



DEFENDING FREEDOM, FOSTERING COOPERATION AND
PROMOTING STABILITY

STATEMENT OF
GENERAL JAMES L. JONES, JR., USMC
COMMANDER
UNITED STATES EUROPEAN COMMAND



SENATE ARMED SERVICES COMMITTEE
APRIL 10, 2003

FOR OFFICIAL USE ONLY
UNTIL RELEASED BY
THE SENATE ARMED SERVICES
COMMITTEE
(Resubmitted to OCJCS 5 May 2003)

INTRODUCTION

Chairman Warner, Senator Levin, distinguished members of the Committee; it is my privilege to appear before you as Commander, United States European Command (USEUCOM), to discuss our operational missions, the viability and importance of the NATO Alliance, and to chart a way ahead for the future. On behalf of all the men and women in USEUCOM who proudly serve this nation, as well as their families, I want to thank the committee members and staff for your unwavering support over this past year. Your determined commitment to improving the joint warfighting and crisis response capabilities of our nation's armed forces, and to improving the quality of life of our men and women in uniform, underwrites our efforts to shape the international environment in order to bring about a more secure and stable world. Your efforts have provided us with the resources to be successful, and have enabled us to do our part to protect our democracy and to contribute to the security of our nation. Your dedication to improving the welfare of our families and that of our men and women in uniform is both recognized and greatly appreciated.

During my brief time as Commander of United States European Command, I have been struck by six defining characteristics of our area of responsibility: 1) its expansiveness and diversity; 2) the inherent responsibilities and challenges of a region of this size; 3) the continuing importance of the NATO Alliance, and the critical role of the U.S. within the Alliance; 4) the contribution of our Allies to meeting the emerging security requirements in the early days of the new century; 5) the nuances of the geo-strategic environment and its impact on our operational capabilities; and last, but not least, 6) the overarching realization that our current force

posture requires a fuller adaptation to the requirements of a changing region and to the emerging realities of a challenging 21st Century.

With the committee's indulgence, I would like to discuss these characteristics in a manner that illustrates the scope of USEUCOM's responsibilities, the depth of our involvement to meet those responsibilities through current operations, the level of cooperation with our European partners to enhance security, and the key theater investment needs to both maintain and employ our forces in a manner that reflects the intent of our National Security Strategy. More importantly, I want to underscore the need for continuing transformation, and to help articulate a strategic vision that will enable us to better meet our strategic goals, and the challenges and threats that will be omni-present in the 21st Century.

HISTORICAL PERSPECTIVE

Since my predecessor, General Joe Ralston, last testified, USEUCOM has continued to operate at full capacity. We are a supporting command to the Central Command's effort in Operations Enduring Freedom and Iraqi Freedom. We are fully engaged in prosecuting the war on terrorism, executing on-going operations, forging unprecedented organizational and operational changes within the NATO Alliance, and adjusting to the significant expansion of our area of responsibility, to include the addition of Russia, Iceland, Greenland and the Azores. We are simultaneously implementing a mandated fifteen percent headquarters manning reduction in our major theater headquarters.

The USEUCOM area of responsibility encompasses a vast geographic region covering over 46 million square miles of land and water (Figure 1). The new Unified Command Plan, effective 1 October 2002, directs that our area of responsibility include 93 sovereign nations, stretching from the northern tip

of Norway to the southern tip of South Africa, and from Greenland in the west to Russia's eastern coastline. The very title "U.S. European Command" is a misnomer and no longer representative of the vastness of our area of operations. The astonishing diversity of our area of responsibility encompasses the full range of human conditions: some nations in our region are among the wealthiest of the world, while others exist in a state of abject poverty; some are open democracies with long histories of respect for human liberties, while others are struggling with basic concepts of representative governments and personal freedoms.

Our missions are complex. The men and women of the command operate throughout Europe, Africa, the Levant, Eurasia, and the Middle East, more specifically in Iraq. In addition to many bi-lateral and multi-national operations, we also serve in the Balkans in support of the North Atlantic Treaty Organization (NATO) stability operations and prosecute the war on terrorism on land and at sea, throughout the theater.

To fully appreciate where USEUCOM is today, and more importantly where we are going, given the scope of responsibilities and challenges of a region this large and diverse, it is important to reflect briefly on our extremely successful history. U.S. Forces in Europe, in concert with our NATO Allies, played a pivotal role in bringing about the demise of the Soviet Union and Warsaw Pact. Since the fall of the Berlin wall in October 1989, USEUCOM has undergone a reduction in forces of approximately sixty six percent, from 248,000 in 1989 to 109,000 in 2002. In addition, we have closed 566 installations over the past decade, along with over 356 sites and training areas. This reduction equates to a 70 percent shift in personnel and facilities as compared to the Cold War era peaks. At the same time, EUCOM's

21st Century area of responsibility has expanded by sixteen percent on land and twenty-eight percent on the seas.

My predecessors each recognized that a change in the strategic environment was occurring and instituted measures that were both appropriate and prudent. The dramatic decline of installations and accompanying reduction and realignment of our force structure in-theater, in the Post Cold War era, was accomplished without a corresponding reduction in the scope of our mission. In effect, we were tasked to do much more with considerably less.

As our nation emerged from the Cold War era, we discovered that the security landscape was changing in many ways, and we were increasingly confronted by new and challenging asymmetries. We now better understand that our world has changed dramatically----- from being bi-polar and symmetrical, to being multi-polar and asymmetrical. Our theater has become an absolutely unpredictable environment replete with new and diverse challenges. It must be said that ours is a world in which Americans, perhaps for the first time, feel threatened inside their national borders; in their own homeland. Today, the developed world faces threats that are sub-national and supra-national; threats which are based on ideological, theological, cultural, ethnic, and political factors. Our new adversaries do not recognize international law, sovereignty or accepted international norms of behavior. As such they are able to exploit the seams of international order. This realization, and our understanding of the challenges of new world "disorder", brings with it unique challenges that require new and different approaches, and different metrics by which we allocate resources and develop strategies to protect our

national interests and shape our environment. The dynamics of a new and challenging security environment and the need to embrace a different approach to deal more effectively with varied and emerging threats is not lost on our Allies. Adaptation is the engine of survival and the NATO Alliance is embarking upon a path that will ensure its future existence.

We, and our Allies, require a strategy that matches our resources in a manner that optimizes our ability to meet the challenges and threats of the 21st Century. As we look at the map of our AOR, and the current location of our bases in-theater, some might be struck by the fact that the current disposition of our forces reflects a positioning in keeping with the symmetrical threats of the last century. Present day strategic interests reveal those areas where our interests will be threatened in the future, suggesting new realities, which will affect the requirements of a more appropriate construct of forces and basing plans that are more apt to achieve the goals laid out in our National Security Strategy. In doing so, we will move from the incremental process of transition towards the more promising process of transformation in depth.

