

DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2004

WEDNESDAY, MAY 14, 2003

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:33 a.m., in room SD-192, Dirksen Senate Office Building, Hon. Ted Stevens (chairman) presiding.

Present: Senators Stevens, Cochran, Specter, Domenici, Shelby, Burns, Inouye, Hollings, Byrd, Leahy, Durbin, and Feinstein.

DEPARTMENT OF DEFENSE

OFFICE OF THE SECRETARY

STATEMENT OF HON. DONALD RUMSFELD, SECRETARY OF DEFENSE

ACCOMPANIED BY:

**DOV ZAKHEIM, Ph.D., COMPTROLLER, DEPARTMENT OF DEFENSE
GENERAL PETER PACE, U.S. ARMY, VICE CHAIRMAN, JOINT
CHIEFS OF STAFF**

OPENING STATEMENT OF SENATOR TED STEVENS

Senator STEVENS. Good morning, Mr. Secretary, General Pace, and Secretary Zakheim. We welcome you back before the committee.

Because of the number of people I believe will come to the table, before we get started I ask that all members limit their comments to not more than 2 minutes as we get started on this hearing so we can listen to the Secretary and get Senators' questions.

The committee continues to review the fiscal year 2004 defense budget and we are going to be very interested in hearing from you about the expenditure of the 2003 supplemental for military operations in Iraq and for the global war on terrorism. We also look forward to hearing today your priorities in the budget request regarding investments for the future derived from lessons learned from these overseas operations we have been involved in.

It may be too early to really understand all of those lessons, but we do hope to hear from you about our operations, not only in Iraq, but Afghanistan. I know we will have many times in the coming months to review your statement in full, which we will put in the record as though read.

I yield to my good friend from Hawaii, and I hope all Senators will abide by the 2-minute limitation.

PREPARED STATEMENT OF SENATOR DANIEL K. INOUE

Senator INOUE. Good afternoon, Mr. Chairman. Pursuant to your request, may I request that my statement be made part of the record.

[The statement follows:]

PREPARED STATEMENT OF SENATOR DANIEL K. INOUE

Good morning Mr. Secretary. I want to join our chairman in welcoming you as the subcommittee concludes its Defense Department hearings on the fiscal year 2004 budget request. Mr. Secretary, these days we hear the word transformation a lot. I am sure you and the chairman will recall that it was General Shinseki who first used the term to describe his plans for the Army.

Mr. Secretary, today we hope you will inform us how the concept of transformation is incorporated in your budget request for fiscal year 2004. But Mr. Chairman you and I are also keenly aware that the systems that were so successful in the recent war in Iraq were not part of transformation; virtually all resulted from investments by previous administrations.

The M-1 tank, Apache helicopter, and the F-117 were developed in the 1970's. The Tomahawk missile, the B-2 bomber, the aegis ships were first purchased in the 1980's. Even JSTARS, and JDAM missiles were developed long before the current administration came into office.

So we hope to hear as well Mr. Secretary how your fiscal year 2004 request builds on the successes of your predecessors.

During our hearings this year we received testimony from the leaders of the military departments and the Guard and Reserves, and from the Surgeons General. As we have examined the testimony of these officials, it is clear they are basically pleased with your budget request.

The Navy might not have enough ships, but that is mostly because the ship programs aren't ready to be accelerated.

This year, we learned more about the shortfall and aging of our Air Force tanker and transport aircraft while we await your decision on leasing.

General Hagee gave us an optimistic assessment of the V-22 for the marines. We would like to hear your assessment as well.

The Army testified that it desperately needs six Stryker brigades. Again, we await your thoughts on this matter.

We would also like to hear about your reviews of our amphibious forces and submarine fleet, and the status of our space programs. Mr. Secretary, you know this committee wants to help you transform the military to ensure that we can prevent future wars. As always, we stand ready to assist you.

Thank you Mr. Chairman and I look forward to hearing the Secretary's testimony and responses to the committee's questions.

Secretary RUMSFELD. Good morning.

Senator INOUE. Good morning, Mr. Secretary. I want to join my chairman in welcoming you and your staff to be with us today for a very important hearing. May I congratulate you and, through you, the troops of the United States of America.

Secretary RUMSFELD. Thank you very much, sir. They did a wonderful job.

Senator STEVENS. Senator Burns.

PREPARED STATEMENT OF SENATOR CONRAD BURNS

Senator BURNS. I will submit my statement for the record, Mr. Chairman. We want to welcome the Secretary of Defense this morning and look forward to hearing his comments. We are looking at a different kind of a world now since the Iraqi operation and I look forward to working with the Secretary in doing some of that planning.

Thank you very much.

[The statement follows:]

PREPARED STATEMENT OF SENATOR CONRAD BURNS

Thank you, Mr. Chairman. I would like to thank you, Secretary Rumsfeld, for being here today. I know you all are—as so many are—incredibly busy, considering current events around the world.

Our active military forces have seen a lot of action as of late. The Guard and Reserve components have experienced an increased operations tempo as well. The performance of our military men and women has been outstanding.

Our military has performed honorably in the latest missions with which it has been tasked—the Global War on Terrorism, Operation Enduring Freedom and Operation Iraqi Freedom. While there indeed was a lot that was done right in all of these operations, I hope we continue to look back to see where we could have done better. Here at home, we have witnessed employers and communities coming together to support these men and women and their families.

Ensuring that our military men and women have the proper training, equipment and facilities necessary to carry out their duties is essential. I pledge to do what I can to ensure that the United States military has the tools, skills and support needed to maintain its position as the finest fighting force in the world.

Again, I thank you for being here today. I look forward to hearing your testimony and listening to the discussion this morning.

Thank you.

Senator STEVENS. Senator Hollings.

STATEMENT OF SENATOR ERNEST F. HOLLINGS

Senator HOLLINGS. Thank you, Mr. Chairman.

Mr. Secretary, I have supported you before you became popular, and the jointness that I have in what we call SPAWAR down in Charleston, South Carolina, I want you to see that. That is a Rumsfeld operation and I want you to come and visit it.

Thank you, Mr. Chairman.

Senator STEVENS. Mr. Shelby.

STATEMENT OF SENATOR RICHARD C. SHELBY

Senator SHELBY. Mr. Chairman, I just want to welcome the Secretary back here. There is nothing like success and you epitomize that.

Thank you.

Secretary RUMSFELD. Thank you, sir.

Senator STEVENS. Senator Byrd.

STATEMENT OF SENATOR ROBERT C. BYRD

Senator BYRD. Thank you, Mr. Chairman.

Mr. Secretary, I want to congratulate the Department on the work that it has done with respect to cleaning up the information concerning the status of accounts. We talked several months ago about the fact that the Defense Department could not trace, could not trace \$3 trillion of its inventory, of its accounts. Dr. Zakheim was just telling me a little while ago that you have gotten that down now to less than \$800 million, you are still working on it, and I want to congratulate you on that, on that progress.

You indicated at that time that you were going to get your teeth into it, that you were going to get hold of it, and you were going to turn it around, and you are doing that. You are doing that. I want to thank you and congratulate you.

Secretary RUMSFELD. Thank you, sir.

Senator STEVENS. Mrs. Feinstein.

STATEMENT OF SENATOR DIANNE FEINSTEIN

Senator FEINSTEIN. Thank you very much, Mr. Chairman.

I would just say welcome. I have a number of questions and I will reserve them for the appropriate time. Thank you.

Senator STEVENS. I thank you all for your cooperation. Senator Leahy, did I call on you?

STATEMENT OF SENATOR PATRICK J. LEAHY

Senator LEAHY. You did not, but I am glad to see the Secretary. When he first—when he was first Secretary of Defense, he was the youngest Secretary of Defense; I was the second youngest member of the Senate. I have aged. He has done a Dorian Gray; he has not. I am glad to see him here.

Senator STEVENS. Again, I thank you all.

Mr. Secretary, pleased to hear from you, and the statements you have presented will be printed in full in the record.

Secretary RUMSFELD. Thank you very much, Mr. Chairman and members of the committee. I appreciate your putting the entire statement in the record and I will make some remarks from that statement.

Senator STEVENS. We do not have copies of that statement. They gave them out to the press, but we do not have them up here. It would be nice if we had one, too.

Secretary RUMSFELD. I will see that that happens.

Senator FEINSTEIN. Yes, we do.

Secretary RUMSFELD. Others seem to have it. I do not know.

Senator STEVENS. Thank you.

Secretary RUMSFELD. We can pass one up to you, Mr. Chairman.

Senator STEVENS. Thank you very much.

SECRETARY RUMSFELD'S OPENING STATEMENT

Secretary RUMSFELD. Mr. Chairman and members of the committee: I am accompanied by Dr. Dov Zakheim, Comptroller of the Department of Defense, and General Pete Pace, the Vice Chief of Staff—the Vice Chairman correctly, the Vice Chairman of the Joint Chiefs of Staff, in Dick Myers' absence.

We thank you for this opportunity to update the committee on our progress in our efforts to try to strengthen the Department to meet the challenges of the 21st century and to discuss the President's request for fiscal year 2004 to 2009. I also want to thank the members of this committee, Mr. Chairman, and you for the action, prompt action, on the President's emergency 2003 supplemental request for the global war on terror. Passage of that legislation will certainly help provide the fighting men and women with the capabilities they need, to prosecute the war on terror in the weeks and months ahead.

As several of you have said, our troops have been and are doing a truly superb job all across the globe, and we are certainly grateful to them for their dedication and their courage, and also for the fact that they are all volunteers who stepped forward to serve their country. They crossed hundreds of miles in Iraq, facing death squads and dust storms, and liberated Baghdad in less than a month.

What they accomplished is very likely going to go down in history books.

APPLYING LESSONS LEARNED

The Department, as you point out, cannot wait for history to be written. We need to meet the threats that this dangerous new century poses, and threats that emerge often without warning. We have to apply the lessons from the experiences in Afghanistan and Iraq to transform the Department and the services as to how they organize, how they train, how they equip and exercise and fight.

Even now, while the lessons learned process is still in its early stages, we can already see that the experience in Iraq has validated some of the strategic decisions that we made in our defense reviews over the past 2 plus years, decisions that in some ways contributed and drove this 2004 budget.

Consider a few of the lessons. One is speed, and it matters. Coalition forces pressed through southern Iraq in a matter of weeks. It seems likely that the enemy was not able to mount a coherent defense or attack its neighbors, as it had in 1991 with Scud missiles, or destroy its oil wells. It did manage to destroy a handful or so, but not all of them, as they did in Kuwait 12 years ago. We believe that in part this was because the coalition advance was so much faster than had been anticipated.

The experience highlights the value of capabilities that can move quickly into theater, reach targets with speed and agility.

Another important lesson involves intelligence and the ability to act on intelligence rapidly. In Iraq, using time-sensitive targeting cells, the coalition was able to launch attacks on enemy targets in some cases in 20 minutes, based on intelligence information that was fresh. Planes taking off for bombing runs on occasion did not receive their targeting information until they were in the air and well on their way.

The success of Operation Iraqi Freedom helps to validate the recommendation in the budget for increased investments in command, control, communications, intelligence, and persistent surveillance.

Another is the importance of precision. The capabilities employed in Iraq were discrete. One new weapon used for the first time in Iraq, a thermobaric Hellfire missile, can take out the first floor of a building without damaging the floors above and is capable of reaching around corners, striking enemy forces that hide in caves or bunkers and hardened multi-room complexes. It went from development to deployment in less than 1 year.

Coalition military planners used a sophisticated computer model to determine the precise direction, the angle of attack, and the type of weapon needed to destroy desired targets while sparing nearby civilian facilities.

It was important that we won, but it was also important how we won, and the fact that this conflict was done with greater precision than any conflict in history and as a result it had to have persuaded the Iraqi people that the effort was not against the country of Iraq, was not against the Iraqi people, was not against the religion, but, in fact, was against a regime.

We believe that these experiences support the decision to request increases in the 2004 budget for research and development, testing,

evaluation, procurement, as well as the decision to try to begin changing how we develop new capabilities by employing spiral development to allow us to bring new weapons to the field in a matter of months or years instead of decades, which has been the pattern.

Another lesson in Iraq is the importance of joint operations. U.S. forces, as General Tom Franks properly points out, did not fight as individual services on a deconflicted basis, which has been historically the pattern. Instead, they fought as a truly joint force. One example is the rescue of PFC Jessica Lynch, which was made possible by a joint team of Navy SEALs, Army Rangers, Marines, Air Force Special Operators, of course with the help of an Iraqi citizen.

The joint warfighting experience in Iraq supports the request in the budget to make new investments in joint training and in joint warfighting capabilities.

Another lesson was the importance of Special Operations Forces. In Iraq the special operators were the first coalition forces to hit the ground. Indeed, a number of them went in before the war formally began, with hundreds more pouring into the western portion of Iraq and other regions just before the ground invasion, securing airfields, attacking terrorist facilities and regime targets, and taking out the regime's capability to launch attacks against neighboring countries.

These experiences, as well as the remarkable performance of special operators in Afghanistan, we believe support the decisions that we have made and the proposals we have made to transform the Special Operations Command and to request needed new investments in Special Operations in the budget.

There will be other important lessons as we study Operation Iraqi Freedom. But the point is this. This budget was developed with warfare of this kind in mind and the experiences in fighting this war have confirmed the decisions made in the defense review, which are reflected in the budget before the committee.

TRANSFORMING TO MEET CHANGING THREATS

Mr. Chairman, over the past 2 years the senior civilian and military leaders of the Department have been working to determine how the Department of Defense (DOD) can best transform to meet the changing threats of the new century. This year's budget request before you is the first to fully reflect the new defense strategies and policies and the lessons of the global war on terror. Our defense review identified six goals that drive transformation efforts:

First, we have to be able to defend the homeland and bases of operations.

Second, we have to be able to project and sustain forces in distant theaters. That is clear after these two recent events.

Third, we have to be able to deny enemy sanctuaries.

Fourth, we have to improve space capabilities and maintain unhindered access to space.

Fifth, we need to harness our substantial advantages in information technology to link up different kinds of United States (U.S.) forces so that they can fight jointly.

And sixth, we have to be able to protect U.S. information networks from attack and to be able to disable the information networks of our adversaries to limit their ability to communicate.

This budget request funds investments that support these transformational goals. Over the next 6 years, we have proposed a 30 percent increase in procurement funding and a 65 percent increase in funding for research, development, testing, and evaluation above the 2002 baseline budget. That is an investment of roughly \$150 billion annually.

In addition to these increases, the research, development, test, and evaluation (RDT&E) spending will rise from 36 percent to 42 percent of the overall investment budget. This shift reflects a decision to accept some near-term risk in order to accelerate the development of needed next generational systems.

Among the more important transformational investments we propose is a request for funds to establish a new Joint National Training Capability. To ensure that U.S. forces train like they fight and fight like they train, we have budgeted \$1.8 billion over the forward year defense plan to fund range improvements and to permit more of both live and virtual joint training, an annual investment of about \$300 million.

The total investment in transforming military capabilities in this budget request for fiscal year 2004 is \$24 billion or about \$240 billion over the Future Year Defense Program.

BALANCING RISK

Even as we accept some increased near-term risk—and this budget does accept near-term risk—so that we can prepare for the future, it also recognizes that new and unexpected dangers will likely be awaiting us over the horizon. That is why this budget requests increased investments in critical areas such as readiness, quality of life, improvements for the men and women in uniform, and to make certain existing capabilities are properly maintained and replenished.

We have made investments that should stabilize funding for training, spares, and OPTEMPO and put a stop to past practices of raiding the investment accounts to pay for the immediate operations and maintenance needs. So we stop robbing the future to pay for today's urgent bills.

In this request for fiscal year 2004, we increase the shipbuilding budget by \$2.7 billion, making good on our hope last year that we could increase shipbuilding from five to seven ships per year.

We increase the Special Operations budget by \$1.5 billion to pay for equipment lost in the global war on terror and for an additional 1,890 people.

We increase military and civilian pay proposals by \$3.7 billion, increase missile defense by \$1.75 billion, including increased funding for Research and Development of promising new technologies, and to deploy a small number of interceptors beginning in 2004.

The President has asked Congress for a total of \$379.9 billion for 2004. That is a \$15.3 billion increase over last year's budget. But even that increase only moves us part of the way, requiring us to make tough choices between competing demands, and that means that some desirable capabilities do not get funded in this budget.

Yet, in making those decisions we believe we made better choices this year because we followed a new approach to balancing risks that we developed in last year's defense review. It is an approach that tries to take into account not just the risks to operations and contingency plans, but also the risks to the force, to the men and women in uniform, to make sure we can attract and retain the right people, and risks to modernization or the failure to modernize, if you will, as well as the risk to the future or the failure to transform, risks that in the past had often been crowded out by more immediate, pressing demands. The result is, we believe, a more balanced approach and a more overall coherent program.

To free resources, the services have stepped up and will be canceling, slowing, or restructuring a number of programs so that they can invest those savings in transforming capabilities. In all, by retiring or restructuring less urgent programs we believe we can achieve savings of some \$80 billion over the Future Year Defense Program, money that will be reinvested by the services in capabilities for the 21st century.

As you consider the budget, I am sure you will hear pleading for a number of programs and plausible arguments as to why this or that program should be saved or funded at a higher rate. I suspect some may disagree with decisions that have been made in this budget and may want to make changes in the budget proposal, and certainly as a former member of Congress I recognize that Article I of the Constitution, the Congress is Article I, that the President proposes and the Congress disposes. I know that.

But it is also important, it seems to me, that as the committee considers potential changes it recognizes that this budget—we have tried to balance those risks, and it is not an easy thing to do. This is not to suggest that the budget before you is perfect. Certainly no one has a monopoly on wisdom, and there are a number of examples I could cite wherein Congress pressed the Executive Branch over the years to invest in programs, such as the Joint Surveillance Target Attack Radar System (JSTARS), Unmanned Aerial Vehicles (UAV's), that later proved critical to the success of the armed forces.

