and the Legacy Force. All are equally necessary to our Nation's continued world leadership. The

Objective Force is the force of the future and the focus of The Army's long-term development efforts. It will maximize advances in technology and organizational adaptations to revolutionize land-power capabilities. The Interim Force will fill the current capability gap that exists between today's heavy and light forces. Today's force, the Legacy Force, enables The Army to meet near-term National Military Strategy commitments. Until the Objective Force is fielded, the Legacy Force – augmented or reinforced with an interim capability – will continue to engage and respond to crises to deter aggression, bring peace and stability to troubled regions, and enhance security by developing bonds of mutual respect and understanding with allies, partners, and potential adversaries. It must remain ready to fight and win if necessary, giving us the strategic hedge to allow transformation.

The fiscal year 2002 budget supports procurement and upgrade of important Legacy, Interim, and Objective Force systems. It procures 326 Interim Armored Vehicles and five Wolverine systems. It also continues support for the Abrams-Crusader common engine program and both the Abrams and Bradley upgrade programs. Finally, it accelerates two M1A2 system enhancement program retrofits.

As The Army works to develop and acquire the technologies for the Objective Force, the Legacy and Interim Forces will guarantee Army readiness. Our most pressing concerns this year include the modernization and recapitalization of selected Legacy Force systems.

Legacy Force Modernization & Recapitalization

Recapitalization and Modernization efforts are necessary to ensure current and near-term warfighting readiness. Currently, 75 percent of major combat systems exceed engineered design half-life and will exceed design life by 2010; system operation and sustainment costs are up over 35 percent, and aircraft safety of flight messages are up 200 percent since 1995.

We must judiciously modernize key armored and aviation systems in the Legacy Force to enhance force capabilities. We will further digitize the Abrams tank to increase situational awareness and remanufacture early model Bradley infantry fighting vehicles to improve lethality, situational awareness, and sustainability. We will procure new systems like Crusader to increase force effectiveness, reduce friendly casualties, ease logistics support requirements, and improve deployability. Crusader will maximize the total capabilities of the Legacy Force. Fielding the Patriot Advanced Capability-3 missile defense upgrade and the Theater High Altitude Area Defense system will significantly increase our in-theater force protection. Current legacy forces will benefit from upgrades and enhancements to proven systems. Interim forces will demonstrate the power of developmental and off-the-shelf communications and intelligence capabilities. The Army has made the hard decisions for selective modernization to sustain combat overmatch. What is needed is continued support for our prudent investment strategy to keep our force strong and credible.

Concurrently, The Army will selectively recapitalize Legacy Force equipment to reduce the rapid aging of our weapons systems. The fiscal year 2002 budget takes a step in this direction by providing additional funding to depot maintenance in preparation for recapitalization. The Army has determined that we preserve readiness best and most cost effectively when we retire or replace warfighting systems on a 20-year Department of Defense modernization cycle. Today, 12 of 16 critical weapons systems exceed this targeted fleet average age. As systems age, they become more costly and difficult to maintain in peak warfighting condition. They lose combat overmatch with respect to an adversary's modernized systems. The Army has established a selective recapitalization program that will restore aging systems to like-new condition and allow upgraded warfighting capabilities for a fraction of the replacement cost. We must maintain the readiness of the Legacy Force until the

Objective Force is operational. As the Legacy Force maintains our strategic hedge and the Interim Force bridges the capability gap, The Army will build the Objective Force and complete the Vision for a trained and ready 21st Century Army.

The Interim Force

The fielding of the Interim Force fills the strategic gap between our heavy and light forces and is an essential step toward the Objective Force. The key component of the Interim Force is the Interim Brigade Combat Team (IBCT), the first of which is being organized at Fort Lewis, Washington. Its primary combat platform, the Interim Armored Vehicle (IAV), will fulfill an immediate requirement for a vehicle that is deployable any place in the world arriving ready for combat. The IAV will consist of two variants, a mobile gun system and an infantry carrier with nine configurations. The IAV will achieve interoperability and internetworked capability with other IBCT systems by integrating command, control, communications, computer and intelligence, surveillance, and reconnaissance systems. Congress supported the IBCT concept with an additional \$600 million in the fiscal year 2001 Defense Appropriations Act for IAV procurement and organizing the second IBCT. The Army has programmed resources to field six to eight IBCTs.

The Army will train and test Soldiers and leaders in the doctrine and organization of these new units to ensure that they can respond to operational requirements. An IAV-equipped battalion-sized element will undergo training and initial operational testing and evaluation to guarantee system suitability and effectiveness. Innovative applications and technology insertion in supporting forces will complete the IBCT package and enable full operational capabilities for the first IBCT in 2005.