STRATEGIC VISION

Transformation

Although many think of transformation uniquely in terms of new technology and new weapons systems, transformation in depth results from the synthesis of new technologies and revolutionary 21st Century operational concepts, which are enabled by agile, adaptive organizations. Transformation is accomplished through in depth reforms within four areas; technological innovation, new operational concepts, institutional reforms, and dramatic reform in our business and acquisition methods.

Today, we find ourselves at a veritable crossroads between two centuries. The new century will allow us to escape the limitations of the former; and we can and must evolve from the doctrine of "attrition" to "maneuver" warfare, from symmetrical to asymmetrical options, from reliance on mass effect to reliance on precision effect, from large logistical stockpiles to a revolutionary integrated logistics concept, and we must change from antiquated terrain-based military criteria to that of effects-based operations.

As the United States emerged on the scene as a world power after World War II, our nation's role on the face of the earth was forever changed. We recognized, indeed we embraced, our new responsibilities, and for fifty years we faced the competition. We are proud of the fact that we prevailed. We did so for a variety of reasons, but none more important than the realization that our future depended on more than pure military might to succeed; it depended on a free market economy, an expanding cultural base, and a passionate belief in a system of government that enables its citizens to rise to their full potential in a free society. The realization that those pillars, of which the investment in the military capability became an enabler for the other three, ensured that our position as a nation of influence, on all matters, became the defining factor of our identity for the balance of the 20th Century. For that we should rejoice, and from that we should draw upon the hard learned lessons as we enter the fractured world of the 21st Century. More than any other nation, we have shown that we understand that we have a military capability that can and should be used to the betterment of world conditions, and only in the instances of last resort, applied to the conflicts for which there is no other solution, do we commit our men and women in uniform to the field of battle. In short, American military power is not simply a tool to be used only in a time of crisis. It is an

instrument of peacetime engagement and reassurance to our friends and allies. Security provides stability, and within that stability the seeds of democracy can and will flourish.

"Sovereignty" will be our nation's challenge as we respond to the realities of the new century. Our 20th Century basing models have served their purpose and it is now time to apply transformational options to provide our nation with forces that are more agile, capable, sustainable, and credible in relation to our goals and aspirations as a nation. The world has changed in many ways; among them is the fact that it is "smaller" in terms of being able to project influence. The "tyranny of distance" is no longer as daunting. There are different ways to achieve our goals. Many of our 20th century facilities in USEUCOM are in dire need of repairs. Current estimates project a significant investment will be needed over next six years in order to provide adequate housing for our service members and their families currently assigned to USEUCOM. Contemporary issues pertaining to sovereignty, encroachment, and environmental constraints at many of our bases marginalizes training, impedes operations and erodes readiness.

The ability of USEUCOM forces to attain and sustain required levels of readiness to meet current and future challenges depends on the quality, accessibility, affordability and the realism of our training. Joint training ranges of adequate size, capability, and instrumentation are vital. The training ranges we have used historically - mostly in Western Europe - have diminished utility due to increasing restrictions on operating hours, costs, limitations on the weapons that are authorized to be employed, and the size of forces that can maneuver on these ranges. Urbanization, and environmental restrictions affect our ability to train in many ways.

As a result, we have identified new training opportunities, primarily in Central and Eastern Europe and Northern Africa, where a number of countries have expressed interest in providing suitable training ranges, at less expense, with considerably less restrictions, and which are much more available than those we are historically tied to. These same potential host nations have also indicated an interest in establishing a new form of basing relationship for our forces. As we contemplate the imminent eastward expansion of NATO itself, it is clear that our traditional allies are also committed to "out of area operations" for NATO as well.

USEUCOM and NATO are engaged in parallel actions, which are truly transformational in mutually supportive directions. NATO is adding seven new members from Central and Eastern Europe to the Alliance, and USEUCOM is examining how it can best support the Alliance with an appropriate force and new basing concepts.

To offer a way ahead, I would suggest three areas for renewed focus:

First, we need to critically evaluate every facet of our organization. Central to our conceptual transformation is the continued reduction/realignment of a "legacy" infrastructure that, in large measure, remains arrayed to support the Cold War posture of the 20th Century. We should re-orient our forces towards the southeast and south, in a manner that reflects our expanding strategic responsibilities and the unquestioned emergence of new regional and global realities.

Secondly, we need to reassess how we deploy and assign forces to our theater. We need to have forces that are joint, agile, flexible, sustainable, and highly mobile. The combination of permanent and rotational forces deployed for six months, accompanied by an expeditionary component

construct is better suited to meet the demands of our fluid, complex, and multi-faceted security environment. We must recognize that the landscape of today may not be the landscape of tomorrow. Truly expeditionary forces, by their nature can better and more readily adjust to geo-political shifts and the emergence of unanticipated threats, than can traditional forces without a genuine mobility or true expeditionary capability.

Thirdly, we will need to adopt operational concepts that capitalize on innovation, experimentation, and technology in order to assert ourselves in a manner that achieves the greatest effect. We are witnessing a sudden shift in our past century reliance from the quantitative characteristics of warfare, mass and volume to a realization that qualitative factors (speed, stealth, precision, timeliness, sustainability, and interoperability) are predominant in understanding modern warfare. The lethality of the modern battlefield calls for forces to be lighter, less constrained, and more mobile, without diminution of capability. The principle of maneuver, attained by leveraging technologies, reduces a unit's vulnerability while increasing its lethality and survivability. High speed troop lift, precision logistics, in-stride sustainment, and intuitive C2 architectures are enablers that translate into power projection.

By capitalizing on the gains we achieved through the consolidation and restructuring of our bases over the past decade we are now ready to apply the more revolutionary concept of transformation. Re-orienting our forces, forging multiple and newer, basing options composed of task organized, often rotational formations, strategically arrayed, and capable of leveraging our technological advancements, is necessary to support our strategy which seeks to **"assure, dissuade, deter and defeat any adversary"**.

An example of how we might attain our strategic objectives is to build more Forward Operating Bases such as "Camp Bondsteel" in Kosovo. From such semi-permanent expeditionary bases we can more effectively engage and influence the stability of a region. Such bases have proven the merit of this approach and demonstrate a visible presence at a fraction of the cost of a "small American city" base, more emblematic of the past. Africa, an example of an area long neglected, but whose transnational threats and abject poverty are the future breeding grounds for networked non-state adversaries, terrorism, narco-trafficking, crime, and unspeakable human conditions, is essential to our strategic plans for the future. It lends itself perfectly to the flexible basing options of the future.