What I am suggesting is that if changes are made, and they will be, that they be made in a coherent way, that we have a chance to talk them through, and that they are made with a full understanding of the implications, not only on the program in question that somebody may want to increase, but also on the costs in terms of the reductions that have to take place in other areas.

We have done our best to develop a budget with what we believe has been unprecedented transparency. We hope that this spirit of openness and cooperation will continue as Congress deliberates.

IMPROVING MANAGEMENT

Finally, Mr. Chairman, we really cannot transform unless we have the ability to better manage the Department. In an age where terrorists move information at the speed of an E-mail, money at the speed of a wire transfer, and people at the speed of a commercial jet liner, the Defense Department is, to be very honest, still bogged down in bureaucratic processes that resulted from the industrial age, not the information age.

Some of our difficulties are self-imposed by the Department, to be sure. Others, however, are the result of law and regulation, and together they have created a culture that too often stifles innovation in the Department. The result is we are fighting the first wars of the 21st century with a Department that was fashioned, organized, to meet the challenges of the mid-20th century.

Our legislative proposal, the Defense Transformation Act for the 21st Century, would give the Department the needed flexibility. Among the provisions in this legislation, many of which I admit are controversial, and I know that, we have proposed more flexible rules for the flow of money through the Department to give us the ability to respond to urgent needs as they emerge. We have proposed elimination of some of the more onerous regulations that make it difficult or virtually impossible for many small businesses to do business with the Department of Defense.

We have proposed expanded authority for competitive outsourcing so that we can get military personnel out of non-military tasks and back into the field. We have proposed measures for transforming our system of personnel management so that we can gain more flexibility and agility as to how we manage the more than 700,000 civilians who provide the Department such vital support. We need a performance-based promotion system for our civilian work force that rewards excellence, just like the one Congress insisted on for the men and women in uniform.

Mr. Chairman and members, transformation, as you know well, is not an event; it is not something that starts and then ends. It is a process, it is a culture, it is a frame of mind. Our goal is to set in motion that process and culture that will keep the United States several steps ahead of our potential adversaries. To do that, we need not only resources, but equally we need flexibility to use those resources with speed and agility so we can respond quickly to the new threats that we face as this century unfolds.

PREPARED STATEMENT

Mr. Chairman, I thank you for your attention. General Pace and Dov Zakheim and I are available to respond to questions, unless you have a statement, General Pace.

[The statement follows:]

PREPARED STATEMENT OF DONALD H. RUMSFELD

INTRODUCTION

Mr. Chairman and Members of the Committee, thank you for this opportunity to update the Committee on our progress in strengthening the Department of Defense for the 21st century challenges, and to discuss the President's budget request for fiscal year 2004–2009.

I also want to thank you and the members for your action on the President's emergency supplemental request for the global war on terror. Your prompt passage of that legislation will help to provide for our fighting men and women as they prosecute the global war on terror in the weeks and months ahead.

Our troops are doing a superb job and deserve our thanks for their courage and dedication to duty.

What coalition forces have accomplished in Operation Iraqi Freedom is remarkable. They crossed hundreds of miles in Iraq—facing death squads and dust storms—to liberate Baghdad in less than a month.

Today, because of coalition forces' tenacity and skill, the regime of Saddam Hussein is no longer—and the Iraqi people are free to determine their own destiny.

Visiting with the troops, I told them that what they accomplished will go down in the history books. And it will. But at the Department, we cannot afford to wait for history to be written. The threats we face in this dangerous new century are emerging, often without warning. We need to apply the lessons from the experience in Iraq to transform how the Department and the Services organize, train and equip for the 21st century.

The “lessons learned” process for Operation Iraqi Freedom is well underway. It will likely impact budgets and procedures, training and doctrine, and the security of our country for some years to come. But even now, while that process is still in its early stages, we can already see that the experience in Iraq has validated a number of the strategic decisions that were made in our defense reviews over the past two years—decisions that drove the development of this 2004 budget.

Consider a few of those lessons:

One lesson is that speed matters. Coalition forces pressed through Southern Iraq in a matter of weeks, racing towards Baghdad. The enemy was unable to mount a coherent defense, use WMD, attack neighboring countries with SCUD missiles, destroy oil wells, or blow up dams, bridges and infrastructure—in part, we believe—because the coalition advance was so fast. This experience highlights the value of capabilities that can move quickly into theater and reach targets with speed and agility.

Another is the importance of intelligence—and the ability to act on that intelligence rapidly. In Iraq, using “Time Sensitive Targeting Cells,” the coalition was able to launch attacks on enemy targets, in some cases within 20 minutes of receiving the intelligence information. Planes taking off for bombing runs on occasion did not receive their targeting information until they were in the air and well on their way. Ground forces were able to stay “in contact” with the enemy forces, and attack them with great effect, even as those forces made every effort to avoid contact. The success of these efforts in Operation Iraqi Freedom validates the recommendation in this budget for increased investments in command, control, communications, intelligence, and persistent surveillance.

Another is the importance of precision. The capabilities employed in Iraq were discreet. One new weapon used for the first time in Iraq—a “thermobaric” Hellfire missile—can take out the first floor of a building without damaging the floors above, and is capable of reaching around corners, into niches and behind walls to strike enemy forces hiding in caves, bunkers and hardened multi-room complexes. It went from development to deployment in less than a year. Coalition military planners also used a sophisticated computer model to determine the precise direction, angle of attack and type of weapon needed to destroy a desired target, while sparing nearby civilian facilities.

This unprecedented precision allowed the coalition to fight this war with unprecedented care—protecting innocent lives while delivering devastating damage to the Iraqi regime. There was no refugee crisis because Iraqis felt safe to stay in the cities as long as they stayed clear of military targets. As a result, the Iraqi people saw that this war was being waged not against a country, or a people or a religion, but against a regime—and that we were coming not as conquerors but as liberators. We believe these experiences support the decision to request increases in the 2004 budget for research, development, testing and evaluation, and for procurement, as well as the decision to change how we develop those new capabilities—by employing “spiral development” to allow us to bring new weapons to the field in months or years instead of decades.

Another lesson in Iraq was the importance of joint operations. U.S. forces did not fight as individual deconflicted services. Instead, they fought as a truly joint force. One example is the rescue of Pfc. Jessica Lynch—it was made possible by a joint team of Navy SEALs, Army Rangers, Marines, and Air Force Special operators—with the help of an Iraqi citizen. The joint war fighting experience in Iraq supports the request in the 2004 budget to make new investments in joint training and in joint war fighting capabilities.

Another lesson was the critical importance of special operations forces. In Iraq, special operators were the first coalition forces to hit the ground—some of them before the war formally began—with hundreds more pouring into Western Iraq and other regions just before the ground invasion—securing airfields, attacking terrorist facilities and regime targets, and taking out the regime’s capability to launch attacks against neighboring countries. These experiences—as well as the remarkable performance of special operators in Afghanistan—support the decisions to transform the Special Operations Command and to request needed new investments in Special Operations in the 2004 budget.

There will be other important lessons as we study Operation Iraqi Freedom. But the point is this: the 2004 budget was developed with warfare of this kind in mind—

and the experiences in fighting this war have confirmed the decisions made in the defense review which are reflected in the budget before the Committee today.

Mr. Chairman, over the past two years, the senior civilian and military leaders of the Department have been working to determine how DOD can best transform to meet the changing threats of a new century. Together we have:

- Fashioned a new defense strategy.
- Replaced the decade-old two Major Theater War approach to sizing our forces with an approach more appropriate for the 21st century.
- Developed a new approach to balancing risks that takes into account the risks in contingency plans and also the risks to the force, to modernization and to transformation.
- Reorganized the Department to better focus our space activities.
- Adopted a new Unified Command Plan, which establishes the new Northern Command to better defend the homeland; a Joint Forces Command that focuses on transformation; and a new Strategic Command responsible for early warning of, and defense against, missile attack and the conduct of long-range attacks.
- Expanded the mission of the Special Operations Command, so that it cannot only support missions directed by the regional combatant commanders, but also plan and execute its own missions in the global war on terror.
- Worked with Allies to develop a new NATO command structure and begin the development of a NATO Response Force that must be able to deploy in days and weeks, instead of months.
- Taken steps to attract and retain needed skills in the Armed Forces, with targeted pay raises and quality of life improvements.
- Reorganized and revitalized the missile defense research, development and testing program, freed from the constraints of the ABM Treaty.
- Completed the Nuclear Posture Review, with a new approach to deterrence that will enhance our security, while permitting historic deep reductions in offensive nuclear weapons.
- Moved from a “threat-based” to a “capabilities-based” approach to defense planning, focusing not only on who might threaten us, or where, or when—but also on how we might be threatened, and what portfolio of capabilities we will need to deter and defend against those new asymmetric threats.

These are significant changes. Last year’s budget—the 2003 request—was finalized just as this defense review process was nearing completion. So while it included a top-line increase, and made important, and long-delayed investments in readiness, people, maintenance, and replacement of aging systems and facilities, we were only able to begin funding some transforming initiatives as the new defense strategy came into focus.

But this year’s budget—the 2004 request before you today—is the first to fully reflect the new defense strategies and policies and the lessons of the global war on terror.

Our defense review identified six goals that drive our transformation efforts:

- First, we must be able to defend the U.S. homeland and bases of operation overseas;
- Second, we must be able to project and sustain forces in distant theaters;
- Third, we must be able to deny enemies sanctuary;
- Fourth, we must improve our space capabilities and maintain unhindered access to space;
- Fifth, we must harness our substantial advantages in information technology to link up different kinds of U.S. forces, so they can fight jointly; and
- Sixth, we must be able to protect U.S. information networks from attack and to disable the information networks of our adversaries.

The President’s 2004 budget requests funds for investments that will support these transformational goals. For example:

- For programs to help defend the U.S. homeland and bases of operation overseas—such as missile defense—we are requesting \$7.9 billion in the 2004 budget, and \$55 billion over the Future Years Defense Program (FYDP).
- For programs to project and sustain forces in distant theaters—such as the new unmanned underwater vehicle program and the Future Combat Systems—we are requesting \$8 billion in 2004, and \$96 billion over the FYDP.
- For programs to deny enemies sanctuary—such as unmanned combat aerial vehicles, and the conversion of SSBN to SSGN submarines—we are requesting \$5.2 billion in 2004 and \$49 billion over the FYDP.
- For programs to enhance U.S. space capabilities—such as Space Control Systems—we are requesting \$300 million in 2004 and \$5 billion over the FYDP.
- For programs to harness our advantages in information technology—such as laser satellite communications, Joint Tactical Radio, and the Deployable Joint

Command and Control System—we are requesting \$2.7 billion in 2004 and \$28 billion over the FYDP.

—For programs to protect U.S. information networks and attack those of our adversaries—such as the Air and Space Operations Center—we are requesting \$200 million in 2004 and \$6 billion over the FYDP.

Over the next six years, we have proposed a 30 percent increase in procurement funding and a 65 percent increase in funding for research, development, testing and evaluation (RDT&E) above the 2002 baseline budget—an investment of roughly \$150 billion annually.

In addition to these increases, RDT&E spending will rise from 36 percent to 42 percent of the overall investment budget. This shift reflects a decision to accept some near-term risk in order to accelerate the development of needed next generation systems.

Among the more important transformational investments we propose is a request for funds to establish a new Joint National Training Capability. As we saw in Iraq, wars in the 21st century will be fought jointly. Yet too often our forces still train and prepare for war as individual services. That needs to change.

To ensure that U.S. forces train like they fight and fight like they train, we have budgeted \$1.8 billion over the next six years to fund range improvements and permit more of both live and virtual joint training—an annual investment of \$300 million.

The total investment in transforming military capabilities in the 2004 request is \$24.3 billion, and about \$240 billion over the FYDP.

We propose not only transforming the capabilities at our disposal, but also the way we develop new capabilities. The old way was to develop a picture of the perfect system, and then build the system to meet that vision of perfection, however long it took or cost. The result was that, as technology advanced, and with it dreams of what a perfect system could do, capabilities were taking longer and longer to develop and the cost of systems increased again and again—Time is money.

A different approach is to start with the basics, simpler items, and roll out early models faster—and then add capabilities to the basic system as they become available. This is what the private sector does—companies bring a new car or aircraft on line, for example, and then update it over a period of years with new designs and technologies. We need to do the same.

Take, for example, the approach to ballistic missile defense. Instead of taking a decade or more to develop someone's vision of a "perfect" shield, we have instead decided to develop and put in place a rudimentary system by 2004—one which should make us somewhat safer than we are now—and then build on that foundation with increasingly effective capabilities as the technologies mature.

We intend to apply this "spiral development" approach to a number of systems, restructured programs and new starts alike over the course of the FYDP. The result should be that new capabilities will be available faster, so we can better respond to fast moving adversaries and newly emerging threats.

BALANCING RISK

Even as we accept some increased near-term risk so we can prepare for the future, this budget also recognizes that new and unexpected dangers will likely be waiting just over the horizon—and that we must be flexible to face them.

That is why the 2004 budget requests increased investments in critical areas such as: readiness, quality of life improvements for the men and women in uniform, and to make certain existing capabilities are properly maintained and replenished.

Over the next six years, the President has requested a 15 percent increase for Military Personnel accounts, above the 2002 baseline budget, and an increase in funding for family housing by 10 percent over the same period. The 2004 budget includes \$1 billion for targeted military pay raises, ranging from 2 percent to 6.25 percent. Out of pocket expenses for those living in private housing drop from 7.5 percent to 3.5 percent in 2004, and are on a path to total elimination by 2005.

Over the next six years, we have requested a 20 percent increase for Operations and Maintenance accounts above the 2002 baseline budget. We have proposed \$40 billion for readiness of all the services and \$6 billion for facilities sustainment over the same period.

These investments should stabilize funding for training, spares and OPTEMPO, and put a stop to the past practice of raiding the investment accounts to pay for the immediate operations and maintenance needs, so we stop robbing the future to pay today's urgent bills.

In our 2004 request:

- We increased the shipbuilding budget by \$2.7 billion, making good on our hope last year that we could increase shipbuilding from five to seven ships.
- We increased the Special Operations budget by \$1.5 billion, to pay for equipment lost in the global war on terror and for an additional 1,890 personnel.
- We increased military and civilian pay by \$3.7 billion.
- We increased missile defense by \$1.5 billion, including increased funds for research and development of promising new technologies, and to deploy a small number of interceptors beginning in 2004.

The President has asked Congress for a total of \$379.9 billion for fiscal year 2004—a \$15.3 billion increase over last year's budget. That is a large amount of the taxpayers' hard-earned money. But even that increase only moves us part of the way.

Our challenge is to do three difficult things at once:

- Win the global war on terror;
- Prepare for the threats we will face later this decade; and
- Continue transforming for the threats we will face in 2010 and beyond.

Any one of those challenges is difficult—and expensive. Taking on all three, as we must, required us to make tough choices between competing demands—which meant that, inevitably, some desirable capabilities do not get funded. For example:

- Despite the significant increase in shipbuilding, we did not get the shipbuilding rate up to the desired steady state of 10 ships per year. Because of planned retirements of other ships, we will drop below a 300-ship fleet during the course of the FYDP. The Navy is in the process of transforming, and has two studies underway for amphibious ships and for submarines—we have increased shipbuilding in 2004, but we do not want to lock ourselves into a shipbuilding program now until we know precisely which ships we will want to build in the out-years.
- We have not been able to modernize our tactical air forces fast enough to reduce the average age of our aircraft fleet.
- We have had to delay elimination of all inadequate family housing by 2007—though we got close!
- We have not fully resolved our so-called “high-demand/low density” problems—systems like JSTARS, which, because they have been chronically under funded in the past, will still be in short supply in this budget.
- We opted not to modernize a number of legacy programs—taking on some near-term risks to fund transforming capabilities we will need in this fast moving world.
- We did not achieve the level of growth in the Science and Technology (S&T) accounts we had hoped for. Our request is \$10.2 billion, or 2.69 percent of the 2004 budget.
- We have delayed investments to completely fix the recapitalization rate for DOD infrastructure. We still intend to get the rate down from 148 years to 67 years by 2008, and we expect to accelerate facilities investments in 2006 after we have made the needed decisions with respect to the appropriate base structure, at home and abroad. We are reviewing our worldwide base structure, and starting the steps to prepare for the 2005 BRAC. We want to think carefully about how best to match our base structure and force structure.

That's the bad news. But there is good news as well. In making those difficult decisions, we believe we made better choices this year because we followed the new approach to balancing risks that we developed in last year's defense review—an approach that takes into account not just the risks in operations and contingency plans, but also the risks to our force—the people, and risks to modernization and to the future—risks that, in the past, often had been crowded out by more immediate pressing demands. The result, we believe, is a more balanced approach and a more coherent program.

To help free resources, the services have stepped up, and will be canceling, slowing or restructuring a number of programs so they can invest those savings in transforming capabilities. For example:

- The Army came up with savings of some \$22 billion over the six-year FYDP, by terminating 24 systems, including Crusader, the Bradley A3 and Abrams upgrades and reducing or restructuring another 24, including Medium Tactical Vehicles. The Army used these savings to help pay for new transformational capabilities, such as the Future Combat Systems.
- The Navy reallocated nearly \$39 billion over the FYDP, by retiring 26 ships and 259 aircraft, and merging the Navy & Marine air forces. They invested these savings in new ship designs and aircraft.
- The Air Force shifted funds and changed its business practices to account for nearly \$21 billion over the FYDP. It will retire 114 fighter and 115 mobility/

tanker aircraft. The savings will be invested in readiness, people, modernization and new system starts and cutting edge systems like unmanned aerial vehicles (UAVs) and unmanned combat aerial vehicles (UCAVs).