The Objective Force

The Army's ultimate goal for Transformation is the Objective Force. Operating as part of a joint, combined, and/or interagency team, it will be

capable of conducting rapid and decisive offensive, defensive, stability and support operations, and be able to transition among any of these missions without a loss of momentum. It will be lethal and survivable for warfighting and force protection; responsive and deployable for rapid mission tailoring and the projection required for crisis response; versatile and agile for success across the full spectrum of operations; and sustainable for extended regional engagement and sustained land combat. It will leverage joint and interagency reach-back capabilities for intelligence, logistical support, and information operations while protecting itself against information attacks. It will leverage space assets for communications; position, navigation, and timing; weather, terrain, and environmental monitoring; missile warning; and intelligence, surveillance, and reconnaissance. The Objective Force will provide for conventional overmatch and a greater degree of strategic responsiveness, mission versatility, and operational and tactical agility. With the Objective Force, The Army intends to deploy a combat-capable brigade anywhere in the world in 96 hours, a division in 120 hours, and five divisions in 30 days. Our ability to quickly put a brigade-size force on the ground, with the balance of a division following a day later, fills a current gap for credible, rapid deterrence. The Objective Force will offer real strategic options in a crisis and changes the strategic calculations of our potential adversaries. The Army with Objective Force capability will provide the National Command Authorities with a full range of strategic options for regional engagement, crisis response, and land force operations in support of the Nation.

Science and Technology

Advances in science and technology will lead to significantly improved capabilities for the Objective Force. The Army is programming over \$8 billion for science and technology efforts to begin fielding the Objective Force by the end of the current decade. This effort seeks to resolve a number of challenges: how to balance sustained lethality and

survivability against ease of deployability; how to reduce strategic lift requirements and logistical footprint required in-theater; how to mitigate risk to our support forces and to forces in-theater; and how to ensure digitized, secure communications to provide battlefield awareness at all levels of command. The Army will find the best possible answers while maintaining the ready, disciplined, and robust forces our Nation demands, our allies expect, and our adversaries fear.

Future Combat Systems (FCS), a system of systems, is one of the essential components for The Army's Objective Force. To accelerate development of key technologies, The Army partnered with the Defense Advanced Research Projects Agency in a collaborative effort for the design, development, and testing of FCS while simultaneously redesigning the force. The fiscal year 2002 budget funds FCS demonstrations of system-of-systems functions and cost sharing technologies. Forces equipped with FCS will network fires and maneuver in direct combat, deliver direct and indirect fires, perform intelligence, surveillance, and reconnaissance functions, and transport Soldiers and materiel. Over the next six years, The Army will demonstrate and validate FCS functions and exploit high-payoff core technologies, including composite armor, active protection systems, multi-role (direct and indirect fire) cannons, compact kinetic energy missiles, hybrid electric propulsion, human engineering, and advanced electro-optic and infrared sensors.

Equally essential to the Objective Force, and consistent with Secretary Rumsfeld's strategic review, is the fielding of the Comanche helicopter beginning in 2006. The fiscal year 2002 budget continues our efforts toward achieving this important capability. Comanche is the central program of the Army aviation modernization plan and a prime example of existing modernization programs with significant value for Objective Force capability. Although Comanche will be fielded as part of the Objective Force, its digitization will be compatible with Legacy and Interim Force

systems. Comanche will provide a lethal combination of reconnaissance and firepower.

Institutional Transformation

The fiscal year 2002 budget funds schoolhouse training at 100 percent. This is a first. It funds U.S. Army Training and Doctrine Command (TRADOC) transformation initiatives to include expansion of one station unit training, establishment of a land warfare university, basic officer leadership course enhancements, establishment of an accession command, and quality assurance initiatives.

As the combat formations are being transformed, The Army's institutional base – schools, services, facilities, and installations – must also change to support both the Objective Force and current mission requirements. TRADOC produces tactically and technically proficient Soldiers and leaders and the doctrine and concepts for operational success. The Army must train Soldiers – in simulations, on ranges, and in exercises – and grow them into leaders who are capable of executing rapid and seamless transitions between missions throughout the spectrum of operations. Training must continuously improve and respond to emerging technologies. We must recapitalize and modernize ranges, distance learning centers, Army schools, and combat training centers to keep pace with changes in force structure, technology, and the global environment. We must address the increasing challenge to readiness posed by encroachment to our ranges and training areas while maintaining our environmental stewardship of these same lands.