The utilization of a rotational basing model, more flexible and along the lines of an expeditionary construct, will complement our forward-basing strategy and enable us to reverse the current adverse proportions of the "tooth to tail" ratio. Rotational forces requires less infrastructure in-theater and provide the agility to respond to changing environments at significantly lower costs than that generally associated with closing and moving bases. It is much easier to relocate or close a Camp "Bondsteel" than it is a Camp "Baumholder." In this regard, rather than enabling our operations, some of our "legacy" bases (those that are not strategic enablers), can become modern day liabilities as we strive to deal with the security challenges of the new century. While this may represent a dramatic shift in how USEUCOM operates, it is not a foreign concept to our Service Chiefs. The Navy-Marine Corps team, for example, has been a predominantly expeditionary force since its inception. The Air Force has already created and implemented the Air Expeditionary Force model. The Army is in the process of creating lighter and more agile forces. We will need to continue to develop this capability in order to achieve our goals. Our global

presence, of both sea-based and land-based units, redistributed more strategically, will achieve the desired result of our National Military Strategy.

United States Special Operations Command (USSOCOM) and the Marine Corps are already working to leverage joint capabilities by invigorating Theater Special Operations Capable (SOC) and Amphibious Ready Group (ARG)/Marine Expeditionary Unit SOC integration. USSOCOM announced in January 2003 that it will seek to emphasize interoperability, working relationships, capabilities briefings, pre-deployment training, and integrated exercises. Concurrently, U.S. Marine Corps Forces, Europe and SOCEUR are developing the framework for regular training, theater engagement and operational relationships. These relationships will bring USEUCOM SOF and U.S. Marine Corps (specifically the Marine Expeditionary Units) together in a way that will allow a force multiplication that is long overdue. This new teamwork will provide the momentum necessary to leverage the significant capabilities of both organizations to support USEUCOM at a level not previously achieved.

This approach to transformation is not intended to undermine the consolidation and revitalization process related to the "enduring" infrastructure of our vital Strategic Bases. Rather, it is a continuation of our effort to increase efficiencies and provide greater effectiveness for our forces. We have several bases in Europe, which are key strategic enablers of our national strategy. They will continue to enable our theater throughput requirements; enhance the capabilities of our theater rapid reaction forces, and facilitate our concept of precision logistics. Through the proper blending of forward-basing with new and more agile expeditionary components, we will achieve the desired capability and the right balance necessary to

ensure our relevance, and continued influence, in the 21st Century European theater and the NATO alliance.

The issue of transformation is not lost on our NATO Allies. They fully realize the benefits of this concept and its link to military relevancy and modern capability. The recent NATO summit in Prague ushered in perhaps the most potentially profound change and re-commitment to the Alliance since the signing of the Washington Treaty in 1949. The themes of **"New Capabilities, New Members, and New Relationships"** were seeds planted at the summit, which could yield transformational capabilities in a short period of time.

Several initiatives were launched that will help achieve NATO's transformation from an alliance equipped for a defensive war on the homeland to a flexible, deployable, and sustainable force equipped for a full range of operations and capabilities, both inside and outside NATO's boundaries.

One initiative, the Prague Capabilities Commitment (PCC), furthers such a transformation by committing nations to fund specific capability shortfalls within the Alliance. As part of the continuing effort to improve and develop new military capabilities for modern warfare in a high threat environment, individual Allies have made firm and specific political commitments to improve their capabilities in the areas of enemy air defenses; strategic lift; air-to-air refueling; sea-lift; precision guided munitions; UAV's and other key areas necessary for the Alliance to be able to fulfill range of new missions. While there remain some significant shortfalls, this initiative is a giant step forward in recognizing that Alliance capabilities must be improved.

The establishment of the Allied Command for Transformation, replacing the old SACLANT, highlights NATO's commitment to transforming its military structures and concepts. The current headquarters structures, are, quite appropriately, undergoing a critical review and evaluation to meet NATO's needs of the 21st Century. This new structure will include one strategic operational command headquartered in Europe and one strategic functional command for transformation and training headquartered in Norfolk, VA. One will focus on transformation and the other on operations. This newly emergent relationship between SACLANT and SACEUR will be extremely important to the Alliance. It helps bridge the existing high-tech gap between European and U.S. Forces, while establishing a continuity of dialogue that will enhance effectiveness and reduce friction. The implementation of this command structure will likely have a very positive impact on the current resource strategy, which is "over capacity" in low tech and "under capacity" in high tech investment. The task at hand is converting one into the other. Additionally, it will give us more efficient and effective control of the training and employment of forces while maintaining the fundamental ties of the transatlantic link. NATO nations commitment to the Prague capabilities and interest to change their command structure, demonstrates member nations willingness to embrace the transformation pillars of institutional reforms and technological innovation.

NATO's commitment to transformation is best illustrated by its enthusiasm to embrace the concept of the NATO Response Force (NRF). The NRF allows us to SHAPE is working to establish an initial element of the NATO Very High Readiness Force Element in the not too distant future. The new element we are proposing is expeditionary in nature and complements the deployable and follow-on forces currently articulated in the work-in-progress on a Military Concept for the NATO Response Force. The intent is to announce

the establishment of this Very High Readiness Force-Element (VHRF-E) of the NATO Response Force by the Defense Ministerial later this year, and to establish an initial operating capability in the near term.

The exact composition of the standing force and mission capabilities are currently subject to an ongoing SHAPE mission analysis. The initial concept, is that the range of missions could include - direct action; strategic and operational reconnaissance; deterrent presence; Non-Combatant Evacuation Operations; humanitarian assistance/disaster relief; and a wide range of peacekeeping operations.

The intent is the creation of an NRF consisting of a technologically advanced, flexible, deployable, interoperable and sustainable force with land, sea, and air elements, which will be capable of deploying rapidly (regionally or globally), as decided by the North Atlantic Council or Defense Planning Committee. The NATO Response Force should be built around a "tiered" level of readiness construct. The first tier would be a very agile, task-organized element that will be formed from land forces that nations already possess, an aviation component, and a very capable maritime component. Drawing on existing forces precludes the requirement to create or generate new forces. The Very High Readiness Force-Element of the NRF, combined with a headquarters realigned from an existing headquarters, will create a necessary NATO capability in the near term a more conventional deployable force (2nd Tier), with elements compatible to the first tier, would follow within a reasonable timeframe. The third tier would be the large follow-on force capable of responding to a major conflict. This tiered response provides a seamless, "effects-based," scalable capability that can help shape the international security environment across the full spectrum of crisis and conflict.

This expeditionary element of the NATO Response Force will not necessarily be U.S. led, and, in fact, will be largely manned by European members of NATO. To date, Secretary General Lord Robertson, the Chairman of the Military Committee General Harald Kujat, the Permanent Representatives, Chiefs of Defense, the National Military Representatives at SHAPE, and the staff have all embraced this concept and endorse its rapid establishment. With the NRF, NATO will have a visible, credible capability to show legitimate progress in meeting modern security challenges and attaining a level of relevancy that will have far reaching implications for the future of the alliance.

Transformation

This will be a difficult process, but it is very necessary. To achieve our goals we must be willing to embrace institutional change and a shift from our previously understood paradigms. The current direction taken by the Service Chiefs coupled with the adaptation of the principles inherent to successful transformation, reinforces our efforts in this regard.