In all, by retiring or restructuring less urgent programs, we believe we can achieve savings of some \$80 billion over the FYDP—money that will be reinvested by the services in capabilities for the 21st century.

We feel a deep obligation to not waste the taxpayers' dollars. We need to show the taxpayers that we are willing to stop doing things that we don't need to be doing, and take that money and put it into investments we do need.

As you consider this budget, I am sure you will hear pleading for a number of programs—and plausible arguments for why this or that program should be saved or funded at a higher rate. I suspect some may disagree with decisions that have been made, and may want to make changes in this budget proposal. As a former Member of Congress, I recognize that the Congress is Article 1 of the Constitution—the President proposes and Congress disposes. But it is also important that, as the Committee considers potential changes, it recognizes that this budget has been crafted to balance a number of risks. And with every change, that balance of risks is affected.

This is not to suggest that the budget before you is perfect—no one has a monopoly on wisdom. And there are numerous examples of instances when Congress pressed the executive branch to invest in programs—such as JSTARS and UAVs—that later proved critical. What I am suggesting is that if changes are made, they be made in a coherent way—that we talk them through, and that the decisions be made with a full understanding of the effects they may have—not only on the program in question, but the costs in terms of the investments in other areas that will be put off as a result.

We have done our best to develop this budget with what we believe has been unprecedented transparency—providing detailed briefings to those interested in defense here on Capitol Hill. Congress was not simply presented with the President's budget—it was kept in the loop as decisions were being made. I am told that the extent of consultation from the Defense Department to the Congress this year has been unprecedented. We hope that this spirit of openness and cooperation will continue as Congress deliberates—so that the final budget is crafted in a way that preserves the balance of risks.

Our hope is that, with this budget, we can further transform not only our military capabilities, but also the relationship between the Defense Department and the Congress—by establishing a new spirit of trust and cooperation.

RESULTS

As a result of these strategic investments and decisions, we can now see the effects of transforming begin to unfold. Consider just some of the changes that are taking place:

- Today, the missile defense research, development and testing program has been revitalized and we are on track for limited land/sea deployment in 2004–05.
- Today, the Space Based Radar, which will help provide near-persistent 24/7/365 coverage of the globe, is scheduled to be ready in 2012.
- In this budget, we believe SBIRS-High is properly funded.
- Today, we are converting 4 Trident SSBN subs into conventional SSGNs, capable of delivering special forces and cruise missiles to denied areas.
- Today, we are proposing to build the CVN-21 aircraft carrier in 2007, which will include many new capabilities that were previously scheduled to be introduced only in 2011.
- Today, instead of 1 UCAV program in development, the X-45, which was designed for a limited mission of suppression of enemy air defense, we have set up competition among a number of programs that should produce UCAVs able to conduct a broad range of missions.
- Today, we are revitalizing the B-1 fleet by reducing its size and using savings to modernize remaining aircraft with precision weapons, self-protection systems, and reliability upgrades—and thanks to these efforts, we are told the B-1 now has the highest mission capable rates in the history of the program.
- Today, in place of the Crusader, the Army is building a new family of precision artillery—including precision munitions and Non-Line-of-Sight Cannon for the Future Combat Systems.
- Today, we have seen targeted pay raises and other reforms help retain mid-career officers and NCOs, so that fewer of them leave the service while still in their prime, so the country can continue to benefit from their talent and experience.

These are positive changes that will ensure that our country will have the capabilities needed to defend our people, as well as a menu of choices from which we can select to shape the direction of the Department, as the 21st century security environment continues to change and evolve.

DEFENSE TRANSFORMATION ACT

Finally, Mr. Chairman, we can't truly transform, unless we have the ability to better manage this Department. To win the global war on terror, our forces need to be flexible, light and agile—so they can respond quickly to sudden changes. The same is true of the men and women who support them in the Department of Defense. They also need flexibility—so they can move money, shift people, and design and buy new weapons more rapidly, and respond to the continuing changes in our security environment.

Today, we do not have that kind of agility. In an age when terrorists move information at the speed of an email, money at the speed of a wire transfer, and people at the speed of a commercial jetliner, the Defense Department is bogged down in the bureaucratic processes of the industrial age—not the information age.

Some of our difficulties are self-imposed by the Department, to be sure. Others, however, are the result of law and regulation. Together they have created a culture that too often stifles innovation. Consider just a few of the obstacles we face each day:

- This department spends an average of \$42 million an hour, and yet we are not allowed to move \$15 million from one account to another without getting permission from four to six committees, a process that sometimes takes months.
- Instead of being streamlined for the fast-paced 21st century, the defense authorization bill has grown with each passing year. Just consider the changes over my brief career:
 - When I was first elected to Congress in 1962, the defense authorization bill was one page.
 - The last time I was Secretary of Defense, a quarter of a century ago, the 1977 authorization bill had grown to 16 pages.
 - When I came back to the Pentagon for this second tour, the 2001 authorization bill had grown to 534 pages.
 - I can't even imagine what it will look like in another 25 years.
- Today we have some 320,000 uniformed people doing what are essentially non-military jobs. And yet we are calling up Reserves to help deal with the global war on terror. The inability to put civilians in hundreds of thousands of jobs that do not need to be performed by men and women in uniform puts unnecessary strain on our uniformed personnel and added cost to the taxpayers. This has to be fixed.
- The department is required to prepare and submit some 26,000 pages of justification, and over 800 required reports to Congress each year—many of marginal value, I am sure many not read, consuming hundreds of thousands of man hours to develop, and untold number of trees destroyed.
- Despite 128 acquisition reform studies, we have a system in the Defense Department that since 1975 has doubled the time it takes to produce a new weapons system, in an era when new technologies are arriving in years and months, not decades.

The point is this: we are fighting the first wars of the 21st century with a Defense Department that was fashioned to meet the challenges of the mid-20th century. We have an industrial age organization, yet we are living in an information age world, where new threats emerge suddenly, often without warning, to surprise us. We cannot afford not to change and rapidly, if we hope to live successfully in this new world.

The Department is already engaged in substantial transformation. We have reduced management and headquarters staffs by 11 percent. We have streamlined the acquisition process by eliminating hundreds of pages of unnecessary rules and self-imposed red tape. And we have begun implementing a new business management structure. These internal changes are important—but they are not enough. We also need legislative relief.

Our legislative proposal, the Defense Transformation Act for the 21st Century, would give the Department some of the needed flexibility, and ability to more rapidly move resources, shift people and bring new weapons systems on line more quickly, so we can adapt to changing events.

Among the provisions in this legislation:

- We have proposed more flexible rules for the flow of money through the Department to give us the ability to respond to urgent needs as they emerge.

- We have proposed elimination of some of the more onerous regulations that make it difficult or virtually impossible for many small businesses to do business with the Department of Defense.
- We have proposed expanded authority for competitive outsourcing so that we can get military personnel out of non-military tasks and back into the field.
- We have proposed measures that would protect our military training ranges so that our men and women will be able to continue to train as they fight while honoring our steadfast commitment to protecting the environment.
- We have proposed measures for transforming our system of personnel management, so that we can gain more flexibility and agility in how we manage the more than 700,000 civilians who provide the Department such vital support. We need a performance-based promotion system for our civilian workforce that rewards excellence—just like the one Congress insisted on for our men and women in uniform.

In other U.S. government agencies, major portions of the national workforce have already been freed from archaic rules and regulations. We need similar relief. If the Department of Defense is to prepare for the security challenges of 21st century, we must transform not just our defense strategies, our military capabilities, and the way we deter and defend, but also the way we conduct our daily business.

Transformation is not an event—it is a process. There is no point at which the Defense Department will move from being “untransformed” to “transformed.” Our goal is to set in motion a process and a culture that will keep the United States several steps ahead of potential adversaries.

To do that we need not only resources, but equally, we need the flexibility to use them with speed and agility, so we can respond quickly to the new threats we will face as this century unfolds.

Thank you Mr. Chairman. I'd be happy to respond to questions.

General PACE. Sir, I do not have a statement, but I would be remiss, Mr. Chairman, if I did not point out that the incredible performance of your armed forces in battle in Iraq is directly attributable to the Goldwater-Nichols Act and the sustained bipartisan support of the Congress. We deeply appreciate that, sir.

If I may have the temerity to ask to put into the record that our thoughts and prayers are with the families of all those who lost their loved ones in this battle, sir. Thank you.

Senator STEVENS. Dr. Zakheim, do you have a comment?

Dr. ZAKHEIM. No, I don't. I am ready to take questions as they come in.

Senator STEVENS. Mr. Secretary, many of the things you addressed are really pending before the Armed Services Committee. I hope we will address questions before this committee that pertain to the budget that has been presented, and I would ask Senators to limit themselves to 7 minutes in the first round to see how well we can do. We may not get through them all in the time that is allotted to us today.

Mr. Secretary, much of what you said is correct and I think we all stand in awe of this generation and what they have done. I have often compared this generation to the generation that Senator Inouye and I and Senator Hollings were part of, that some people call “the greatest generation.” But most of our people were draftees. The people you have dealt with now are volunteers, people that place themselves in harm's way on the basis of their own decisions, and I think they are the finest military force the world has ever seen.

VISITING TROOPS IN THE FIELD AND TANKER LEASING

We are all proud of them, very proud of them, and want to do everything we can to assist you to see to it that we maintain that force as we go out into the future. Having said that, though, I do

express again our sadness that we are not able to go visit the war zone. We have done that on every occasion. I remember when Senator Bellmon and I went into Vietnam two or three times. We were under attack and bombed and shelled and everything else. We never asked for special protection. But in this instance we have been denied so far the opportunity to see Iraq.

I hope that those restrictions will be lifted in the near future. I do not ask for any commitment; just I do express that hope.

One of the things that continues to bother me as a former cargo plane pilot is the status of the tankers. They now average more than 45 years in age. At least one third of them are in the depots for repair. It was suggested to me the other day that I should ask you and Mitch Daniels to join some of us here and go out to Tinker and take a look at those planes that we are trying to repair. Even after we put them through a year of repair, they are still unfit for service. They still have rust and every kind of deterioration in terms of their structural capability, and yet we are insisting on putting them back out and putting money into them to try and make them fly some more, when they average 44 years of age.

Now, Mr. Secretary, we provided several times now for the funds to start a tanker leasing program. I know—I hope that you are going to be able to tell us what is going to happen to that program now.

Secretary RUMSFELD. Mr. Chairman, first let me say that I believe it is very important that members of the House and the Senate who are on relevant committees and interested have opportunities to visit the men and women in uniform and to observe firsthand and fulfil their responsibilities, their oversight responsibilities.

I have talked to General Franks about this. We have worked out what we believe is an appropriate arrangement with the Speaker of the House and with the leadership in the Senate and there certainly will be an opportunity for you and your associates to be able to go to Iraq and Afghanistan in the period ahead.

Second, with respect to the tanker issue, everything you have said, sir, is clearly correct. The tanker fleet is old. It has to be replaced. It will be replaced. The lease-buy issue is one that the Department has been wrestling with for some time and I regret to say still is. We are plowing new ground here. It is not something that the Department has done in the past to any great extent. It certainly will be precedent-setting.

I felt it required appropriately a look by an outside entity and asked one to make a study of it. That report is back. The sheer size of this leasing proposal that was pending is something like 125 pages, with 80 different clauses, and it is not something that can be done quickly or easily, nor is it something that should take as much time as it has taken.

You are right about the corrosion, you are right about the need for replacement, and certainly the Department will be pressing for a conclusion with respect to it. One of the things that is taking place, I am told, at the present time by those folks working on it—and you may want to comment, Dov—is they are still trying to negotiate a better price, and there is some active debate about what the appropriate price ought to be.

Senator STEVENS. Well, Mr. Secretary, I only have 5 minutes. I can only say this: We suggested that leasing proposition when we came back from Afghanistan after talking to tanker pilots who expressed to us their fear of flying those planes. That is almost 2½ years ago, I think. That is 2 years ago, at least.

I think we ought to put some of the people who are holding this up in those tankers and let them fly a little bit and see them and listen to them clank, creak. This delay is unconscionable as far as I am concerned. I hope we can find some way.

Again, I urge you, I ask you. We will get one of your planes and fly down there next week and just take the people from the Office of Management and Budget (OMB) that are holding this up and let them see those planes, because if they see them and understand the concept of really metal fatigue and the whole concept of rust and what that means to these people that are flying them, the idea of putting money into them so they can go out there and fly again for another 20 years is just absurd.

SUFFICIENT FUNDING FOR FISCAL YEAR 2003

I have got one other question to ask and I would like to get down to the money if I can. I want to ask particularly because of the problems we face now. We passed the Iraq supplemental in record time; and that was based mostly on cost models and upon operational assumptions. I would like to know, do you have enough money to finish this year, fiscal year 2003? Are we going to be able to see through the remainder of operations in Afghanistan and Iraq with the money we have provided you?

Secretary RUMSFELD. I guess it is now May 14th. The fiscal year ends October 1st. We still have a number of months in fiscal year 2003. I can say that I have not seen anything at the moment that persuades me that we will necessarily have to come back for an additional supplemental in 2003. Is that—

Dr. ZAKHEIM. That is right. As things now stand, it actually looks that the target which we submitted and that the Congress gave us is pretty accurate. We are reviewing the spending rates very carefully. We have 4½ months to go in this fiscal year. We have already released over \$30 billion out of the supplemental, with more to come. But it is looking like we are pretty much on target, sir.

Senator STEVENS. Thank you very much.

Senator Inouye.

PASSAGE OF DEFENSE TRANSFORMATION ACT

Senator INOUE. Mr. Secretary, the Defense Transformation Act that you discussed in the closing moments is before the Senate authorizing committee. I gather that the chances of passage do not look so well.

Secretary RUMSFELD. I cannot hear you very well, sir.

Senator INOUE. If the details of that legislation are not incorporated in the defense authorization bill, how would it affect your program?

Secretary RUMSFELD. Let me make a couple of comments and then have Dov make a couple of comments. One, I am told that we have 300,000, 320,000 to be precise, men and women in uniform doing jobs that are not jobs for men and women in uniform. They

are jobs that should be done by civilians. They are jobs that should be done by contractors.

And we are doing that because people are rational. We have got three choices in the Department. We can either use someone in uniform, who you can manage; or you can use a contractor, who you can manage; or you can use the civil service, which is very, very difficult to manage. So people do the logical thing. They go and put a military person into a job that is not a military job.

Well, we are worried about the OPTEMPO. We are worried about the fact that we have had to call up Guard and Reserve. We are worried about the fact that we have had to have stop-losses and we would prefer to have fewer stop-losses and fewer Guard and Reserve activated and have them activated a fewer number of times and be more respectful of their lives.

But with 320,000 military people doing civilian jobs, why? Simply because the rules are so difficult, they are so burdensome.

A second example: We cannot hire people right out of school. It is almost impossible. Everyone else—a company can go over and go to a job fair at a college, they can walk in and offer someone a job. We cannot. It takes months to work through all the paperwork, all the civil service requirements.

Now, we have had a bunch of experiments going on at China Lake and other places through authorities that Congress gave us and they have worked. They have done a good job. China Lake is one of them.

In my view we need some flexibility to manage the Department and we are wasting taxpayers' dollars because of the absence of that flexibility in my view.

STRYKER BRIGADES

Senator INOUE. Mr. Secretary, everyone agrees that our military must transform. The Army has taken the lead with the creation of the Stryker Brigades. This year the Army testified that it needs six brigades. Do you support this?

Secretary RUMSFELD. We have supported it by putting in the budget the money for all six Stryker Brigades. As I recall, the decision that was made was to—the first three are already funded and in route. The next one has been funded and approved, as I understand it. Correct me, Dov, if I am wrong.

Dr. ZAKHEIM. That is right.

Secretary RUMSFELD. And the next two will be subject to a discussion as to the Army coming back and discussing ways they think they might improve or strengthen the Stryker model for the fifth and sixth.

Dr. ZAKHEIM. I could add to that if I may. The first brigade is actually undergoing a Congressionally mandated evaluation at Fort Polk, Louisiana, for its operational effectiveness. The second one is being fielded. It is at Fort Lewis. The team is being fielded with the Stryker vehicles. The Army's plan will be presented in July, so it is coming relatively soon.

Senator INOUE. I gather that advance drafts of that plan have been distributed and they seem to support the fifth and sixth brigades; is that correct?

Dr. ZAKHEIM. The funding for all of them is in the plan and it will be for the Secretary of Defense to decide when he looks at the Army's plan as to how and in what way the Stryker is being improved.

LPD-17

Senator INOUE. Mr. Secretary, if I still have time, the Navy's LPD-17 has had some problems, cost overruns and schedule slippage. What are your plans for this program?

Secretary RUMSFELD. Do you have that?

Dr. ZAKHEIM. Yes, I do.

Secretary RUMSFELD. Do you want to comment on it?

Dr. ZAKHEIM. Sure.

As you know, we essentially are gapping, as it were, not funding an LPD-17 in fiscal year 2005. We will have two LPD-17s in fiscal year 2006. We believe that the shipbuilding industrial base can support the production gap.

In addition, we are talking about a move from these sorts of ships to a new kind of maritime prepositioning ship, which is also in the outyears. We are going to evaluate how that transition will take place. So the line remains open, we are funding those ships, the LPD-17, but at the same time as part of our overall transformation we are looking at this new kind of prepositioning ship.

Senator INOUE. What sort of ship is that?

Dr. ZAKHEIM. They are looking at designs right now. The concept is to incorporate some of the elements of the amphibious type LPD-17, which simply stands for "Landing Platform Dock ship," but in addition to take account of the prepositioning needs that were demonstrated again in Iraqi Freedom as well as Enduring Freedom before it.