Army doctrine and concepts must also transform to keep pace with our changing operational force and growing technological advantages. As foundations for the Transformation, the two conceptual baselines for Army doctrine, Field Manuals, FM-1, *The Army*, and FM-3, *Operations*, were published June 14, 2001. TRADOC is revising and developing doctrine for organization and operation of the Interim Force and validating concepts

for the Objective Force. We are also developing the concepts to integrate the capabilities of space and information operations to provide support across the entire spectrum of military operations. At every level, The Army is integrating emerging joint and multinational doctrine to develop the concepts that will field a force, grounded in doctrine, that is capable of providing the National Command Authorities a range of options for regional engagement, crisis response, and sustained land force operations.

Army Training and Leader Development

Key to transformation is the training and leader development necessary for producing adaptive Soldiers and leaders who can lead and succeed in both joint and combined environments while capitalizing on the latest battlefield technologies. The Army Training and Leader Development Panel (ATLDP) has concluded its in-depth study of issues affecting The Army's culture and its training and leader development doctrine. The ATLDP surveyed and interviewed over 13,500 officers and spouses. Follow-on studies of the noncommissioned officer and warrant officer corps will be conducted over the next six months. The primary objectives of the panel were to identify skill sets required of Objective Force leaders and to assess the ability of current training and leader development systems to cultivate those skills. Study participants addressed issues that included well-being, job satisfaction, training standards, and the officer education system. This study represents a candid self-assessment by The Army; it seeks to restore faith with Soldiers and set a course for improving all aspects of The Army's culture by bringing institutional beliefs and practices in line. To that end, some steps have already been taken, including adapting the officer education system to meet the needs of the transforming Army; eliminating non-mission compliance tasks that interfere with war fighting training; allocating full resources to our Combat Training Centers; and protecting weekends for the well-being of soldiers and their families. It is a testament to the

strength of any organization when it is willing to take such a candid look at itself, and this kind of healthy introspection characterizes a true profession.

The fiscal year 2002 budget funds development of training, training products, and materials that support resident and unit training programs. It provides for the analysis, design, development, management, standardization of processes and practices integration and operations of Army training information systems and automation of the training development process. In the area of leader development it allows schoolhouse trainers to adapt training programs for future leaders and increases training support funding for aviation and specialized skill training. Further, the budget funds active component unit training OPTEMPO and supports critical training enablers. Our Combat Training Center program remains the proving ground for warfighting proficiency, and we currently have scheduled ten brigade rotations through the National Training Center, ten brigade rotations through the Joint Readiness Training Center, and five brigade rotations through the Combat Maneuver Training Center.

Logistical Transformation

We will transform logistical services and facilities to enhance readiness and strategic responsiveness. Today, logistics comprises approximately 80 percent of The Army's strategic lift requirement, creating a daunting challenge to deployability. Prepositioning stocks and forward presence solves only part of the problem. Currently, The Army has seven brigade sets of equipment forward deployed on land and at sea with an eighth brigade set being deployed in fiscal year 2002. As we fundamentally reshape the way The Army is deployed and sustained, we will ensure logistics transformation is synchronized with the needs of the operational forces and supports Department of Defense and Joint logistics transformation goals. The Army is examining how to reduce the logistical

footprint in the theater of operations and to reduce logistical costs without hindering warfighting capability and readiness. Approaches already being explored are recapitalization, common vehicle chassis design, a national maintenance program, and an intermediate basing strategy for force protection. We are synchronizing the critical systems of the institutional Army with our operating forces to ensure the Transformation of The Army is holistic and complete.

Conclusion

The Army has embarked on a historic enterprise. Recognizing that the forces we can provide to the combatant commands are becoming obsolescent in a changing strategic environment, The Army is transforming. With the support of the Administration and Congress, The Army has charted a course that will better align its capabilities with the international security environment, enhancing responsiveness and deterrence while sustaining dominance at every point on the spectrum of operations. The Army Transformation is the most comprehensive program of change in a century and is already underway. It comes at a propitious moment. We live in a time of relative peace. Our Nation's economic strength has given us a period of prosperity. A decade of post-Cold War experience has provided us strategic perspective and American technological power gives us tremendous potential. We have seized this opportunity to guarantee our strategic capability and our non-negotiable contract with the American people well into this century.

Mr. Chairman and distinguished members of the Committee, we thank you once again for this opportunity to report to you today on the state of your Army. The statements made in this testimony are contingent upon the results of Secretary Rumsfeld's strategic review. We ask you to consider them in that light. We look forward to discussing these issues with you.