The importance of moving this process along quickly is heightened in light of the current disposition of our facilities and installations. The average age of USEUCOM's 36,435 facilities in our 499 installations is 32 years. It is worse in the family housing area where the average age of family housing in U.S. Army Europe is 48 years, in U.S. Air Forces Europe, it is 43 years, and in U.S. Navy Europe, it is 35 years. Inadequate resources provided for the infrastructure, since 1989, has resulted in 19,090 of our 32,100 government quarters being defined as being "inadequate."

Rather than invest significant sums of money into facilities, some of which may not be necessary to meet our future basing needs, nor to our force requirements, we can seize the moment to apply newer metrics of transformation to determine how best to spend, and where best to spend, our resources intended for our installations in the new century.

It is possible to achieve significant reductions in our old and costly infrastructure in the near future. Our current infrastructure evaluation program, coupled with improved technologies leveraged by the Services, will lead to further reductions. We have come a long way since the days of the Cold War, yet there is much to do. As we review our current infrastructure inventory and assess its merit through the lens of transformation we can shape our forces and develop a better basing strategy for our contemporary needs.

We must remember the Cold War was not merely a U.S. victory, but a NATO victory that demonstrated the tremendous strength, which can only be achieved through the solidarity of like-minded nations. I firmly believe that NATO remains the most important Alliance in the world. Our strength is enhanced through transformational concepts that are integrated with, and complement the efforts of our Allies. The development of the NATO Response Force, in concert with our effort to establish a more robust expeditionary component, using a rotational model, strategically deployed in-theater, will enable us to achieve the desired effect-- security and prosperity for the next fifty years.

CURRENT OPERATIONS

The nation continues to call upon USEUCOM to conduct a wide range of operations. In fact, since June 2001, USEUCOM has been involved in 20

"named" operations, many of which are still on-going today. We do all of this with a reduced force presence, of almost forty percent since the end of the Gulf War in 1992, and with only 8.4% of our nation's active duty military force. Many of these operations have been augmented through a myriad of cooperative measures with our European allies and this has bolstered our relationship with them.

War on Terrorism

USEUCOM has contributed significantly to, and continues to play a major role in, **Operation ENDURING FREEDOM (OEF)**. To support U.S. Central Command, U.S. Army Europe soldiers deployed to Headquarters U.S. Central Command, Kuwait, Uzbekistan, Turkey, Italy, and the Republic of Georgia. U.S. Army Europe airborne riggers built and configured the 2.4 million daily rations delivered to Afghanistan during the air campaign. Wounded U.S. and allied soldiers were transported for treatment to Incirlik Air Base, Turkey, and the Landstuhl Regional Medical Center in Germany. U.S. Army Europe intelligence specialists worked to provide timely, accurate information to our commanders and national leaders. Army Europe soldiers provided linguistic support for Maritime Intercept Operations (MIO) in the Mediterranean Sea. The Air Force's C-17 aircraft deployed to Ramstein Air Base, Germany, flew 197 humanitarian assistance airdrop sorties delivering 2,439,740 humanitarian daily rations, 1,200 tons of wheat, 78,160 blankets, 5,896 sets of cold weather gear, and 58,560 pounds of dates. MC-130 aircraft based at Incirlik Air Base, Turkey, flew 129 airdrop sorties and six airland sorties, delivering over 1,809,000 pounds of lethal and non-lethal supplies. Our KC-135 tankers provided refueling support to these missions. Additionally, we provided advanced basing support to U.S. Central Command and U.S. Transportation Command at Incirlik, Turkey; Burgas, Bulgaria; Ramstein and Rhein Main, Germany; and Souda Bay, Greece. We also assisted in the transfer

of more than 600 detainees from the U.S. Central Command area of responsibility to Guantanamo Bay, Cuba. In addition to humanitarian and re-supply missions, USEUCOM continues to deploy personnel and equipment to support U.S. Central Command missions. USEUCOM personnel provided support to base operations, helicopter airlift, distinguished visitor air operations, Joint Surveillance Target Attack Radar System missions, medical facilities and mortuary affairs. USEUCOM Personnel also contributed to patriot air defense expertise and augmented a contingency response team establishing airfield operations.

Beyond Operation Enduring Freedom, USEUCOM has focused significant efforts to the fight against terrorism. In the Balkans, intelligence cooperation established within the contexts of Stabilization Force (SFOR) and Kosovo Force (KFOR) continues to yield substantial leads for identifying and disrupting terrorists and their supporters. In October 2001, USEUCOM formed a dedicated **Joint Planning Group** (JPG) to conduct operational level planning for counter-terrorism operations. Since November 2001, we have invited seven countries to join the USEUCOM Counter Terrorism Force coalition. These countries have provided senior level planners to the JPG, integrating their national plans and capabilities into our counter-terrorism planning efforts.

USEUCOM formed a **Joint Interagency Coordination Group** (JIACG) a little over a year ago to strengthen the relationship with critical U.S. government agencies on terrorist activities. The JIACG exploits internal and external governmental agency capabilities for the command, assisting with the overall synchronization of non-military efforts with our military capabilities against terrorism. The JIACG has successfully supported KFOR, SFOR, and Maritime intercept operations through streamlined inter-agency and coalition coordination.

We created USEUCOM's Joint Force Maritime Component Command, made up of USNAVEUR's Sixth Fleet and allied NATO units, in December 2001 to conduct Maritime Intercept Operations (MIO) in the Mediterranean. Operation Active Endeavor is the NATO response to the U.S. request for support in this effort. To date, the command has hailed over 20,000 ships and boarded and searched 14 merchant vessels suspected of providing transportation, logistics, or financial support to designated terrorist groups. NATO allies and other partner nations, working alongside U.S. naval units, have contributed significantly to this effort. NATO's Standing Naval Force Atlantic and Standing Naval Force Mediterranean have tracked and monitored suspect vessels. Turkey, Italy, Algeria, Malta, and Croatia have conducted boardings of suspect vessels within their territorial waters at U.S. request in support of the war on terrorism. These boardings resulted in numerous arrests and, in at least one case, seizure of illegal arms and weapons components. Operations have recently been expanded to include escorting Allied non-combatant vessels through the Strait of Gibraltar.

Finally, USEUCOM's Security Cooperation program with allies and friends has produced tangible results since the tragic events of 9/11. Years of cooperative activity--small unit training and interoperability exercises; equipment sales and transfers; staff exchange visits; and humanitarian projects--have laid the foundation for significant support for the war on terrorism from a majority of the countries in USEUCOM's area of responsibility. International Military Education and Training (IMET) in particular has been an invaluable tool in our efforts to encourage and support fledgling democracies in this AOR. Your continued support of this program through the current budget is greatly appreciated. Increased intelligence sharing and improved staff coordination and planning are paying

dividends as allied and friendly nations help protect U.S. forces and facilities, as well as identify and apprehend terrorist suspects.