Senator INOUE. Has this type of ship served its purpose and does it continue to do so?

Dr. ZAKHEIM. There is a sense on the part of the Marine Corps and the Navy that for future requirements you may need considerably more flexibility than the LPD-17 gives you. Again, by definition in funding one in 2004 and two more in 2006 you are committed to those ships for 30-odd years beyond. So it is not a question of those ships being useless or anything. The real issue is when you go past those do you want to have a further flexible capability than what they give you, and there seems to be a consensus that the answer is yes and they are looking at just how to design it.

Secretary RUMSFELD. And the Navy Department and the Chief of Naval Operations and the Secretary of the Navy have been reviewing that as part of a broader look at the shipbuilding budgets generally.

General PACE. And there is no backing off at all, sir, from the requirement to be able to project combat power from ship to shore. But as Admiral Clark and General Hagee and General Jones before General Hagee have looked at this, and in looking at the opportunities presented by the Joint Strike Fighter and the Osprey and the potential adding of a flight deck of some limited capability to the prepositioning ships, that opens up a whole new horizon and they want to make sure that the recommendations they give to the Sec-

retary and the money that is spent is spent on the most capable ship in the future.

Dr. ZAKHEIM. Let me also add that we will continue to buy these ships through fiscal year 2010, which again is an indication that we are not giving up on a ship like this.

Senator STEVENS. We are running out of time.

Dr. ZAKHEIM. Sorry.

Senator STEVENS. Thank you, Mr. Secretary.

Senator Burns.

Senator BURNS. Thank you, Mr. Chairman.

I just have a question and maybe a thought, Mr. Secretary, this morning. As we have seen in the operation in Iraq, it was pretty evident that the technology and the training that we had done prior to that operation really paid off. I am told that your ability through communications, the ability of systems that were interoperable, that it gives the striking force a lot of flexibility even before the operation started and during the operation, that any mission could be changed.

There is no doubt about it that it was a force—we had the most physically fit and I think mentally alert military this Nation has ever known and really people that understand technology and know how to use it. We are also seeing in this country as we train for the force that you visualize that will be our force of the future, we are also seeing our ability to train both in the air space and land-based facilities for our troops and our equipment, we see that being eroded due to encroachment, environmental laws, and a variety of other challenges that we have in front of us.

I would wonder. You will be making the decisions of what kind of facilities and what we are going to need to train for the future and make that assessment, and then probably would start dealing with those challenges ahead. Can you tell us if there is a process in place now where you are making those determinations based on what we have experienced in the Middle East, and at such time as when Congress will be advised or assessed of what your needs will be in the future areas of training and new technologies?

TRAINING RANGES AND FACILITIES

Secretary RUMSFELD. Senator, thank you. You are right that the armed forces of the United States are living in the world and they have training ranges and facilities, and as the world's rules and requirements change and evolve the restrictions grow and the ability to function is limited. We currently have proposals in the transformation legislation before the Congress that would provide some relief from some of the laws that are hampering defense training and that type of activity.

For example, we have been delayed over 6 years in deployment of a surveillance towed array sensor system, low-frequency active sonar system, which is needed against ultra-quiet diesel submarines. It is part of the Marine Mammal Act. We proposed last year several adjustments. They tend not to really be directed at any of the laws that exist, but rather at the legal interpretations that have evolved over the decades since those laws were passed that we feel we need some freedom from.

Do you want to comment, Pete, on this?

General PACE. Sir, thank you.

Senator, we want to be good stewards of the environment and we believe that we can do both, be good stewards of the environment and train. One of the provisions is for this National Training Center that will be both live fire environments, such as TwentyNine Palms and the National Training Center and Nellis Air Force Base, and the virtual environment, that you can pull together people from throughout the entire Nation without having to move anywhere to do a very, very robust exercise.

We are looking at that, sir. We do have a process we are working through the Defense Department to highlight those things that are current constraints, but also to be able to project ways that we can protect the environment and train.

Senator BURNS. Well, General Pace, you know as well as anyone else that Camp Pendleton, parts of Camp Pendleton have come under fire, that we cannot train in that we used to use many years ago, or even in modern day, your training out there. That sort of concerns us.

We look at air space use, especially in the southwestern part of the country, where you have a lot of commercial flights, where we see a restricting of air space both in the space and altitude in which we can train. And I am wondering if those assessments are not going on now, that we will be able to be sharp as we were in this 21 days in the Iraqi operation. If we cannot train and we cannot train under conditions like we are going to have to fight, then I worry about those kind of conditions.

We can talk about equipment, we can talk about money and that, but if we cannot train our troops that is something that we have got to look at very seriously. I would also add that maybe my home State of Montana might have something to offer—strictly parochial.

Thank you, Mr. Chairman.

Senator STEVENS. Thank you very much.

Senator Byrd? Senator Hollings?

Senator HOLLINGS. Thank you very much, Mr. Chairman.

Mr. Secretary, that is an outstanding statement and I congratulate you on bringing Defense into the new century. What happens—and the reason I take the committee's time here to ask about this little installation down in Charleston, back in 1992 at the Base Realignment and Closure Commission there was one thing that both George Bush Senior and Clinton could agree on and that was we are not going to close the Portsmouth Navy Yard. I mean, we got the run-up there in that primary.

So they closed Charleston, which had won all the NAVALEX and everything else. But at the time I debated and argued to have NAVALEX, that you would remember as the former Secretary back in the 1970s, and NAVALEX was combined into SPAWAR. They combined Pawtucket, Maryland, Nebraska Avenue where Secretary Ridge is right now on Nebraska Avenue, Norfolk, and Charleston.

The reason for the question, of course, or comment is an admiral now has asked for a study to find about the cost of moving it. I hope we get that study, because the Secretary of the Navy has just completed a cost efficiency study by Booz-Allen-Hamilton of 15 navy engineering centers and they found that the SPAWAR facility down in Charleston was ranked number one in overall efficiency.

We do not receive appropriated funds. What we do is we design, build, test, and support computer, command and control systems. There are a bunch of little small contractors, and since the big Navy yard was closed the rent is cheap. They love it down there and they have got room to move and expand, and they serve Army, Navy, Air, Marines, but they serve the White House, the Secret Service, the Federal Aviation Administration (FAA), and everything else. It is all contract. It has the joint use that Secretary Rumsfeld is insisting on.

If you could come visit us down there, you will see it, and I think you can use that as an example of succeeding in this joint use effort.

Otherwise, Mr. Secretary, with respect to rebuilding Iraq, do you look upon that as a military or a contract operation?

REBUILDING IRAQ

Secretary RUMSFELD. Well, I think I would rather say what I think of it as, rather than either-or. First of all, I think it is ultimately a task for the Iraqi people. I do not think anyone can rebuild another country for a person. It is up to them to do that. They are going to have to invest their time and their energy and their funds in seeing that that country rebuilds after decades of leadership by a vicious despot who did not invest in the people, did not invest in the infrastructure. He was building palaces and building weapons and putting money in his own accounts outside the country.

So it is going to take some time. It is probably, second, going to be a task for the international community to create—to help the Iraqi people do what needs to be done. It will take time.

Third, I do not think it can be done unless the country is in a reasonably secure and permissive environment, and that is what we need to help with.

Senator HOLLINGS. That is the main point. It has got to start off military, because you must establish law and order. Even after law and order is established, I look upon it and remember the countries of Greece and Portugal coming into the Common Market and the others, Germany, Italy, and all, taxed themselves \$5 billion over 5 years so they could develop the entities of free speech, free press, a respected judiciary, property ownership, and all those kind of things, but first thing was to establish law and order.

Otherwise, if you begin with the people and the people themselves doing it, I agree with you generally, if you allow that you are going to end up with an Islamic democracy. It will be quite some time before we get one man, one vote in downtown Baghdad, and the military is going to have to establish order. I had this experience with all of the demonstrations and everything else: *Salus populi suprema lex*, the safety of the people is the supreme law.

When you have got all kind of entities demonstrating, looting, stealing, and everything else of that kind, you have got to establish the safety of the people.

Secretary RUMSFELD. You are absolutely right. Unless it is a reasonably secure environment, nothing else happens.

Senator HOLLINGS. Right.

Secretary RUMSFELD. It just does not work.

Senator HOLLINGS. Thank you, Mr. Chairman.
 Senator STEVENS. Yes, sir, thank you very much.
 Senator Shelby.

IMPROVING INTELLIGENCE

Senator SHELBY. Thank you, Mr. Chairman.

Secretary Rumsfeld, I want to first talk a little about intelligence community cooperation, DOD with the intelligence community. Could you give us a little analysis of how far the Department, that is the Department of Defense, has come since September 11th in improving your own intelligence capabilities and cooperating with other intelligence agencies, and what this budget would do to continue that work?

Secretary RUMSFELD. Well, let me answer the second part first, the cooperation. I suppose nothing is ever perfect in life. We are all human beings and we are not perfect. On the other hand, having been in and around government for a lot of decades, I honestly believe that the linkages between the Director of Central Intelligence and Central Intelligence Agency and the intelligence agencies that reside in the Department of Defense and the combatant commanders is I would say better than ever in my knowledge.

It is—I meet with George Tenet probably several times a week, but we have lunch once a week, and we have been able to knit it together at the top. General Franks was able to do that in the region and is currently doing it in Iraq. It is almost not quite seamless between the two.

Senator SHELBY. It is better than it has been, is it not?

Secretary RUMSFELD. Absolutely, absolutely.

Senator SHELBY. Thank you.

Secretary RUMSFELD. And we work hard at it, and I think it is much better.

How much progress are we making generally in the intelligence community? That is a tougher question. I think time will tell. We are doing some big things. As we rewrite war plans and contingency plans and think of them in the 21st century with the changed circumstances, there are things that can be done in intelligence that will inform those plans and enable us to do things differently.

If we have in one case, for example for the sake of argument, 2 weeks warning instead of 2 days' warning, or 2 months' warning instead of 2 weeks' warning, it can affect how we arrange ourselves. We are into that, but we have not completed it. We are working hard at it.

Senator SHELBY. But the intelligence initiative we are talking about, that is central to what you plan to do and how you do it, is it not?

Secretary RUMSFELD. Absolutely.

DOD-NASA PARTNERSHIP

Senator SHELBY. The National Aerospace Initiative. Mr. Secretary, you have been outspoken on the importance of space to military operations and in your support of the National Aerospace Initiative. While the Air Force is partnering with the National Aeronautics and Space Administration (NASA) on various technology

development initiatives that support both their shared and unique mission objectives, I think we can and should do much more to support the National Aerospace Initiative.

Would you elaborate if you could on DOD's partnership with NASA in this regard? Do you see it growing or not growing?

Secretary RUMSFELD. I do not know, to be very direct. The Department has had multiple linkages with NASA dating back to the time when I was on the Space Committee in the Congress in the 1960s, and they have shifted as the focus of our space efforts shift. They each have a distinctive role, the civilian side and the military side.

But we have over the decades, the Department has benefited by the relationship and certainly NASA has benefited by the relationship. How it will evolve in the future I think really I am just not in a position to say.

Senator SHELBY. Would you talk briefly, if you would, about using space superiority to fight smarter and what space-based radar will add to the Department's war-fighting capability? How important is space to all of this? I would say very important, but I would like to hear you.

Secretary RUMSFELD. Indeed it is.

Dov just reminds me here that this budget does provide \$118 million for the National Aerospace Initiative to continue the development of the integrated approach.

In the information age, space plays a critical role and it will increase, not decrease, over time. The need for information and the leverage it provides and the force multiplier it provides through improved situational awareness and through the ability to interconnect the different services and indeed different countries' services into combined joint efforts, space plays a critical linking role there. So you are absolutely correct.

Dr. ZAKHEIM. Sir, as you know, some of our sensors are affected by weather. To answer your question about space-based radar, that would give us 24-hour-a-day, 7-day-a-week capability to see what we want, when we want.

Senator SHELBY. Very important, is it not?

Dr. ZAKHEIM. Yes, sir.

UNMANNED VEHICLES

Senator SHELBY. Secretary Rumsfeld, lastly, the Predator and the Hellfire missile. A lot of us view that as a real achievement, you know, integrating the Hellfire missile onto the Predator unmanned aerial vehicle. Do you see that growing in the future, unmanned vehicles, weaponizing them and so forth?

Secretary RUMSFELD. I do. I think that the things that unmanned aerial vehicles—indeed, I would go so far as to say unmanned vehicles; they may be aerial, they may be surface, they may be subsurface, they may be a variety of things—we will see evolving over the decades ahead in ways that we probably do not even imagine today.

We have been significantly advantaged in the past 2½ years by the availability of unmanned aerial vehicles.

Senator SHELBY. And a lot of that was put together very quickly with the help of our organic labs, was it not?

Secretary RUMSFELD. It was, and indeed, as I mentioned in my opening statement, with some prodding from the Congress.

Senator SHELBY. Yes, sir.

Mr. Chairman, thank you. Thank you, Mr. Secretary.

Senator STEVENS. Senator Hollings—no, Senator Byrd.

Senator BYRD. Thank you, Mr. Chairman.

Thank you, Mr. Secretary, and thank you, General Pace and Dr. Zakheim. I note in yesterday's Washington Post the following headline: "Baghdad Anarchy Spurs Call for Help." I read excerpts therefrom: "Baghdad residents and U.S. officials said today that the U.S. occupation forces are insufficient to maintain order in the Iraqi capital and called for reinforcements to calm a wave of violence that has unfurled over the city, undermining relief and reconstruction efforts and inspiring anxiety about the future."

[The information follows:]

[From the Washington Post, May 13, 2003]

BAGHDAD ANARCHY SPURS CALL FOR HELP; IRAQIS, U.S. OFFICIALS WANT MORE TROOPS

(Peter Slevin, Washington Post Staff Writer)

Baghdad residents and U.S. officials said today that U.S. occupation forces are insufficient to maintain order in the Iraqi capital and called for reinforcements to calm a wave of violence that has unfurled over the city, undermining relief and reconstruction efforts and inspiring anxiety about the future.

Reports of carjackings, assaults and forced evictions grew today, adding to an impression that recent improvements in security were evaporating. Fires burned anew in several Iraqi government buildings and looting resumed at one of former president Saddam Hussein's palaces. The sound of gunfire rattled during the night; many residents said they were keeping their children home from school during the day. Even traffic was affected, as drivers ignored rules in the absence of Iraqi police, only to crash and cause tie-ups.

The calls for more U.S. troops to police the city coincided with the arrival of L. Paul Bremer III, the Bush administration's new civilian administrator assigned to run the Pentagon's Office of Reconstruction and Humanitarian Assistance. The U.S. occupation authority, which had previously been headed by retired Army Lt. Gen. Jay M. Garner, has struggled to restore Iraqi institutions since Hussein's government collapsed April 9 in the face of a U.S. military invasion.

Bremer, who met with senior staff members tonight inside the 258-room Republican Palace, pledged that he and Garner would work together for an "efficient and well-organized" transfer of power, with Garner assisting him for an undetermined period. He described his own work as a "wonderful challenge" and said the U.S. task is to "help the Iraqi people regain control of their own destiny."

But the British foreign secretary, Jack Straw, expressed disappointment with efforts so far to bring democracy to Iraq. He told the British Parliament that "results in the early weeks have not been as good as we would have hoped." Straw also said the lack of security in Baghdad has been disappointing.

An office and warehouse belonging to the aid group CARE were attacked Sunday night. In two other weekend incidents, two CARE vehicles were seized by armed men, the organization reported today, asking the U.S. occupation forces to "take immediate steps to restore law and order to Baghdad."

"The violence is escalating," said Anne Morris, a senior CARE staff member. "We have restricted staff movement for their own safety. What does it say about the situation when criminals can move freely about the city and humanitarian aid workers cannot?"

Baghdad residents have been increasingly preoccupied by violence and the uncertainty it has produced, slowing relief and rebuilding efforts. One U.S. reconstruction official said tonight, for example, that as the Americans seek to distribute salaries and pensions, 20 bank branches have been unable to open without U.S. protection in the absence of a credible Iraqi police force.

"Security is the biggest problem we have," the official said. "The banks don't feel comfortable opening, and I agree with that."

Another official said foreign companies have showed interest in installing a badly needed cell phone network, but remain unwilling to do so without a safe environment for workers. The security threat has also limited the ability of reconstruction workers to move through the city and interact with Iraqis. Civilian staff members still have instructions to wear body armor and helmets and travel with military escorts.

Food warehouses, hospitals and government offices have reported security problems, with administrators pleading with U.S. forces to do more. A senior staff member with the U.S. reconstruction office said the responsibility for stabilizing the situation lies with the U.S. military, which President Bush assigned to run postwar Iraq. Any order to increase manpower would have to come from Washington.

"Any time you have a security vacuum," the official said, "the only people who are going to be able to fill it are the military."

U.S. commanders have described Baghdad's security as their top priority and have assigned several thousand troops to guard 200 sites and patrol neighborhoods. But they have also said they do not have enough troops to police the sprawling city or guard every facility that could be targeted by looters.

Lt. Gen. David D. McKiernan, commander of ground troops in Iraq, said the roughly 150,000 soldiers under his command are focusing on many assignments simultaneously, including hunting for weapons of mass destruction and Iraq's missing leaders while also imposing order on a country the size of California.

"Imagine spreading 150,000 soldiers in the state of California and then ask yourself could you secure all of California all the time with 150,000 soldiers," McKiernan told reporters last week. "The answer is no. So we're focused on certain areas, on certain transportation networks we need to make sure are open."

The Pentagon announced early this month that an additional 4,000 soldiers were being dispatched to Baghdad, bringing the total in the city to 16,000. The composition of the force will shift as combat units head home and the number of military police officers grows from 2,000 to about 4,000 by mid-June.