Operation IRAQI FREEDOM (OIF)

USEUCOM has contributed significantly to, and continues to play a major role in, **Operation IRAQI FREEDOM**. Over 16,000 U.S. Army Europe soldiers have deployed to the U.S. Central Command Area of Responsibility (AOR) and are currently participating in or supporting combat operations there. Most recently the 173rd Airborne Brigade from the U.S. Army Southern Europe Airborne Task Force (SETAF) traveled 2,200 miles to successfully complete a "combat jump" into northern Iraq. European-based U.S. Patriot Air Defense systems have been deployed to Turkey and Israel reassuring these key allies of the United States' reliability and concern for their defense. Wounded and injured U.S. and allied soldiers from the Iraqi Theater of Operations (ITO) are transported to the Landstuhl Regional Medical Center in Germany for treatment. European-based intelligence specialists from every branch of the U.S. Armed Services are providing timely, accurate, and actionable intelligence to U.S. Forces engaged in combat in Iraq, our commanders and national leaders. U.S. Air Force European-based C-130 aircraft are moving supplies and equipment bound for the ITO through Europe. Additionally, we are providing advanced basing support to U.S. Central Command and U.S. Transportation Command at Burgas, Bulgaria; Constanta, Romania; Ramstein and Rhein Main Air Bases, Germany; Souda Bay, Greece; Akrotiri, Crete; Aviano, Italy; Rota, Spain; and RAF Fairford, and RAF Mildenhall in the United Kingdom. U.S. Naval Forces in the European theater are flying combat sorties into Iraq from two U.S. Navy aircraft carriers stationed in the eastern Mediterranean. Surface and sub-surface units have launched Tomahawk Land Attack Missiles (TLAM) against targets in the ITO. Other U.S. Naval units on station in the eastern Mediterranean are providing early warning against

potential missile attacks launched against Israel and U.S. Marine Forces Europe are providing the Command Element for the Joint Task Force to assemble and marshal Free Iraqi Forces and their subsequent deployment.

USEUCOM enjoys a robust and secure transportation network in Germany that provides a tremendous power projection capability. There exists no better combination of rail, road, inland river, and air infrastructure system from which to deploy combat forces. This superb network leads to the largest and most mature seaports in the world. For Operation IRAQI FREEDOM, this mature infrastructure was instrumental, and used substantially, in the deployment of 32,000 soldiers and their equipment to Kuwait, Turkey, Israel, Hungary, Romania and many other countries. The deployments continue as we speak. Additionally, the German government provides large numbers of soldiers, police and border guard forces to help secure our installations, housing areas and communities. Given the multiplicity of deployment infrastructure and nodes, Germany provides a more rapid deployment infrastructure than many of our best platforms in CONUS and also has the advantage of being an "Ocean Closer."

Our global reach capability is maintained by five USAFE-supported European enroute infrastructure bases, enabling the U.S. to project power in both USEUCOM and USCENTCOM. With our forward presence, these bases provided a springboard from which U.S. forces could rapidly transition to support USCENTCOM efforts for Operation IRAQI FREEDOM. So far, this airlift bridge has moved over 26,165 passengers and 45,188 short tons of equipment and provided a departure point for special operations aircraft, bombers, as well as tankers to support a myriad of coalition forces. In addition to our six main operating bases, four forward operating bases were established to support coalition operations. Most significantly, our forward presence

enabled our B-52s operating from RAF Fairford to strike targets in Iraq with half the number of air refuelings and two-thirds the quantity of fuel. Ultimately, this presence enabled us to double our sortie generation rates by turning bombers and crews in 18 hours or less versus 48 hours from locations in the U.S. This was crucial not only to strike assets such as B-52s but also for C-17s operating out of Aviano AB, Italy, which dropped over 1,000 Army airborne troops into Northern Iraq, opening up the northern front. Reduced timelines mitigate strains on PERSTEMPO, lessen impact on operational assets (wear and tear), and provide commanders greater flexibility on the battlefield.

USEUCOM's contribution to Operation IRAQI FREEDOM cannot be measured merely in terms of its supporting role during the war; it must also be viewed within the context of strategic initiatives that provide the foundation from which operational successes can be generated. Theater capabilities are the derivative of operational concepts that have been validated through combined and joint exercises. The Marine Corps' strategic agility and operational reach capability was demonstrated during the Dynamic Mix exercise conducted in Spain last year by the 2nd Marine Expeditionary Brigade. The derivative of this exercise is Task Force Tarawa, which has played a vital role in the war in Iraq. Exercising strategic enablers in theater, such as the Maritime Positioning Squadron (MPS) assets of the 2nd Marine Expeditionary Brigade, provides valuable lessons, increases efficiencies, and leads to operational success.

Operation NORTHERN WATCH (ONW)

The Combined Joint Task Force Operation NORTHERN WATCH, consisting of forces from the U.S., Turkey, and the United Kingdom, continued, until

recently, to enforce the Northern No-Fly Zone over Iraq and monitor Iraqi compliance with applicable UN Security Council Resolutions. These missions were dangerous; last year Iraqi air defense forces fired at coalition aircraft over 250 times. We responded 16 percent of the time, generally against those targets that were of the greatest threat. This mission has been terminated with the start of offensive operations in Iraq.

Balkan Operations

Operation JOINT FORGE continues to enforce the General Framework Agreement for Peace by providing a military presence in Bosnia-Herzegovina to deter hostilities, promote a stable environment, and support a transition to civil authority. Force numbers have been reduced from 60,000 (20,000 U.S. troops) when the mission began to just over 12,000 (1,800 U.S. troops) today. Europe as a whole has endeavored to live up to its personnel and financial support commitments to Balkan operations. Currently, 35 nations contribute forces to SFOR, with 28 European nations comprising 75 percent of the combined force.

The way ahead in Bosnia remains contingent upon the international community's ability to help its citizens build viable civil institutions and promote the rule of law. Our focus in SFOR, among other things, should be to assist in developing a single unified military, out of the ethnically separate entity armed forces that exist today. I regret to report that such an effort is still in its infancy, and that, despite the great efforts of the senior representative, we still have much to do. Bosnia remains an open door to the west for the exportation of radical fundamentalism, crime, and lawlessness.

U.S. Operation JOINT GUARDIAN remains the linchpin of NATO military operations in Kosovo. KFOR has just over 27,000 (3,000 U.S. troops), 7,000 less than last year. This force is drawn from 37 nations, including Russia. The Europeans have stepped up to the KFOR commitment with 31 European countries now deploying over 80 percent of the total force.

Substantial progress returning the rule of law to Kosovo is allowing significant reduction of international forces. The Organization for Security and Cooperation in Europe's Kosovo Police Service School has graduated over 5,200 multi-ethnic officers since its inception in September 1999. The UN policing plan is on target and continues to put officer graduates alongside UN Mission in Kosovo (UNMIK) veteran international officers. The ultimate goal of this endeavor is to replace the UN police force entirely, turning law enforcement responsibilities over to the Kosovars. While encouraging, it is too early to claim success at this time.

Both SFOR and KFOR have been active in supporting the International Criminal Tribunal for the Former Yugoslavia (ICTY). In Bosnia-Herzegovina, ICTY issued 105 indictments within SFOR's Area of Responsibility. Of these indictments, 82 have been detained or died leaving 23 that we are still seeking. The two most wanted war criminals of the period, Radovan Karadzic and Ratko Mladic have not yet been brought to justice for alleged war crimes in Bosnia. In February of this year, KFOR forces arrested three Kosovar Albanians inside Kosovo and police in Slovenia arrested a fourth. This marked the first time ICTY indictments were issued for alleged war crimes associated with the Kosovo conflict. One detainee was erroneously indicted by the ICTY, but this does not detract from the success of the operation.

Macedonia has successfully met extraordinary challenges in its security environment. Peace and stability have returned with only isolated incidents of violence. Borders were secured and the forces assigned to Operation AMBER FOX successfully supported European monitors during national elections in September 2002. The elections were free and fair, and they have resulted in the peaceful transition of power to a new government, which is determined to make a fresh start domestically and in full cooperation with NATO. Operation AMBER FOX ended in December 2002, and was replaced with the NATO led Operation ALLIED HARMONY. As a result of reduced U.S. requirements and manning levels in Macedonia, U.S. Army Europe has withdrawn all military personnel from Camp Able Sentry after nine years of use as a U.S. operating base. The European Union assumed operational responsibility of this mission on 31 March. It has been renamed Operation Concordia.

Georgia Train and Equip Mission (GTEP)

USEUCOM, in coordination with the Departments of Defense and State, developed GTEP in an effort to help Georgia provide better security and deal with transnational terrorists that may be operating in areas such as the Pankisi Gorge. The program is designed to enhance the capability of selected Georgian military units through a flexible, tailored program, to include both classroom and tactical instruction. Up to 150 U.S. military personnel will be involved during the course of this program and our European allies have offered to contribute equipment to the Georgians. On 15 Dec 2002, Marine Forces Europe assumed the GTEP mission from the Special Operations Command Europe in order to release Special Forces for potential operations in support of the war on terrorism. GTEP will train approximately 2,600 Georgian soldiers when the mission is completed in May 2004. GTEP and other security cooperation activities are examples of tactical programs that produce strategic dividends.

THEATER SECURITY COOPERATION

The value of Security Cooperation cannot be overstated. Since September 11, 2001, nearly every nation in the USEUCOM AOR has offered or provided intelligence, basing access, and over-flight rights, forces, and equipment as well as other forms of key support in our efforts to combat terrorism. The degree of support we have received is directly related to the effort and attention we have given to the security cooperation program that was in place well in advance of the current conflict.

Our strategic vision is best achieved in concert with allies, partners, and friends, and USEUCOM aggressively pursues a number of programs that create conditions for coordinated, combined military action. Other security cooperation efforts in theater include working with our friends throughout Africa to improve their peacekeeping capabilities and overall regional stability, increasing military cooperation with Russia, and developing new relationships with countries of the Caucasus and Caspian regions. These efforts have protected and strengthened important U.S. economic and security interests, while assuring our European friends that the U.S. remains committed to European security.

Defense Cooperation and Security Assistance programs are vital to attaining foreign policy and national security objectives. They promote interoperability with U.S. forces and help to build professional, capable militaries in friendly and allied nations. We support military security cooperation in partnership with 43 Offices of Defense Cooperation, 25 Defense Attaché Offices, and for countries that do not have those offices, directly with 24 U.S. embassy country teams.

- **Foreign Military Financing (FMF)** provides critical resources for modernizing the military forces of our friends and allies and remains an essential instrument of U.S. influence during the dynamic transformation of Central and Eastern Europe and key African partners. FMF assists nations without the means to acquire U.S. military goods, services, and training and provides access to U.S. expertise in defense restructuring and management.
- Likewise, **Foreign Military Sales (FMS)** of \$2.86 billion for FY02 demonstrate the continued primacy of Trans-Atlantic defense relationships to U.S. security interests. FMS encourages interoperability between forces within USEUCOM's area of responsibility, helps modernize the militaries of new friends and partners, and maintains a strong U.S. presence in the development and implementation of the Prague Capabilities Commitment (PCC). USEUCOM, the Defense Security Cooperation Agency, and the military Services have ensured that the FY04 President's Budget Request reflects USEUCOM's priorities.
- **International Military Education and Training (IMET)** is one of our best tools for promoting long-term beneficial change in foreign militaries, because it allows foreign military and civilian leaders to encounter firsthand the American civil-military culture. It focuses on professional development, the role of the military in a democratic society and English language training. In FY02, the program trained approximately 1,700 military and civilian students both in the U.S. and by Mobile Education Teams in the host country. In Sub-Saharan Africa, IMET is particularly important. It provides educational opportunities that emphasize and reinforce civilian control of the military and promote domestic stability in a region where armies are often the

principal organizing factor in society. The increase in funding for FY04 is absolutely the right course of action, providing an invaluable return for a relatively small investment.

The **George C. Marshall European Center for Security Studies** is at the forefront of our regional security cooperation efforts in Europe as well as Eurasia. Jointly funded by the United States and Germany, the Marshall Center strengthens security cooperation among European and Eurasian nations and serves as an indispensable institution for bilateral, regional, and multilateral activities with military and civilian leaders throughout the theater. The Marshall Center is also an important part of our interaction with Russia, the largest participating nation with 717 graduates, followed by Romania (662), Bulgaria (615), and Ukraine (308). The Marshall Center's 2,400 course graduates and 7,700 conference participants across 49 countries is one prime reason the U.S. has succeeded in building coalitions against terrorism. Marshall Center resident course graduates boast an excellent record of moving into positions of increasing influence in their militaries and governments. Alumni now include over 137 Ministers/Deputy Ministers of Defense, Chiefs/Deputy Chiefs of Services, cabinet officials, parliamentarians, ambassadors, and flag officers.

The **NATO School (SHAPE)** is a USEUCOM supported activity under the operational control of Supreme Headquarters Allied Powers Europe. Its primary mission is to conduct courses, training and seminars in support of NATO strategy and policy, to include cooperation with non-NATO countries. During 2002, the NATO School educated nearly 8,000 students from 50 nations and conducted 144 iterations of 57 different courses, 16 conferences, and 9 mobile training events, including missions to Uzbekistan, Tunisia, Algeria,

Azerbaijan, Croatia, and Slovenia. In 2003, the School will respond to NATO enlargement by deploying up to 12 mobile training and education teams. The NATO School responded aggressively to the terrorist attacks on the US and the Alliance's invocation of Article V by adapting or developing courses in counter-proliferation, counter-terrorism, special operations, civil emergency planning, civil-military cooperation, weapons of mass destruction, and force planning. NATO has committed to expand the facilities, infrastructure and manning under the NATO Security Investment Program.