McKiernan emphasized the importance of Iraqis taking charge of their city. So far, perhaps half the city's police force has showed up for vetting and training. But relatively few have returned to active work. All 60 of the city's police stations were looted—five main buildings are occupied by families of squatters.

There is no working communications system, and only a small number of police cars were not ruined by looters during the postwar rampage. Police officers, prohibited by U.S. forces from carrying anything other than a sidearm, are wary of confronting antagonists who can outgun them. The overall situation is further complicated by a disabled court system and a lack of functioning jails.

Carjackings have become particularly frequent. A furniture salesman, Abdulsalam Hussein, said he watched through the picture window of his store as gunmen chased down a Peugeot sedan on a busy square, ordered the occupants into the street and sped away. "They had weapons," he said. "No one could do anything to help."

On Rashid Street today, a U.S. Army patrol endured a busy day in the section of the city soldiers call Looterville. After chasing down two looters inside a telecommunications building, set alight Sunday night, several soldiers from the 3rd Infantry Division returned to their Humvees with sweat running down their dusty faces in rivulets.

"I don't see it getting better. We can't be everywhere, can we?" said Pfc. Jacob Weber, 21. "I feel like a cop, but I'm not a cop."

Across the Tigris River, another 3rd Infantry reconnaissance unit waded into a dispute over a shooting, seized an old pistol and warned the participants to settle their argument by calmer means. The troops headed wearily back to their base, only to stop within several hundred yards of it to investigate reports that gunmen were preventing people from putting out a fire near the gutted Culture Ministry.

"We're like cops in Baghdad now," said one officer in helmet and armored vest. "Iraqi Vice," deadpanned Sgt. Corey Tondre.

Senator BYRD. I was interested in your reference to the lessons that we need to have learned from the past and your comment that we need to apply the lessons from the experience in Iraq. It seems that we are learning the same lesson that Hannibal learned when he went through the entire length of Italy in 16 years. He learned that he needed an occupation force. He needed a force that could stabilize.

He had the speed. He was a great general and I think he was—it was stated by Napoleon that Hannibal was the greatest general

of antiquity. So he could level the cities, he could take the cities, but he could not hold them because he did not have the forces to occupy and to stabilize. As a result, although he had numerous victories throughout the 16 years that he was in Italy, he simply did not have the forces to keep the cities, and as a result city after city, such as Capua, went back over to the Romans after a while.

It seems we are having that same problem in Iraq. The news reports out of Iraq are using words such as "turmoil," "chaos," and even "anarchy" to describe the situation in Baghdad. At this point there is little evidence that the United States had in place any coherent plan for the reconstruction of Iraq following the end of combat.

I fear that we may see a repeat of the situation in Afghanistan, where our forces worked hard to contain the chaos in Kabul, only to see the outlying cities fall back toward warlord control and turmoil.

So I think we have other lessons to learn besides those that you have appropriately listed. We must learn from our mistakes and not be doomed to repeat them. Going into Baghdad, the military had the aim of overthrowing the existing government. Going into Baghdad, we were warned by U.N. agencies and nongovernmental organizations about the lack of water and the unsanitary situation in the city. We knew that medical supplies were scarce. We knew that military action would likely lead to mob action.

I hope that the recent shakeup in the civilian leadership of the U.S. occupation authority will help the situation and will not amount to merely rearranging the deck chairs on the Titanic. But for the time being, it is the U.S. military that has the responsibility of maintaining order in Baghdad.

What specific and immediate steps are you taking as Secretary of Defense to improve the security situation in Baghdad?

SITUATION IN IRAQ

Secretary RUMSFELD. Senator, let me comment on a number of pieces of that. First of all, I think the characterization of "anarchy" is not accurate. It is a headline writer's phrase and it certainly grabs attention. But we were on the phone with the people there and the circumstance is something other than anarchy.

You are quite right, you do not need to learn that lesson that it is important to stabilize. That lesson has been learned throughout history. And General Franks and his team had plans, have plans, and have put in place plans to provide for the security in that country. It is important to note several things.

Number one, every jail in that country to my knowledge was emptied. So on the street are looters, hooligans, and bad people. They have to be rounded up and put back in. That takes a little time. You do not do that in 5 minutes. If we emptied every jail in the United States of America today, you would not in 50 days or 40 days or 30 days or however many days since that war has ended—what is it, 20? 20 days, I guess, 3 weeks—you would not be able to round up all those criminals and bad people and put them away again.

There are also Baathists there. Not everyone was captured or killed. And they do not wish us well. They still are part of the old regime, and they have to be rounded up and identified.

Next, we do have a good force there in the country. I forget what it is, but United States is probably 142,000, and coalition forces are probably another 20,000 plus. They have recruited and put back on the streets in that country I am going to guess close to 20,000 Iraqi police people. We have had donors conferences and force generation conferences in England and elsewhere to get coalition countries to come in and supply, provide additional forces.

We have, if I am not mistaken, plus or minus 15,000 additional U.S. forces that are due to arrive in Iraq over the next 7 to 20 days. The deployment of those forces and how they are actually utilized in Baghdad—and you asked, do we have a plan. The answer is yes. We were briefed on it again today and it is being implemented.

My personal view is that the idea of chaos and turmoil and anarchy in the city is, as I say, an overstatement. We were told today that maybe two-thirds to three-quarters of the city is stable. Now, that is not permissive; it is stable. Another portion of it, particularly in the north, is less so, and most of the city at night the hooligans are out and the criminals, trying to loot and do things.

We have had people shot, wounded, and killed in the last 48 hours there in Baghdad. It is a problem. It is critically important, as Senator Hollings said, that the one thing that is central to success is security. We have a full court press on that. The forces there will be using muscle to see that the people who are trying to disrupt what is taking place in that city are stopped and either captured or killed.

Senator BYRD. How many U.S. troops are currently in Baghdad? Do you expect to increase that number? And are there any other coalition forces currently in Baghdad?

FORCES LEVELS IN BAGHDAD AREA

General PACE. Sir, if I may, the current number of coalition forces and U.S. troops in the greater Baghdad area is about 49,000. There are additional troops arriving as we speak. General Franks and his commanders are reviewing the situation on the ground to see how they might reset themselves in the city to be able to provide the kind of patrolling and presence that is necessary to provide the stability they need.

Senator BYRD. Can you speak to the number, the increase in forces?

General PACE. Sir, right now you have the First Armored Division is arriving as we speak and that is an additional 20,000 troops who are arriving right now, sir.

Senator BYRD. So that would bring it up to 69,000?

General PACE. If General Franks and his commanders determine that that is where they should go, yes, sir.

Secretary RUMSFELD. But it is up to the combatant commander to decide how he deploys those troops and he has not to my knowledge made a final judgment.

General PACE. He has not, sir.

MR. JAY GARNER

And sir, we are out of time, but I would be wrong if I did not point out that Jay Garner is a great American doing a great job, and the term “shakeup” with regard to him and his administration and what he has been doing really does him a disservice. This new civilian going over has always been part of the plan. I should defer to the Secretary on this, but Jay Garner under the U.S. military command that he has been working under has done a fabulous job.

Senator BYRD. My time is up. Let me ask one further question. What commitment has the United States received to date for peacekeeping forces from other nations?

Secretary RUMSFELD. First let me just underline what General Pace said about General Garner. This is a first-rate individual. He has been working since late last year. He has done a spectacular job out there. He has put together a team of people and they are living in very difficult circumstances.

He is not being replaced. From the very outset, it was clearly understood that at some point a senior civilian would be brought in, and Ambassador Bremer is that individual. They are working closely together and it is unfortunate when the implication is suggested that there is some sort of a shakeup because there is a problem. There is no shakeup. This has been part of the plan since the very outset.

COMMITMENTS OF PEACEKEEPING FORCES

I cannot answer your question about how many foreign troops have agreed. There are I believe already something like eight or ten countries that have indicated their willingness to send troops. Some of them, it depends on their parliament approving it. Some of them, it may depend on having a United Nations (UN) connection of some sort, which is now being worked on in New York.

But the talk was of—how many divisions, do you recall?

Dr. ZAKHEIM. Sir, two divisions initially, between now and the next several months.

Senator BYRD. Would you please list those?

Senator STEVENS. Your time has expired. I am sorry, Senator.

Senator BYRD. Yes, I understand.

Would you please list those countries for the record?

Secretary RUMSFELD. If they have publicly so stated, we will be happy to.

[The information follows:]

The following is a list of countries who have publicly provided significant contributions to coalition operations.

INTERNATIONAL SUPPORT AND COALITION CONTRIBUTION TO OPERATION IRAQI
FREEDOM AND POST-WAR IRAQ

Countries supporting Coalition operations: 66.

Troops in the Coalition: more than 40,000.

Aircraft in the Coalition: 190, including ship-based helicopters.

Ships in the Coalition: 58.

Significant Coalition Ground Contributions

Albania—Deployed an Infantry Company in Northern Iraq.

Australia—Deployed Special Operations Forces (SOF).

Bulgaria—Prepared to deploy a light Infantry unit.

Czech Republic—Deployed a Nuclear, Biological, Chemical—Consequence Management (NBC-CM) unit to Kuwait.

Republic of Korea—Deploying a Construction and Engineering Support Group to Iraq to conduct infrastructure reconstruction and repair.

Italy—Prepared to deploy a Mechanized Infantry Brigade.

Kuwait—Committed Peninsula Shield Forces for the defense of Kuwait.

Lithuania—Deployed a cargo handling team to Kuwait.

Netherlands—Deployed Patriot batteries to Turkey, to support NATO Article IV defense of Turkey during hostilities.

Poland—Deployed a Coalition NBC-CM unit to Jordan; deployed Polish SOF; preparing to deploy a division and assume operational responsibility of one sector in Iraq.

Romania—Deployed an NBC-CM unit to Kuwait, to respond to any Area of Responsibility-wide WMD event; maintains additional units on a Prepare to Deploy Order, to respond to component needs within the Iraqi Theater of Operations.

Slovak Republic—Deployed an NBC-CM team to Kuwait, to support AOR-wide response to a WMD event.

Ukraine—Deployed an NBC-CM Battalion to Kuwait, to support AOR-wide response to a WMD event.

United Kingdom—Deployed Special Operations Forces; UK forces were directly responsible for coalition successes in Basrah and southern Iraq.

Significant Coalition Air Contributions

Australia—Provided 14 fighter aircraft, three helicopters, and two aircraft for airlift.

United Kingdom—Provided 66 fighter aircraft, 14 tanker aircraft, 41 helicopters, 10 reconnaissance aircraft, four AWACS aircraft and four aircraft for airlift.

Significant Coalition Naval Contributions

Australia—Deployed three ships (two frigates and one support ship) to conduct Maritime Interception Operations in the Persian Gulf enforcing U.N. sanctions against Iraq; deployed two P-3 aircraft to conduct Maritime Patrol mission in support of OIF.

Denmark—Deployed one coastal submarine and one frigate in the North Arabian Gulf.

Spain—Deployed one frigate and one support ship to the North Arabian Gulf to support their Landing Platform Vessel (LPD) with embarked medical unit.

United Kingdom—Deployed the largest number of coalition vessels in support of OIF, with a maximum of 31 vessels. These forces included destroyers, frigates, aircraft carrier, helicopter carrier, supply ships, mine counter measure forces, and submarines.

Significant Coalition Humanitarian Assistance/Medical Contributions

Australia—Delivered two C-130 aircraft full of medical assets to Talill, Iraq.

Czech Republic—Deployed 50-bed Level III Field Hospital to Basrah; deployed six water purification units to Iraq to areas with urgent potable water requirements. Czech forces will train local Iraqi personnel to operate these units, and leave the units in Iraq.

Denmark—Deployed a three man surgical team to Jordan.

Italy—Deploying a Level III field hospital, with associated security personnel (Carabinieri and Army), water, sanitation, and civil engineering specialists.

Republic of Korea—Deployed a Medical Support Group, consisting of a Level II + Field Hospital to An Nasiriyah. Hospital has 60 beds.

Kuwait—Donated medical supplies to Umm Qasr; Kuwait flew the first non-U.S./Australian/British military aircraft into Baghdad International Airport, delivering a Field Hospital with 40 beds.

Lithuania—Deployed four medical personnel with trauma and orthopedic surgery specialties to Umm Qasr, where they are integrated in the deployed Spanish Field Hospital.

Spain—Deployed one medical facility (Level II+, 14 beds) embarked on an LPD and one deployable Field Hospital (Level II+, 40 beds) to North Arabian Gulf and Umm Qasr, respectively. To date, they have treated in excess of 1,800 non-enemy prisoner of war personnel and incorporated Lithuanian medical personnel in Spanish facility at Umm Qasr. A Marine platoon and engineer unit are supporting humanitarian reconstruction in the Umm Qasr and Basrah areas.

Senator STEVENS. Very well.

Senator Cochran.

Senator COCHRAN. Thank you, Mr. Chairman.

PERFORMANCE OF ARMY PATRIOT PAC-3 SYSTEM

Mr. Secretary, the recent experience in Iraq indicated that the Army Patriot PAC-3 system successfully defended our forces against Iraqi missile attacks. My question is whether or not your assessment is consistent with the reports that were made available to us in the press that this system worked as it was intended and expected to work, and does the budget contain funds to continue to build systems like this and others that might protect our forces and our country against even longer-range missiles?

Secretary RUMSFELD. The budget does have, as I note here, some \$736 million for PAC-3, \$561 million of which is for procurement and \$174 million for research, development, test, and evaluation.

My preliminary impression is identical to yours. I know that the lessons learned will be coming back with greater specificity, but from what you hear anecdotally there is no question but that the PAC-3 was effective. I should also add, however, that we do have to do a better job of deconflicting. You may recall that there were some incidents where PAC-3s actually intercepted U.S. aircraft and friendly aircraft. How that—what those lessons are and how we can improve that—it has always been true in every conflict that those things happen, but our goal obviously is to do it perfectly, and in that case we did not.

Pete?

General PACE. Yes, sir. United Kingdom (U.K.) aircraft, sir.

Senator COCHRAN. General Pace, I understand that the Medium Extended Air Defense System (MEADS), may offer significant enhancements over the PAC-3, but because of funding constraints and other considerations it is not to be fielded until fiscal year 2012. Is this an accurate assessment of when we will see this system deployed and what is the outlook for deployment of other systems that build upon the PAC-3's successes?

General PACE. Sir, there is about \$280 million in this particular budget for the medium-range missile. I do not know the date. As you stated, I will have to take that for the record. But I can reinforce the fact that the PAC-3 system and, in fact, all the Patriot systems in Iraq and Kuwait were—first analysis is that every troop concentration was under an umbrella of a missile system and that no missile got into any of those umbrellas.

[The information follows:]

The current fielding schedule for the Medium Extended Air Defense System (MEADS) is First Unit Equipped in fiscal year 2012. However, recent Defense Acquisition Board (DAB) direction to combine the PATRIOT and MEADS programs should provide a significantly increased Theater Air and Missile Defense capability earlier than fiscal year 2012. The DAB decision to combine the two programs is based upon the successes of the PAC-3 missile as the primary interceptor and the desire to field the MEADS capability to the Services and Allies as rapidly as possible.

MISSILE DEFENSE

Senator COCHRAN. Well, I want to congratulate you and the Secretary in the leadership that is being provided to ensure that we can continue to build upon those successes of missile defense. We know that Testbed Alaska is under construction now and the intent

is to deploy a system that can defend against much longer range missiles in the future.

Do you think the budget request for those longer range systems and the construction schedule is sufficient to meet our needs for defense capability for our homeland?

Secretary RUMSFELD. Senator, I know you have been long active in this important area. With the end of the Anti-Ballistic Missile (ABM) Treaty and the ability for the first time to go out and actually test different ways of doing things, we were able to move into a period that has contributed to our knowledge and to the country's knowledge in these technologies. That is a good thing. It is a good thing from the standpoint of each possible alternative of boost and mid-range and terminal. It is a good thing from the standpoint of the system you mentioned for Alaska. It is also a good thing from the standpoint of sea-based systems.

My feeling is that General Kadish has done a terrific job in that role in my view, has got a pretty good balance in his proposals as to where we ought to put our money to gain additional knowledge and, as you point out, to also develop this beginning of a capability to intercept relatively low numbers of Intercontinental Ballistic Missiles (ICBM's).

SHIP LEASING AND DEFINING REQUIREMENTS

Senator COCHRAN. On another subject, I know that both the Navy and the Army have been experimenting with leased vessels to define the requirements of the Littoral Combat Ship in the case of the Navy and the Theater Support Vessel that the Army considers important for its purposes. I understand too the Army is considering leasing a lot more of these vessels. They are catamaran-type vessels, high-speed vessels.

We have shipbuilding firms on the Mississippi Gulf Coast that are very capable of building cost-effective ships for our military and I wonder whether you will look at this leasing plan and see whether or not it might be more appropriate to build these ships rather than to lease foreign vessels for experimentation and analysis.

Secretary RUMSFELD. Let me have Dov answer that.

Dr. ZAKHEIM. One of the reasons, Senator, that these leases are being looked at is because they are still trying to define exactly what kind of platforms they have in mind. The Littoral Combat Ship is a good example. I know down in Mississippi you have a tremendous composite facility which has come up with a completely new type of composite ship.

The issue really is defining requirements, and until they have got them nailed down—and as you know, the Navy has been working on that for its part and the Army for theirs—in order to just get a sense of what requirements might be needed, they are leasing. I do not believe that that is the long-term intention.

Senator COCHRAN. Thank you very much.

Thanks, Mr. Chairman.

Senator STEVENS. Thank you, Senator.

Senator Leahy.

Senator LEAHY. Thank you, Mr. Chairman.

Interesting listening to this and interesting how much we have improved in the high tech area of our military. Mr. Secretary, you

and I have talked before about such things as using drones and all, but I think we are in absolute agreement on the fact, especially for surveillance and everything else, it is a lot easier to stick something up there that, if it does get shot down, we have lost a drone, we have not lost a person. It can stay longer and you have more flexibility.

We also—I know this committee funded an Advanced Data Link that allowed target information to go to our aircraft quickly. That was an initiative that I had worked on. This committee had funded it. I hear that, from pilots over there, that the Gateway made a real difference and I want to compliment those who used it.

In Iraq we confirmed the total force concept. We had the Guard, the Reserves, the Active force fighting side by side. The commanders tell me they were an integral part of our military victory. I am concerned, however, that benefits for our reservists have not changed. For example, about 20 percent of reservists do not currently possess adequate health insurance. I am told this undermines readiness, undermines recruitment, and so on, retention.

TOTAL FORCE POLICY AND TRICARE FOR RESERVISTS

Would you support legislation to make reservists eligible for Tricare on a cost-share basis?

Secretary RUMSFELD. Senator—

Senator LEAHY. And I just say, I ask that—I am the Co-Chair of the Guard Caucus and it is a bipartisan group. We have a lot of members who are interested.

Secretary RUMSFELD. I have discovered that I best not answer questions like that until I look at the numbers and costs and see what one has to give up to have something like that.

Senator LEAHY. Would you do that and submit it to me?

Secretary RUMSFELD. We will be happy to take a look at it and see what the costs are. I would add this, that you are quite right, however; the total force concept works. It has worked in the conflict. It is working today. But one of the delays in calling people up was that, you are right, their teeth needed to be fixed and various other things that they had not paid attention to.

It may very well be at some point that there would be some advantage in having certain elements of the Guard and Reserve more ready, that is to say having had their teeth checked and having had those kinds of physical checks so that there is not a delay and a big paperwork rush when you are trying to get people on active duty.

Senator LEAHY. I am also concerned about the health insurance because there is a long hiatus and they may be without it. I would be glad to work with your staff on this, but this is a growing concern. Those of us in the caucus from both parties are concerned about it. We hear from our home States and all.

I think it is something, we are pushing for legislation on this. I think it is something that can be done that would ultimately be a very cost-effective thing. I realize this is not a question where you have the answers on the top of your head, but would you direct your staff to work with mine so we can share this information with the whole Guard Caucus?

Secretary RUMSFELD. We would be happy to dig into it. Thank you.

[The information follows:]

The Department has over the past 2 years used existing legislative authority to ensure equality of benefits under TRICARE for the activated Reserve and active duty force and their families.

TRICARE implemented its demonstration authority and provided immediate relief to activated Reserve family members by waiving the requirement that they obtain a non-availability statement from a Military Treatment Facility; by waiving the requirement that they meet their statutory deductible under TRICARE Standard; and by paying up to the legal liability limit to non-participating providers, thereby relieving them of the need to pay anything above their normal cost share.

Recently, the Department changed its policy to allow the activated Reservist's family member residing in the catchment area of Military Treatment Facilities to be eligible for TRICARE Prime after the Reservist has been activated for 30 days, as opposed to the previous 180 days.

Congress last session provided the TRICARE Prime Remote for Active Duty Family Member (TPRADFM) benefit to reserve family members, but only if they "reside with" the reserve member. The Department is interpreting this language liberally to allow the family members to be eligible for TPRADFM as long as they reside with the Reservist at the time orders are received, rather than requiring the family to continuously reside with the member.

The Department, however, does not support legislation that would make Reservists or their family members eligible for TRICARE when not on active duty. The GAO has estimated the cost of providing the TRICARE benefit for Reservists who are not on active duty at approximately \$2 billion per year.

WEAPONS OF MASS DESTRUCTION IN IRAQ

Senator LEAHY. Why haven't we found the WMD?

Secretary RUMSFELD. Locating hidden WMD in a country the size of Iraq will be difficult and time consuming. Voluntary disclosure by Iraqi citizens will probably prove to be the best sources of evidence. Finding documents will aid in the search, however, and interviewing program personnel is critical for locating WMD.

Senator LEAHY. Secretary, were you surprised we have not found any weapons of mass destruction in Iraq yet?

Secretary RUMSFELD. Not really. I have believed all along that the inspections, the U.N. inspectors, had very little prospects of finding anything by discovery. I have always believed that they would be—they or the people on the ground, in this case us, will have the best prospect of finding the weapons programs and documentation and the weapons themselves through people who have been involved in those programs and come up and tell us where to look.

The government lived many lies, but one of the lies they lived for decades, at least better than a decade, was the ability to fool the inspectors. They actually arranged themselves so that they could live with the U.N. inspectors.

Senator LEAHY. No, I understand that, and I have read a number of the reports, as you have, reports we cannot go into in open session. But we are on the ground now. We have gone to a number of the areas, gone extensively into a number of the areas that we had felt and our military and our intelligence had felt would be areas of weapons of mass destruction and have not discovered anything.

I wonder, if those weapons are there, why they—and if they were, they were not used against our troops. I am very thankful

for that, as are you and General Pace and everybody else. But I wondered why, why they were not.

I am also concerned, if they were there, especially in the areas that we had said that we wanted to look at and now have looked at, is there any possibility that they have seeped out and are now in the control of terrorists whose interests are inimical to us?

Secretary RUMSFELD. I certainly would not say that something like that is not possible. With porous borders—and that country I suppose had borders pretty much like we do with Canada and Mexico. There are plenty of things that move back and forth across those borders in Iraq that—

Senator LEAHY. You probably do not want to go too, too far with comparing Iraq's and Syria's borders with ours with Canada and Mexico. We are a little bit friendlier with those two countries, I hope.

Secretary RUMSFELD. My goodness, yes.

Senator LEAHY. I live only an hour's drive from Canada.

Secretary RUMSFELD. We have wonderful people on both sides trying to maintain the border. But the fact is that things move across those borders, and they are moving clearly across the Iranian border, the Syrian border, into Iraq and out of Iraq. I do not think that I could say that, with certainty, that things were not moved out, either by the Government of Iraq or by others.

Senator LEAHY. But you do not have any indication that they had set up with the intent of using such weapons against our forces when we began to attack?

Secretary RUMSFELD. There was—I am trying to think what I can say in an open session and I guess there is not much I can say in an open session.

Senator LEAHY. Well then, perhaps what you may want to do is submit in the normal classified fashion a response on that one.

Secretary RUMSFELD. The fact is we do see intel chatter that suggests that things might have moved, but—

Senator LEAHY. I am talking about the fact of why they did not use it against us.

Senator STEVENS. Your time has expired.

Senator LEAHY. Mr. Chairman, could I request the staff so cleared for such information follow up on that last question in a classified portion? Thank you.

[The information follows:]

It is unclear why WMD was not used. The possibilities include, that the Iraqis were too busy moving the WMD for purposes of flight or hiding that they were unable to use it in combat, that no orders for WMD use came due to quick regime collapse, that Iraqi soldiers refused orders to use WMD, or that the Iraqis destroyed the WMD prior to coalition troops arrival.

Senator STEVENS. Senator Domenici.

Senator DOMENICI. Mr. Secretary, I did not come to the hearing this morning as familiar with what happened to Hannibal and the Romans, but let me tell you I came here just as concerned as Senator Byrd about the stability or lack of stability in the daily lives of the people of that country, and I remain genuinely concerned that we are in a situation where we may have won the war and we lose the battle.

So I cannot stress enough that we do whatever is necessary to bring law and order to that country and that we establish some kind of a plan quickly for the orderliness of that society. I understand that we were surprised by a number of things, such as the condition of their infrastructure. We assumed that it was better than it is. It is breaking down in places and at intervals that we had not expected, and that causes confusion, causes concern, and ultimately blaming Americans if things are not going right.

In that regard, I wonder why your answers continue to be that this will be handled by the distinguished General who won the war. I wonder why it is his job to keep that situation going and why there is not some other kind of order that is going to be established quickly that is not under his direct command. If you might answer that for me in a moment, I would appreciate it.

Secondly, it seems to me that it is absolutely imperative that the United States maintain order, regardless of how difficult it is, because without it there is a real chance that the people of that country will assume that the victory that we claim is not a victory at all. Could I have your comments on that quickly, and I have two other very brief questions.

U.S. COMMITMENT AND COMMAND ARRANGEMENTS

Secretary RUMSFELD. Yes. First, the President has said publicly that the United States and coalition forces will put whatever number of forces are needed for as long as they are needed, and there is no disagreement about the importance of providing security.

Second, the command arrangements are as follows. The combatant commander reports to me and I report to the President. He has the responsibility for security in that country. The humanitarian side of that and the non-security side, the non-military side, is now in the hands of the individual who has been mentioned previously, Ambassador Jerry Bremer, and he has under him all of those things other than security, and he reports to me and I report to the President.

The infrastructure, as you properly point out, was badly degraded over the decades. The power situation, for example, in Baghdad is so fragile that getting it back working 100 percent of the city 100 percent of the time is not a simple matter, and it takes some time. For example, prior to the war only 60 percent of Iraqis had reliable access to safe drinking water. Ten of Basras 21 potable water treatment facilities were not functional before the war.

Now, as I said earlier, you empty all the jails and you put a bunch of hooligans out and you look at an infrastructure that was not working before the war, and then everyone says: Well, my goodness, it is chaos, it is turmoil; what is the matter with you? You have been there for 21 days and you have not solved all the problems.

I think that they are doing a terrific job. They will continue to do a better job. The circumstances of the people in that country are better than they were before the war. They are going to get better every day. We are finding mass graves, thousands of human beings that were killed by that government. What should we do? Would you rather have a policeman here or someone down there guarding those graves? Would we rather have someone here?

There are lots of priorities, and we cannot make a country that has been badly treated and abused and a people that have been badly treated and abused for decades, we cannot make it right, we cannot make it like the United States, in 5 minutes, and we know that. We have got wonderful people out there doing a darn good job and their circumstances are going to get better every single day.

Senator DOMENICI. Mr. Secretary, I wholeheartedly agree with you and I am not arguing with you. I am merely suggesting for the public record that if there is one thing we are good at it is establishing order and establishing a way of putting things into a sense of order and developing construction techniques and construction formats that are credible and that people will believe and can see. And I merely urge that these happen quickly. I have not heard much about that. I assume that I will, and I thank you for your answer.

The second question has to do with one that has bothered me in terms of informing the public of something we did that was rather spectacular. Our ability to target our weapons was a spectacular achievement. It is a combination of technology, much of which is secret, much of which we cannot divulge. But I have wondered whether or not it is possible that you could have a neutral group evaluate how we went about, what care we took, how much emphasis, energy, time, money, and resources we put into this episode, and have it as some kind of a feature to show the world what we have done.

So far it is just something that we can see in terms of the effect. It would seem to me it would make an incredible story, put forth by credible writers, as to what we had to go through to get there. I can imagine the hours spent in trying to determine which target versus another target. I can imagine time spent looking at a building to see who occupied it and when so we would know whether or not to strike it or not because the occupants are innocent people. In fact, I happen to know those kinds of decisions were made.

It seems to me that to get that out in a tabloid form where everybody could understand and see it would be a remarkable positive for American involvement in this particular war. I would like your comments and I thank you for your testimony.

CAREFUL TARGETING IN IRAQ

Secretary RUMSFELD. Senator, you are certainly obviously very knowledgeable and exactly correct. The amount of—the hundreds of hours and the hundreds of people that were involved in looking at targets and making judgments about which targets would give the greatest advantage with the least potential for collateral damage; what time of day to strike a target where there would be the fewest innocent people in any area; what direction the weapon should be directed so that it would avoid civilian areas; what type of weapon to use; how to use that weapon; how to fuse it.

All of those things were gone into with enormous care and detail. And you are right, it would be a story that would reflect very well on the United States and on the people involved.

Senator DOMENICI. Would you mind taking a look at whether that could be done?

Secretary RUMSFELD. I will certainly take a look at whether it could be done.

Senator DOMENICI. I do not mean to burden you with all the other things you have, but it seems to me to be public relations, a very, very positive kind of thing.

Thank you.

Senator STEVENS. The Senator's time has expired.

Senator DOMENICI. Thank you, Mr. Chairman.

Senator STEVENS. Senator Feinstein.

Senator FEINSTEIN. Thank you very much, Mr. Chairman.

ROBUST NUCLEAR EARTH PENETRATOR

Mr. Secretary, I wanted to take this discussion in a slightly different way and I wanted to talk about the Robust Nuclear Earth Penetrator. I read the nuclear posture review when it came out in 2002 and saw where, if that were put into actual public policy, there would be a substantial departure from where this Nation in the past was going with respect to nuclear weapons.

Then as I looked at the doctrines of unilateralism and preemption and see the authorization that has been requested for \$15 million to continue the study of the Robust Nuclear Earth Penetrator (RNEP), the likelihood is that that authorization will pass and that we will be faced with an appropriation of money as well.

The way I see it, development of the RNEP represents a blurring of the line between conventional and nuclear weapons that may very well undermine our efforts to limit proliferation, and which may give nuclear armaments a role in this new United States doctrine of preemption. So I am obviously very concerned about it and wonder why, with the massive conventional weaponry that we have at our disposal, whether it be a daisycutter or a conventional bunkerbuster or the other things that we have, why is it necessary at this particularly tenuous point in time to begin a new effort with respect to nuclear weapons which can only in my view take us down a disastrous course?

Secretary RUMSFELD. Senator, let me make a few comments on some of the things you said so that the record is very clear. You indicated that there is a proposal that you think is going to pass to develop a tactical nuclear weapon, I believe you said.

Senator FEINSTEIN. An authorization for \$15 million for the Robust Nuclear Earth Penetrator.

Secretary RUMSFELD. Right. And I think that is not accurate. I think that there is a proposal to fund a study, not the development, not the production, but a study. Let me tell you why. And you smile, but it is a serious matter that we do not have in the inventory the ability to deal with an underground, deeply buried target.

We are looking and studying a variety of ways that that might be done, one of which is the one you are mentioning, which is a study, not the development, not the building, no major departure as you suggested.

I would say this, that I do not think it would blur—studying the possibility of developing in several different ways, one of which is the one you mentioned, an ability to hit a target that is deeply buried is not going to in my view blur the distinction between conventional and nuclear weapons. You are right, if you study it someone

might say, well, then you could build it some day. And that is true, you could, you could decide it. But that is a totally different issue and it is not part of what is before the Congress, as your statement suggested.

Why do I not think that it would blur it? Nuclear weapons were used once, in 1945, and they have not been fired since in anger. That is an amazing record for human beings. Never in the history of mankind have there been weapons that powerful or anything approximating it, that distinctly different, that have not been used. They have not been used.

Now, what does that mean? It means at least civilized countries, democracies, the ones that have those weapons thus far, and the few that are not democracies that have them, have made a conscious decision that there is a big difference in crossing that threshold. The United States has been at war in Korea, we have been at war in Vietnam, we have been in war lots of places since 1945, and they have never been used.

No President is going to think that the line is blurred suddenly because of a study to see if we can develop an ability for a deep earth penetrator, in my view. Am I correct in—

Senator FEINSTEIN. May I ask you further on that?

Secretary RUMSFELD. Sure.

Senator FEINSTEIN. According to the press reports, the nuclear posture review puts forward several scenarios in which the United States would consider a first use of nuclear weapons. I can mention them here if you wish. And when that comes out in 2002, although it was somewhat debunked by the administration, a year later we find that the studies are beginning to develop new tactical nuclear weapons.

Yes, nuclear weapons were only used once before, but they were used by the United States, and now we have concern about India and Pakistan, we have serious concern about North Korea, and our efforts have been to limit the proliferation of nuclear weapons. To me, it is counterproductive to our overall purposes of limiting proliferation to begin studies that take us into the area of the possible use of tactical nuclear weapons.

Would you comment?

Secretary RUMSFELD. You bet. I have to again correct what you said. You say we now found out that the United States is beginning to develop tactical nuclear weapons.

Senator FEINSTEIN. No, I did not. I beg your pardon.

Secretary RUMSFELD. Oh, I misunderstood, then.

Senator FEINSTEIN. No, no. I say we now find that a study. I mean, I accept your word. I have no reason not to accept your word that this is a study.

Secretary RUMSFELD. My point is we have tactical nuclear weapons, theater nuclear weapons. We have had them for decades. They exist. We have lots of them. We have a fraction of those that—

Senator FEINSTEIN. Can we confine it to the Robust Nuclear Earth Penetrator.

Secretary RUMSFELD. I did. I pointed out it is a study and it is not the development of a tactical nuclear weapon, as you suggested. It just is not. We have lots of studies and we should do studies. We have lots of war plans and contingency plans, and we should have

those. We do not use them all. Obviously, the job of the Department of Defense is to be prepared to defend the American people, and that is what we do. We plan, we study things, we try to develop different kinds of capabilities from time to time.

But any development program would have to come before this body.

Senator FEINSTEIN. No, I understand that. It is just in the public policy that one might look at nuclear weapons. If we are trying to discourage their use, now that we have this well-established doctrine of preemptive action, unilateral action, and you add to this possible scenarios where nuclear weapons could be used, why does that not encourage other nations to become nuclear in response?

Secretary RUMSFELD. Well, first let me say one thing. You mentioned unilateral action. In the Iraq effort there were 49 nations involved. I keep reading in the press about unilateral this and going it alone that. It was balogna. There were 49 countries in one way or another assisting in that effort. It seems to me that that is just a fact.

If you think about the proliferation problem, it is a serious problem, and I agree completely with you and I worry about it a great deal. The fact is we could have 50 percent more, even 100 percent more, nuclear nations in the next 15, 20 years, and that is not a happy world to live in. It is not a good thing.