USEUCOM and the National Defense University established the **Africa Center for Strategic Studies** in December 1999. The Africa Center continues to provide a series of seminars, symposia, conferences, and outreach programs designed to promote stable governance and democratic values in the African defense and security sectors. Supporting the War on Terrorism, the Africa Center is developing an agenda that encourages regional cooperation. It visibly confirms America's long-term commitment to work with our partners in Africa, while enhancing our national strategy through relatively low cost, high-impact security cooperation opportunities. Africa will be of increasing concern and importance in the region in the near future.

The program formerly known as the Africa Crisis Response Initiative has evolved into a more focused, tailored program, the **Africa Contingency Operations Training and Assistance** program. Various African partners have agreed upon the program as the appropriate next step in preparing African militaries to deal with the full range of peace support operation challenges. It has two primary objectives: (1) to enable Sub-Saharan African militaries to develop and improve sustainable capacities to deploy and conduct peace support and humanitarian relief operations and (2) to improve African militaries interoperability in order to facilitate sub-regional and regional

operations. USEUCOM supports the addition of new partner nations such as Botswana, South Africa, Nigeria, Tanzania, Zambia, Namibia, Niger, Cameroon, and Gabon and continues to assist current partners in sustaining proficiency.

The mission of the **Near East South Asia Center for Strategic Studies (NESACSS)** is to enhance stability of the region by providing a professional academic environment to address regional issues, develop mutual understanding, strengthen regional partnerships, and foster regional cooperation. Like the Africa and Marshall Centers, the NESACSS provides a low-cost, high-return engagement opportunity that solidifies America's commitment to work with Near East and South Asian partners in a way that supports our national strategy and objectives. Although OSD provides oversight of NESACSS and the Africa Center, USEUCOM provides input on topics to ensure the course of study supports our regional objectives.

The **State Partnership Program** is an important Security Cooperation program carried out by the National Guard. This program matches emerging democracies in the AOR with partner states in the U.S. It assists partner nations in making the transition from authoritarian to democratic governments. Currently, there are 20 states partnered with 18 foreign nations in the AOR and this past year's program was, again, an unqualified success. National Guard soldiers and airmen conducted over 250 events with partner nations contributing to USEUCOM's security cooperation efforts. New partnerships were established between Azerbaijan and Oklahoma, Armenia and Kansas, and Bosnia-Herzegovina and Maryland. The establishment of these new partnerships, and the continued success of previous partnerships, will greatly assist USEUCOM in achieving security cooperation goals.

Partnerships that began as focused military-to-military contacts within the partnerships have blossomed into associations encompassing nearly all levels of society -- unit partnerships, sister cities programs, student exchanges, scientific collaborations, medical exchanges and economic initiatives. The ability of the National Guard to orchestrate the pairing of state or local governments, organizations and associations from a respective U.S. state with corresponding entities in the partner nation is the key strength of the State Partnership Program.

The program has been so successful in the Central and Eastern European regions that USEUCOM is working to expand the program to Africa. Although the challenges faced by African nations differ from those of Central or Eastern Europe, many nations are ready for the opportunity that the State Partnership Program provides. For a modest investment, we can provide candidate nations access to the expertise of the National Guard military organization in a state plus an entire state government infrastructure ranging from public health to wildlife management. The program will serve as a tremendous complement to our traditional African security cooperation activities. The State Partnership Program affords USEUCOM continued access to emerging nations and enables us to shape the conditions for future successes.

North Atlantic Treaty Organization

NATO will remain the preeminent European security institution. NATO'S demonstrated willingness to embrace transformation will have far reaching implications that will enable us to attain a much higher degree of interoperability while providing an impressive number of capable and relevant partners able to respond and meet security challenges in the 21st Century.

New Members

Seven nations--Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, and Slovenia--received invitations to join the Alliance during the Prague Summit. The ratification process for membership is expected to be finalized at the next NATO summit in May 2004. These invitees are already contributors to NATO operations in the Balkans, Afghanistan, and the War on Terrorism and are expected to augment NATO's future capabilities.

New Relationships

NATO is forging productive ties with Russia, Ukraine, the Caucasus, Central Asia, non-aligned nations, the Mediterranean Dialogue Countries, and the European Union.

Developing security cooperation architectures with Russia and Ukraine promises to diffuse tensions and provides an effective means of pooling resources in the war against terrorism as well as in other areas of common interest and mutual benefit. NATO has engaged with the Russian military and political leadership and has routinely conducted high-level consultations on a wide range of security issues with the Russian Foreign Ministry, Defense Ministry and General Staff. This effort became even more robust with the creation of the NATO-Russia Council last May. This council discusses such

issues as counter-terrorism; controlling the spread of nuclear, chemical and biological weapons; missile defense; peacekeeping and management of regional crises; civil defense; search-and-rescue at sea; military reforms; and arms control. NATO also established Military Liaison Missions in Moscow and Kiev to improve communications and facilitate day-to-day coordination of activities. NATO is working to develop and implement a robust mil-mil program with Russia built around key interoperability objectives. This will be a key effort and focus of attention for the NATO military in 2003.

USEUCOM's support for NATO's Partnership for Peace (PfP) Program continues to be an integral component of the changing European security architecture. Such substantive relationships have enabled cooperation in responding to the new security challenges, including terrorism. In addition, the Presidential waiver on restrictions under Section 907 of the Freedom Support Act has allowed assistance to Azerbaijan and Armenia. Partnership countries in Europe, the Caucasus, and Central Asia seek closer cooperation with NATO and familiarity with NATO procedures. PfP's significant role is illustrated by the substantial contribution of partner countries to the Alliance's peace support operations in Bosnia and Kosovo, which in turn, reduces the requirement for U.S. troops.

KEY THEATER INVESTMENT NEEDS

Antiterrorism/Force Protection

We continue to enhance our security posture both through physical site improvements at our installations and by improved intelligence gathering, analysis, and sharing with our coalition partners and law enforcement agencies. Our programs and posture have increased dramatically in recent years in the areas of public awareness, training, physical security upgrades

and formal agreements with U.S. Ambassadors that clearly delineate force protection responsibilities for DoD personnel throughout the theater. We have established a USEUCOM Anti-terrorism/Force Protection Technology Working Group to coordinate component actions, and we actively seek technologies that can enhance our force protection efforts to reduce, where possible, our extensive manpower requirements. USAREUR, in partnership with the Defense Data Management Center, began development of an integrated Installation Access Control System that will be operationally tested in the spring of 2003 at two installations before initial fielding begins throughout Germany. USAREUR has also fielded four Consequence Management Assessment Teams capable of providing on-scene assessments of chemical, biological, radiological, nuclear, and high-yield explosive hazards. Each team, under the operational control of the on-scene commander, provides a technical assessment to establish situational awareness and identifies requirements for follow-on forces. The team advises Host Nation "first responders" regarding immediate appropriate actions and facilitates requests for additional assistance.