The idea that our studying a deep earth penetrator, studying a nuclear deep earth penetrator, is going to contribute to proliferation I think ignores the fact that the world is proliferating. It is happening. It is happening without any studies by us. It is going on all around us. North Korea will sell almost anything it has by way of military technologies for hard currency. That is what they do.

I think that any implication that a study in the Department for that would contribute to proliferation simply is not consistent with the fact, because we have got a world that is filled with proliferation. It is pervasive.

Senator STEVENS. The Senator's time has expired.

Senator FEINSTEIN. Thank you, Mr. Chairman.

Senator STEVENS. We will now go to the second round and limit it, if it is agreeable, to 5 minutes. I have agreed that the Secretary and General and Deputy Secretary would be able to leave at 12:30.

Let me start off with just one statement, Senator, Senator Feinstein. The implications of the Senator's questions are that Harry Truman was wrong. Two of us sitting here were part of the 2-million-man force that was in the Pacific that might have had to be used to invade Japan. I think Harry Truman goes down in history for having the courage to make that decision. Not that I think any future President will make the same decision, but if in that same position I hope we have the weapons and I hope we have the President who has the courage to make the decision for our national survival.

My question to you now, though, Mr. Secretary—that took 5 minutes? We have a situation on these weapons of mass destruction. Several of us were among those that were briefed by your intelligence people, the Central Intelligence Agency (CIA), and others

on the probable existence of those weapons. I think it is absolutely necessary we follow every possible avenue to get them.

SOLICITING INFORMATION ON WEAPONS OF MASS DESTRUCTION

My question is, have you advertised a reward for those people who might have that knowledge? Any one of those people who come forward and gives us the knowledge of the existence of those is dead unless we take care of them. I hope we are advertising a substantial sum of money for creating a new life if they come forward and help us get that information.

Secretary RUMSFELD. I have not seen radio or leaflets or specific documents that do that. I do know that we have asked that that be done and that there are reward systems and that people are being encouraged to come forward, and that I have said publicly to the Iraqi people that their circumstance will be much better if they come forward.

The problem of amnesty is a difficult one because of the fact that the Iraqi people may decide to make judgments about Iraqi people who served Saddam Hussein's regime. So it is a tricky business.

Senator STEVENS. Well, we moved this gentleman who came forward on Private Lynch and brought him to this country immediately. I think we have that power now. I hope we use it in terms of this search for these weapons.

Secretary RUMSFELD. I agree, it is extremely important.

CALLUP ON RESERVE COMPONENT PERSONNEL

Senator STEVENS. Let me ask one last question so others may have some time. I know that we have taken into the regular service, I guess we have called up, guardsmen and reserve people. We are now, I am told, demobilizing 50,000 reservists and guardsmen per month, but we are still calling other people up.

What can we see in terms of this process of demobilization as far as the Guard and Reserve is concerned?

Secretary RUMSFELD. Senator, let me say a couple of things. First of all, we are not demobilizing 50,000 a month. I do not know where that came from.

Senator STEVENS. That was a statement that was made to us during the supplemental on the record here, that we would demobilize 50,000 a month.

Secretary RUMSFELD. We would is what it said, I think. You said we are, I thought.

Senator STEVENS. That was the aggressive assumption that was given to us at the time, that we would demobilize 50,000 a month.

Secretary RUMSFELD. I think that may have been an assumption in a proposal that suggested at that point where it was possible to do so from a security standpoint on the ground you would then begin demobilizing. Thus far, what we have returned to the United States both Active, Guard, and Reserve are essentially Navy and Air Force personnel. Practically no Army or Marines have been brought back.

General PACE. Correct, sir. The projection, sir, in that budget supplement was about we thought perhaps 90 days of combat. That turned out to be not the right number. We thought there would be 50,000 per month, because we had to have some kinds of projec-

tions so we could prepare a budget supplemental that had some validity to it. That is where the 50,000 per month comes from.

As we sit here, the services are going through their own analyses and will present to the Secretary later this week or the beginning of next week their proposals on how to reconstitute the force, Active and Reserve, in a very systematic way that allows us to have the force on station that is needed today and allows us to regenerate our long-term capability.

Senator STEVENS. Okay. I do not want to take the time for it now, but that assumption was the assumption for our supplemental. I started today by asking you about have you got enough money. That is tied into that matter. If we are not going to demobilize them, then we do not have enough money to keep them much longer. Would you give us a statement for the record of what we can see in terms of that demobilization, how it affects the money that you have still got available?

Secretary RUMSFELD. Yes, sir, we will do that. I will just say briefly, what we did was we made a set of assumptions and said they were only assumptions, and that if it played out this way this is roughly what it would cost. And then we said, if this were longer, this would be shorter.

[The information follows:]

The fiscal year 2003 Supplemental provided \$13.4 billion to the Department of Defense in Active and Reserve Military Personnel Pay. Presently, U.S. Central Command's stability operations plan for Iraq is still evolving because of the dynamic environment inside the country. The final plan could require a greater than planned presence, including the Reserve Component. The current projection is that the Services will fully execute the funding appropriated in the Military Personnel Accounts. It remains our goal to reduce the numbers of our Reserve Component on active duty as quickly as possible, while at the same time not jeopardizing our commitment to Operation Iraqi Freedom and the Global War on Terrorism.

Senator STEVENS. Right.

Secretary RUMSFELD. And therefore it balanced. And we thought that, regardless of whether the assumptions proved to be exactly right, which as Pete points out they are not right, nonetheless the money might be roughly the same. And at least at this moment, the Comptroller believes that is the case.

Senator STEVENS. But it looks to me like both are longer, Mr. Secretary.

Secretary RUMSFELD. Well, the war was shorter.

Dr. ZAKHEIM. The war was shorter and in addition, if you keep the people out there, then you are not spending the money that we did assume and budget to bring them back. So there really is an offsetting factor, and we are still pretty confident in the number that we got from you for the supplemental.

Senator STEVENS. I would like to see a paper on it if we can.

Secretary RUMSFELD. And sir, if we were continuing the war, instead of like 90 days, think of the ammunition we would be using and the cost of replenishing all of that. So there were so many variables that I think we are probably in the ballpark.

FORCE LEVELS IN IRAQ THEATER

Senator STEVENS. Senator Inouye.

Senator INOUE. Thank you.

Mr. Secretary, if the information is not classified, can you give us the statistics on the number of troops, Army, Navy, Air Force, and Marines, in theater at the height of the battle 3 weeks ago?

Dr. ZAKHEIM. Sir, I can give you a rough guesstimate and give you the exact numbers for the record. But right now Army is at about 160,000, the Marine Corps is at about 65,000, the Navy and Air Force are both at about 30,000 each, sir.

Secretary RUMSFELD. That is in the theater, not in Iraq.

Dr. ZAKHEIM. In the theater. That adds up today—I do not know these numbers, but I do know that the overall number today is right at about 309,000, of which United States in country, correct number, is approximately 142,000.

Senator INOUE. Is it correct that the Marines sent about 60 percent of their available combat forces there?

Dr. ZAKHEIM. I think that math is right, yes, sir. They had 66,000 of their operating forces there. That sounds about right.

Senator INOUE. And the Army sent the equivalent of four divisions?

Dr. ZAKHEIM. That sounds right, sir.

Senator INOUE. And the Navy sent the equivalent of six carrier battle groups?

Dr. ZAKHEIM. Five, sir.

Senator INOUE. Five.

I ask this because this was the bulk of our military, was it not, Mr. Secretary? We have ten divisions available in the Army. Sixty percent of the Marines were there, 5 carriers out of 12 that are available.

My question is, with that type of commitment and assignment, should we be discouraging some of our fellow Americans from considering ourselves invincible? Soon after the battle they were talking about going to Syria and possibly North Korea.

Secretary RUMSFELD. Yes, I see your point.

I would like to answer for the record the answer as to whether it was the bulk, because the Reserve call-up was not the bulk, and therefore if we took the totality of the United States armed forces I think I would guess that it was not a majority.

General PACE. That is true, sir.

Secretary RUMSFELD. Second, you are certainly right that—I should add, they were only there for a relatively short period of time. There was a gradual buildup and a gradual drawdown, with the Air Force and the Navy moving out within some cases a relatively short period of time.

But you are right, no nation is capable of doing everything on the face of the Earth at every moment, and certainly those people in the Department of Defense who worry with these things every day and recognize the costs and the circumstance of our forces understand that fully.

Senator INOUE. Thank you.

Senator STEVENS. Senator Byrd.

Senator BYRD. Thank you, Mr. Chairman.

The word that I used earlier, Mr. Secretary, was “shakeup.”

ASSIGNMENT TO AMBASSADOR BREMER

Secretary RUMSFELD. Yes.

Senator BYRD. And you seemed to take some—not necessarily I would say umbrage, but you sought to differ that classification. Let me read from the Philadelphia Inquirer of May 13 as follows: “The new U.S. civilian overseer, former diplomat L. Paul Bremer, who arrived yesterday to take over the Office of Reconstruction and Humanitarian Assistance from retired Army Lieutenant General Jay Garner, is facing his own housecleaning. Barbara Bodine, the State Department official overseeing the reconstruction of Baghdad, was reassigned after 3 weeks on the job and at least five other senior members of the ORHA [Office of Reconstruction and Humanitarian Assistance]”—“of the ORHA staff also will be returning home, a senior U.S. official said yesterday.”

So I offer that for the record in support of the word which I used, that being “shakeup.” Now——
[The information follows:]

[From the Philadelphia Inquirer, May 13, 2003]

U.S. HINTS AT BOOST IN FORCES AMID IRAQI TROUBLES

(By Maureen Fan, Andrea Gerlin and Soraya Sarhaddi Nelson; Inquirer Staff Writers)

Turmoil yesterday continued to dog Iraq and the American effort to rebuild the country, and the United States’ top uniformed military officer hinted that restoring order may require more American troops than originally planned.

Air Force Gen. Richard B. Myers, the chairman of the Joint Chiefs of Staff, said that security and infrastructure problems were the two major issues facing Iraq and that U.S. troops would have a significant role until Iraqis could run their police force independently and basic services were returned.

Additional military units headed to Baghdad—namely the First Armored Division based in Germany—were intended to replace the Third Infantry Division and other units that fought the war, but Myers yesterday said only that they “may” replace units now in Iraq.

Myers also said that other countries had offered troops to buttress the American presence. He declined to be specific and said that their “exact disposition” had not been determined.

Myers’ comments illustrated the problems facing the United States as it tries to put Iraq back on its feet without relying on either a lengthy American military occupation or recycled bureaucrats from Saddam Hussein’s regime.

The difficulty was made clear again yesterday when Iraq’s U.S.-approved health minister resigned after questions were raised about his Baath Party pedigree.

The new U.S. civilian overseer, former diplomat L. Paul Bremer, who arrived yesterday to take over the Office of Reconstruction and Humanitarian Assistance (ORHA) from retired Army Lt. Gen. Jay Garner, is facing his own housecleaning. Barbara Bodine, the State Department official overseeing the reconstruction of Baghdad, was reassigned after three weeks on the job, and at least five other senior members of the ORHA staff also will be returning home, a senior U.S. official said yesterday.

In the Shiite holy city of Najaf, meanwhile, a tearful homecoming for the head of Iraq’s largest opposition group came to an abrupt end last night when dozens of followers of a rival cleric shoved their way toward the balcony on which the newly returned leader stood, prompting his bodyguards to hurry him indoors for fear that he might be assassinated.

The bright spot in the day was an announcement that U.S. forces had captured Dr. Rihab Rashid Taha, the British-trained microbiologist known as “Dr. Germ” for her work developing biological weapons for Hussein. U.S. officials also said they had seized the former chief of staff of the Iraqi armed forces, Ibrahim Ahmad Abd al-Sattar Muhammad al Tikriti, but a Pentagon official cautioned that his identity had not been verified.

The abrupt resignation of the health minister, Dr. Ali Shinan—whom critics accuse of corruption and diverting medical supplies at the expense of poor Iraqis—underscored the first challenge for the U.S. rebuilding effort: figuring out how to restore services and chart a new course for Iraq without relying on former Baathist officials. The task is complicated by the fact that Baath Party membership was vir-

tually a condition of employment for anyone who wanted a government job in the last three decades.

"We need to move humanitarian assistance," said the ORHA's Steve Browning yesterday after touring the 1,000-bed al Yarmouk Hospital. "We need to move medical supplies. We need to get people back to work. We need to make salaries. We need to produce petrol. We need to produce electricity. We need to get the sanitation systems working."

The chaos in Najaf highlighted another obstacle to U.S. reconstruction efforts, a growing power struggle within Iraq's majority Shiite Muslim community. Since he returned to his homeland Saturday after 23 years in exile in neighboring Iran, Ayatollah Mohammed Baqr al Hakim, the head of the Supreme Council for the Islamic Revolution in Iraq, has repeatedly called for an end to the struggle for religious control that has emerged since Hussein's fall.

The most visible instigator in this war for Shiite hearts and minds is Najaf cleric Moqtader al Sadr, the youngest son of Muhammad Sadiq al Sadr, a powerful marjah, or senior spiritual leader, who was slain by Hussein in 1999. Followers of the marjah and his son disrupted Hakim's homecoming at Grand Imam Ali Shrine yesterday, holding up posters and a painting of the senior Sadr, whose name they chanted as they beat their chests.

Secretary RUMSFELD. Could I comment on that?

Senator BYRD. Oh, yes. How much time do I have?

Senator STEVENS. About 3½ minutes, sir. It depends on when the Secretary wants to leave.

Senator BYRD. Oh, he is in no hurry to leave.

He is in a fighting mood, I can see that.

Secretary RUMSFELD. Senator, let me comment on that article, from whatever paper it was. Because something is in the press, of course, does not make it so.

Senator BYRD. The Philadelphia Inquirer.

Secretary RUMSFELD. Right. Now, first of all, just some facts. Number one, he was not sent out there as part of a shakeup. He was sent out there as presidential envoy. He was not sent out there to replace Mister—General Garner as head of the Office of Reconstruction and Humanitarian Assistance. He was sent out there as a presidential envoy.

The individual you mentioned who was reassigned had not been there 3 weeks. I can remember seeing her in December or January, which is months ago, when I visited their office in the Pentagon, and then again when I saw them off in the parking lot of the Pentagon to see them away, which was in I believe December or January. So it is a lot more than 3 weeks.

There are a number of things in that article with which I would differ.

NUCLEAR CAPABILITIES IN IRAQ

Senator BYRD. For months, Mr. Secretary, the administration warned of the potential nuclear capabilities of Iraq. Indeed, one of the main justifications for U.S. action in Iraq was to ensure that nuclear weapons and material did not fall into the hands of terrorists. It has been widely reported that U.S. troops in Baghdad have secured some buildings, including the oil ministry. But according to a story in the Washington Post on May 10, our forces failed to prevent looting at seven nuclear facilities.

I quote from the article: "It is not clear what has been lost in the sacking of Iraq's nuclear establishment, but it is well documented that looters roamed unrestrained among stores of chemical elements and scientific files that would speed development in the

wrong hands of a nuclear or radiological bomb. Many of the files and some of the containers that held radioactive sources are missing.”

The administration argued that war against Iraq was necessary to prevent the spread and development of nuclear weapons, and yet by failing to protect these sites we may have actually facilitated the spread and development of nuclear weapons. I understand the importance of protecting the oil ministry so that the daily running of Iraq could continue. But, given that one of the reasons for invading Iraq was to prevent the spread of nuclear materials and capabilities, why were these sites not protected, Mr. Secretary?

Secretary RUMSFELD. Senator, I do not believe anyone that I know in the administration ever said that Iraq had nuclear weapons. So the statement I think you read, that we have warned of potential nuclear capability and weapons and materials in the hands of terrorists, in terms of their having them now I do not know anyone who suggested that that was the case.

The Central Intelligence Agency I know has assessed that they had a nuclear program and assessed that they had chemical and biological weapons, a slight difference from the article.

LOOTING IN IRAQ AND PROTECTING SITES

As to looting, my understanding is that a number of sites were located by U.S. forces, coalition forces, on the ground, they were looked at and a judgment was made that they should go to a different site and look at those other sites. In some cases, before they got there things were looted. In some cases, possibly after they got there and went to another site things may have been looted.

It is not possible to have enough forces in a country instantaneously to guard every site before somebody can get into it. I do not know about the choice between the oil ministry and some site that that article may be referring to. I do know that they had a lot of tasks to do. They had to win the war, they had to deal with death squads of Fedayeen Saddam, they had to deal with Baath Party members in civilian clothes that were trying to kill them, and all in all I think they did a darn good job.

We have no evidence to conclude, as that article suggests might have happened, that, in fact, nuclear materials did leave and get into the hands of people. I do not have evidence that it did or did not. That is the best I can do.

Senator BYRD. Why was protecting these well-known nuclear facilities not at least as high priority as protecting the oil ministry?

Secretary RUMSFELD. My impression is from what I know, and I would have to check, that a number of sites were protected. There are something like at the present time—the number changes every month or every week, but I believe there are something like 578 suspected weapon of mass destruction sites. What does that mean? Does it mean they are all sites where something—no, it just means that there was a scrap of information here that suggested that somebody might have been doing something there and you ought to check it out.

But there are hundreds of these possible sites. We also have intelligence that suggested that they took the documentation and a number of the materials, dispersed them and hid them, in some

cases in private residences. So how does any force of any size instantaneously get to all of those locations and provide perfect security for them so someone cannot loot them? I think it is an unrealistic expectation.

Senator STEVENS. Senator, I am sorry. I have got a bunch of appointments and we guaranteed the Secretary we would be through here at 12:30. He has, as I understand it, to go to the White House for a meeting. So with your cooperation, I would like to let him go.

Senator BYRD. Is this a filibuster you are shutting off?