During the last year, our military service components greatly benefited from the Defense Emergency Response Fund and FY02 Supplemental funds, and they were able to complete several needed security site improvements. In addition, we received \$2.2 million from the FY03 CJCS Combating Terrorism Readiness Initiatives Fund. As we execute the war on terrorism, it is imperative that we continue to adequately resource our critical Force Protection manpower and security requirements to allow us to meet the many challenges of the future and protect our personnel and facilities.

We will invest wisely in defense intelligence transformation efforts, and address programmatic shortfalls in intelligence core mission capabilities. Sustaining the \$9 million intelligence supplemental funds

required in FY03 for additional analytic manpower and data base enhancements is critical to our success in the war on terrorism. Our highest intelligence priority remains having sufficient numbers of well-trained personnel.

Theater Command, Control, Communications and Computers (C4) Modernization

Theater C4 infrastructure is one of our most critical concerns. The ability to command and control sets us apart from every other military but we must continue to improve information superiority and dominance. USEUCOM looks forward to advancements in C4 capabilities from Department of Defense-sponsored programs like Teleport, Global Information Grid Bandwidth Expansion, and the Mobile User Objective System. Focused attention upon our own tactical networks, the Defense Information Infrastructure, and the transmission systems supporting our fixed and deployed installations will enable us to harness the increased bandwidth capacity, improve interoperability, guarantee network assurance, and enable information management capabilities required by the war fighter.

Intelligence, Surveillance and Reconnaissance

The imperatives of the War on Terrorism, coupled with the dearth of intelligence, surveillance, and reconnaissance assets due to global reallocation, provide clear requirements to maximize the efficiency of the remaining assets and develop flexibility. A robust and modernized joint Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) capability is a top priority that supports the war fighter's need for a Common Operational Picture and the commander's requirement for predictive battle-space analysis. Leveraging technology will allow this transformational effort to coordinate forces through blue, red, and gray force tracking. Joint C4ISR is a primary focus in USEUCOM's

Integrated Priorities List and Joint Quarterly Readiness Review reports. The architecture linking our C4ISR assets must become fully interoperable, connecting key sensors command and control nodes and shooters through a global grid. C4ISR infrastructure must provide deployable data, voice, video, and web access to support designated joint force component commanders.

DoD initiatives to provide unified commanders with organic, multi-discipline intelligence collection capabilities -- to include airborne collectors such as unmanned aerial vehicles and measurement and signature intelligence capabilities -- coupled with flexible, deployable exploitation architectures are particularly helpful. We appreciate your support for these and similar initiatives that enhance our intelligence, surveillance, and reconnaissance architecture.

Theater Training Requirements

Component's funds support, not only their Service and Joint training requirements, but also fund the training requirements of the Combatant Commander's operational headquarters. Previously, the cost to the Components supporting this headquarters was minimal. However, with the establishment of a permanent crisis action team, joint planning group, joint interagency coordination group and, with the pending formation of the standing joint force headquarters, the costs of supporting HQ USEUCOM's own training have become very significant. Service joint training Operations and Maintenance incremental funding has not traditionally been structured to accommodate these costs. The continuing use of Service Component funds to support higher headquarters overburdens already stressed budgets and leaves little near-term flexibility to accommodate shifting priorities during execution.

Infrastructure

In a memorandum dated 1 August 2001 to the Chairman of the Joint Chief of Staff, the Secretary of Defense requested that Combatant Commanders review their overseas basing requirements and study opportunities for joint use of land and facilities by the Services. This Overseas Basing Requirements Study was completed in March 2002 and it included the development of a Real Property Inventory, an evaluation tool the Command was previously without. Analysis of the Real Property Inventory determined that 80% or 402 of the existing 499 installations in theater were "enduring" (Tier I) - that is to say, vital to the execution of U.S. Strategies, and worthy of regular funding/improvement, without which, U.S. missions could risk failure. It was established that future MILCON expenditures were both appropriate and necessary for these installations. Our FY04 military construction program focuses on these enduring installations and provides vast improvement for 80%

of the infrastructure deemed necessary by our basing studies. The study found there were 14% (68 installations) that were "important" to Theater operations (Tier II) and the Command would not voluntarily choose to live without, however they could be returned to host nations should circumstances dictate. What is important to glean from this study is that 6% (29 installations) were judged to be not "enduring" (Tier III), or of "non vital" importance to the accomplishment of our missions. All but four of the Tier III installations are in the closure process. The Component Commander's are conducting their final review on the four remaining installations and a decision to move on these closures will be made shortly. Tier III installations only receive minimal sustainment (Operations & Maintenance) funding to keep them useful and safe until they are closed. They do not receive any MILCON funding. All of USEUCOM's projects in the Fiscal Year 2004 President's Budget are for Tier I installations. USEUCOM is using the Overseas Basing Requirement Study as a benchmark, which will enable us to align our infrastructure with our new strategy.

It is important to understand the criteria used to evaluate strategies. The March 2002 study met the strategy requirements set forth for that study which was primarily for fixed forces. A fixed force strategy is very different from a strategy using rotational forces working and training out of semi-permanent expeditionary bases. We have begun a new evaluation of our basing requirements, using different criteria, with an operational premise of employing some rotational units in-theater. I have asked Deputy Commander of USEUCOM and our Component Commanders to vigorously review and evaluate our current infrastructure program to ensure that funds requested for European infrastructure will be for "strategically enduring" facilities which support a strategic vision of blending our Strategic Bases with an

array of semi-permanent Forward Operating Bases in order to achieve a greater strategic effect, covering our new requirements, at reduced expense.

As important as they are, the pressing requirements associated with infrastructure and maintenance, must not distract us from our greatest challenge—that of adapting our strategic posture to the demands of the complex international security landscape that confronts us.

CONCLUSION

The United States European Command is engaged fully in representing our national interests in 93 sovereign nations, and in fulfilling our responsibilities within the NATO Alliance. That we are engaged in a dynamic, challenging, and vitally important theater, comprised of roughly one half of the nations on earth, is beyond question. Yet, despite the energy and vitality of our many and diverse missions, we find ourselves at an important crossroads, literally between two centuries. The NATO Alliance is changing and we perceive that the nature of our own American presence in this most important theater must also evolve in order to shape the conditions under which we can continue to be a nation of great influence in an uncertain world.

We look forward to working with the members of this committee as we further define the nature and extent of the evolution of the European Command. We will also look forward to the advice and assistance of each of the services in determining our course for the future, and we will reach out to our allies to reaffirm our solidarity with our oldest friends, all the while reaching out to new members of the alliance and beyond.

Thank you for the opportunity to appear before you today. I look forward to responding to your questions.