Senator STEVENS. No. You are not filibustering yet, Senator. I have seen you filibuster. This is not that.

Senator BYRD. Well, we will be talking with the Secretary again. Thank you. Thank you, Mr. Secretary.

Secretary RUMSFELD. Thank you, sir.

Senator STEVENS. We appreciate your cooperation.

ADDITIONAL COMMITTEE QUESTIONS

Senator BYRD. Mr. Chairman, may I ask unanimous consent that the article from the Washington Post of Tuesday, May 13, entitled "Baghdad Anarchy Spurs Call for Help," that it be included in the record in its entirety?

Senator STEVENS. It will be.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

THE HURRICANE HUNTERS

Question. Secretary Rumsfeld, I understand the Hurricane Hunters based at Keesler Air Force Base were recently deployed to the Pacific operating out of Elmendorf, Alaska in support of Winter Weather Reconnaissance missions for the National Centers for Environmental Prediction. Similarly, a detachment of the Hurricane Hunters was recently deployed to Guam to perform weather reconnaissance in support of current operations. Can you provide the Subcommittee with an update on their deployment and the unique capability the Hurricane Hunters provide to our ability to predict weather around the world?

Answer. Pacific Air Forces requested weather reconnaissance assistance to cover the period of transition between the failing Geo-stationary Meteorological Satellite GMS 5 and its replacement by the Pacific Geo-stationary Operational Environmental Satellite GOES 9. During the satellite transition, contingency bomber and fighter forces were also deployed to Anderson AFB, Guam in support of Pacific Command (PACOM) requirements. In order to ensure optimum utilization of the air assets, since the deployment coincided with the typhoon season, WC-130 aircraft and personnel from the 53rd Weather Reconnaissance Squadron (WRS) were requested and subsequently deployed to Guam. The WC-130 capability filled the gap and performed the needed mission admirably. Shortly after the departure of contingency bomber and fighter forces, the 53rd WRS redeployed from Guam on 6 June 2003.

Their presence allowed PACOM to operate in the Pacific area of responsibility while avoiding inadvertent typhoon evacuation of the bomber and fighter forces, enhancing the ability to maintain needed force presence and deterrence throughout the contingency. The unit was deployed for approximately 30 days and performed over 100 hours of tropical cyclone reconnaissance providing weather forecast centers world-wide (Joint Typhoon Warning Center, National Center for Environmental Prediction, Air Force Weather Agency, Fleet Numerical Meteorology and Oceanography Center, United Kingdom Meteorology Center, and others) with previously unavailable data over the western Pacific ocean.

The WC-130 aircraft and crews provide a unique capability to gather meteorological data from remote and over water locations from the surface up to the operational capabilities of the aircraft, 30,000 feet or so. They accomplished this by collecting information from the aircraft's special instruments called dropsondes and by

airborne meteorological observations. The dropsondes collect wind direction and velocity, pressure altitude, air temperature, relative humidity and position every one-half second as it descends by parachute.

Initial assessments of WC-130 data seem to indicate an enhanced ability to determine tropical cyclone location and forecast tracks in three separate storm events. WC-130 data fixed storm locations by as much as 80NM from satellite-derived storm locations. Data from the WC-130 missions increased definition of developing storm characteristics and intensities (not well defined by satellite coverage). The WC-130 data provided relevant and accurate information to military decision makers. A comparison study is now underway to determine how and to what degree WC-130 data improved overall typhoon model forecasts for the area of responsibility. The technical data will be assessed and reported through United States Pacific Command upon completion.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Question. Secretary Rumsfeld, as part of the fiscal year 2004 budget process, I understand you have approved an initiative to transfer the weather reconnaissance mission presently performed by the Hurricane Hunters from the Department of Defense to the National Oceanic and Atmospheric Administration (NOAA). Considering recent deployments directly supporting current military operations, I am concerned with the ramifications of this proposed transfer. How will the military support missions be performed if this weather reconnaissance mission is transferred to NOAA?

Answer. The recent deployment of the 53rd Weather Reconnaissance Squadron (WRS) at Keesler Air Force Base, Mississippi is the only instance of unit activation for military weather support since the mission transferred from the active component to the Air Force Reserve in August of 1990. Currently, there is no equivalent military capability that exists to conduct the military weather mission performed by the 53rd WRS.

After the weather reconnaissance mission is transferred to the National Oceanic and Atmospheric Administration (NOAA), there are two separate and distinct ways for the Department of Defense to achieve this type of weather reconnaissance support. First, if the President declares the situation a national emergency, he has the power to transfer resources and officers from NOAA to the Department of Defense. This is provided in 33 USC 3061. The second way is to request NOAA to perform the mission within their resources without being mobilized. This second process could be outlined in the construct of the memorandum of agreement for the mission transfer.

UAVS

Question. Secretary Rumsfeld, when General Myers last appeared before this Subcommittee, he referred to the need for persistent, long-loiter intelligence, surveillance and reconnaissance (ISR) platforms. Unmanned Aerial Vehicles such as Global Hawk have proven to be extremely valuable to our operations. Are we moving fast enough to procure systems such as Global Hawk and other necessary UAV systems?

Answer. During Operation Iraqi Freedom, the Department deployed over 10 different UAV systems to support military operations. This was the widest use of UAVs in any operation to date; they not only provided persistent surveillance and broad area search but also target identification and designation for weapons employment plus battle damage assessment following a strike. UAVs were even, themselves, strike platforms; Predator flew in an armed reconnaissance role with Hellfire missiles engaging and destroying a number of tactical targets. Global Hawk also showed its ability to provide persistent surveillance. A single prototype flew over 350 hours in direct combat support and located over 300 Iraqi tanks, about 38 percent of all the known armor assets of Iraqi military. We are procuring Air Force Global Hawk and Predator UAVs at about the right pace when the additional components of communications, command and control and training are included.

Question. Secretary Rumsfeld, when General Myers last appeared before this Subcommittee, he provided testimony indicating the establishment of NORTHCOM has significantly improved the preparedness, responsiveness and integration between the U.S. military and other federal agencies defending the homeland. Considering this integration between the military and the Homeland Security Agency, do you believe integration would be enhanced if the military and the Homeland Security Agency used common UAV platforms, such as Global Hawk, in their operations?

Answer. The Department of Defense and the Department of Homeland Security, at the request of Senator Warner, Chairman of the Senate Armed Services Committee, are jointly examining the potential utilities of unmanned aerial vehicles for

homeland security missions. When the examination is completed, the results will also be provided to the Subcommittee.

Question. Secretary Rumsfeld, I understand the budget request contains funding for one LPD-17 amphibious ship in fiscal year 2004, but no LPD in fiscal year 2005; this appears to be an inefficient program profile. Admiral Clark and General Hagee have both indicated that they could use that ship sooner than later. Can you share your thoughts on the LPD-17 program profile and requirements?

Answer. Yes. This is not an issue of when we need the ships but rather one of balancing requirements with limited resources in view of industrial base and program realities. I believe that everyone agrees that replacing the LPD-4 class earlier rather than later is a good thing. However, during last year's budget review, the Navy concluded that leaving a gap year in fiscal year 2005 was appropriate for the time being because insufficient production data was available to justify adding more LPD-17 workload. Significant design problems led to a number of delays and cost increases—a Nunn-McCurdy cost breach—up to that point. They had four ships on contract with the lead ship still in early production and virtually no construction completed on the other three—and plans to award a fifth ship in the second half of fiscal year 2003. In short, the Navy had a lot of ships on contract or committed with no empirical data that proved the LPD-17 production schedule was back on track. Since the gap was an fiscal year 2005 issue, they had another opportunity to revisit the issue and make adjustments with the benefit of more production data. I reviewed the Navy's plan and I agreed with their approach.

My understanding today is that production on the LPD-17 is progressing well and that the design is proving to be stable. As a result, the Navy has made this issue a priority as part of their program/budget review process. I also intend to conduct a thorough review of this issue this fall as the Department finalizes the fiscal year 2005 budget.

Question. Secretary Rumsfeld, as you know, and have known for several years now, the current rate of shipbuilding is not sufficient to meet the established goal of a 375-ship Navy. In fact, it will fall far short of even a 310-ship Navy, and require enormous investment in the out years simply to catch up. If more funding were available for shipbuilding, how could it be most effectively spent in the near term?

Answer. Because of industrial base reasons and the fact we are in a transition period in shipbuilding—at the end of the production of DDG-51 and at the beginning of several new ship classes—more funding added to shipbuilding in fiscal year 2004 would not be prudent. We currently have DDG-51s, LPD-17s, and T-AKEs already on contract or budgeted in sufficient numbers to load the shipyards to their capacities. Adding additional funds to put more ships on contract will not result in ships being built earlier. Similarly, the long lead-times and the limited industrial base for nuclear components preclude the possibility to increase Virginia class submarine production before the fiscal year 2007 timeframe. And finally, the kind of ships we need to start building (and in large numbers for some) to cope with the threats of the 21st century—DD(X), LCS, MPF(F), CVN-21 and LHA(R)—simply are not yet ready for production.

Question. Secretary Rumsfeld, I understand you would like to consolidate the Active, National Guard and Reserve Military Pay Accounts into one Account that would be managed by the Active components. Do you think that we can make a significant change like this without jeopardizing the integrity of the Guard and Reserve Military Pay Accounts?

Answer. I have proposed the consolidation of 10 Military Pay appropriation accounts into 4. However, I have not proposed that the consolidated accounts be managed by the Active components. The consolidation does not affect the Military Services Title 10 responsibilities. Further, I don't see the consolidation as threatening the integrity of the Guard and Reserve Military Pay Accounts at all. The revised structure consolidates all Guard and all Reserve funding into single budget activities (one for the Reserves and a separate one for the Guard). The consolidation of personnel appropriations is designed to streamline and optimize funds management and eliminates the need to reprogram funds within the Reserve Components by eliminating the \$10 million reprogramming threshold currently imposed on Reserve Component programs. The new structure merges the existing two budget activities for the Reserve and National Guard Personnel funding into one budget activity for each Reserve Component. Over time, the Reserve Components' evolving role has made the two budget activities less meaningful and executable.

QUESTIONS SUBMITTED BY SENATOR KAY BAILEY HUTCHISON

Question. What have you learned from the mobilization of the reserve component for Operations Enduring Freedom and Iraqi Freedom? Where do you need to improve and what do you need to do it?

Answer. The force structure and the timing of the use of the Reserve Components need adjustment. Due to post Viet Nam adjustments and the "Peace Dividend" of the 1990's many military capabilities necessary to prosecute military actions of modest scale were placed entirely or predominately within the Reserve Components. This limits the flexibility necessary for the use of military force in a post cold war environment, particularly in the war on terrorism.

Force structure and the timing of the use of the Reserve Components are both under review. Active/Reserve Component changes are up for revision (September 2003) with more to soon follow. Review of Operation Plans that contemplate the early use of Reserve Component forces is also under review, with Combatant Commanders tasked to review and revise their plans, reducing the necessity for early mobilization of the Reserve Components.

Question. Do we have the right mix of skill sets in the active and reserve component? Do we need more troops in the active component?

Answer. The mix of skill sets in the Active and Reserve Components is currently being examined in several forums. The Operational Availability Study, the OSD AC/RC Mix study, as well as individual Service studies are all looking at the right mix of Active and Reserve capabilities to ensure that the needs of the National Security Strategy are met through the key factors of availability, responsiveness, agility, and flexibility. The studies are ongoing, but initial results indicate some capabilities need to be addressed.

I do not believe that additional active end strength is required to meet the national strategy. Instead, more progress needs to be made on distributing our skill mix to optimize our force capabilities within existing end strength.

We will be examining the possibility of rebalancing capabilities within war plans and between the Active and Reserve Components. While recent mobilizations have highlighted shortages in certain capabilities that stressed Reserve forces, there are multiple solutions to address those issues.

In addition, over 320,000 military manpower spaces have been identified as performing duties in specialties or situations that can potentially be performed by other kinds of personnel. I have directed my staff to conduct an in-depth review of these positions to determine how many can be reasonably converted to civilian performance, thus freeing military manpower to meet our most pressing demands. Application of a variety of actions including innovative management techniques for the Reserves will maximize the efficiency of our existing forces and may therefore require very little changes to existing force structure.

Question. Should U.S. Forces be based overseas in new locations to better train and respond to today's threats? What is the right level of troop strength overseas?

Answer. Both these questions are under intense review by the Department. These are exactly the kind of new assessments we must do to take account of everything we know about 21st century threats.

Question. Were more private contractors (and contractor employees) involved with Operation Iraqi Freedom than Operation Desert Storm? (Please provide as exact count as possible for each category.) How were private contractors used? What impact does the use of private contractors on the battlefield have for Transformation?

Answer. Contracting for these services was done by a wide variety of Civilian Agencies, Defense Agencies, Military Departments and individual military commands. In addition, contracts and orders under existing contracts for support to deployed forces covered effort both in the country of operations and at other locations including the United States. At present there is no unique identifier in the contracts data system to allow for identification of an effort to a particular military deployment. Therefore, it is not possible to develop this data without having the Military Departments conduct a long and expensive manual data call.

Contractors were used to provide the following services: laundry and bath facilities; clothing exchange and repair; food service; mortuary affairs; sanitation services; billeting/facilities management; moral, welfare and recreation facilities; information management; personnel support; maintenance; transportation; medical services; engineering and construction; signal support; power generation and distribution; automation operations; and physical security.

The use of contractors on the battlefield is not new. The military has always used contractors to support its operations. The military will continue to use contractors to obtain capacity that the military does not possess, to facilitate faster movement into an area of operations, to reduce soldier OPTEMPO or deployment time, and to

maximize combat forces when force size is constrained. Where these issues arise during the transformation process, the use of contractors will be one tool available to resolve the issue.

QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUE

Question. What funds from the fiscal year 2003 Supplemental Appropriations Act have been obligated to date? What is the timeline to distribute the remainder of the funds provided in the Supplemental, and how much of the Supplemental do you estimate will be carried over into fiscal year 2004?

Answer. As of May 30, 2003 total obligations from funds made available in fiscal year 2003 for the Global War on Terrorism and Operation Iraqi Freedom totaled \$31,243 million. It is projected that approximately \$4 billion of the \$62.6 billion appropriated in the fiscal year 2003 Supplemental will be obligated in the early part of fiscal year 2004.

Question. What are the Department's total cost projections in fiscal year 2004 for keeping troops in support of Operation Iraqi Freedom or any subsequent missions in Iraq? In the President's pending budget request for fiscal year 2004 sufficient to cover these costs?

Answer. A drawdown of troops in support of Operation Iraqi Freedom is currently underway. I expect the drawdown will continue through the middle of the next fiscal year. Presently, CENTCOM's stability operations plan for Iraq is still evolving because of the dynamic environment inside the country, and may require a significant presence of our forces. The numbers of troops and pace of demobilization not yet been finalized. Therefore, the cost of supporting Operation Iraqi Freedom troops has not yet been determined. The President's pending budget request does not specifically include funds to support Operation Iraqi Freedom troops. During fiscal year 2004 we will assess our funding requirements and determine the means by which we can finance Operation Iraqi Freedom costs. It remains my goal to reduce the numbers of deployed troops as quickly as possible, while at the same time not jeopardizing our commitment to Operation Iraqi Freedom and the Global War on Terrorism.

QUESTIONS SUBMITTED BY SENATOR ROBERT C. BYRD

DEPLOYMENT OF NATIONAL GUARD

Question. My office has heard reports that the 157th Military Police Company of the West Virginia National Guard has been deployed almost continuously since September 11 attacks, and has recently shipped out for a six-month deployment overseas. While the members of this unit are proud to serve their country, and they have served both in our homeland and around the world with great distinction, their families are increasingly being strained by what seems like a neverending string of mobilizations for citizen-soldiers.

Secretary Rumsfeld, what steps are being taken to minimize the back-to-back deployments of members of the Reserves and the National Guard?

Answer. I signed out a letter on July the 9th to the Secretaries of the Military Departments, the Chairman of the Joint Chiefs of Staff, and the Under Secretaries of Defense directing them to rebalance the forces. In that letter I enumerated three principal objectives that I wanted to achieve:

- Structure active and reserve forces to reduce the need for involuntary mobilization of the Guard and Reserve, and structure forces to limit involuntary mobilization to not more than one year every six years.
- Establish a more rigorous process for reviewing joint requirements; ensuring force structure is appropriately designed.
- Make the mobilization and demobilization process more efficient.

I levied actions that I expect to be completed, and an aggressive set of milestones for the responses. I assure you that I am as concerned as you are and will strive to ensure the continued judicious and prudent use of our valuable Guard and Reserve forces.

Question. Congress enacted a \$100-per-day extended deployment pay in 1999 to encourage shorter tours for our military personnel. This pay was suspended shortly after the September 11 attacks. Does your budget request contain any compensation to help Service members and their families who experience back-to-back deployments? Will these proposals help the families of those who have been deployed since September 11, 2001, or will the compensation only apply to future deployments?

Answer. The Department submitted a proposal for the fiscal year 2004 Authorization Bill that would compensate members for both excessively long deployments and frequent deployments, with compensation at an appropriate scale. The proposal also includes Guard and Reserve members who have been called up for more than 30 days for a second time in support of the same contingency operations. Both the Senate and House Armed Services Committees have similar PERSTEMPO Pay provisions in their respective fiscal year 2004 authorization bills.

The Military Departments did not project funding in the fiscal year 2004 budget for this payment since the current National Security waiver allows the SECDEF to suspend PERSTEMPO payments during a National Emergency. The Department is committed to paying qualified members PERSTEMPO pay once the National Security waiver is lifted.

The Military Departments are also working initiatives to lessen the adverse impacts of high individual TEMPO. Those initiatives focus on providing predictability in deployments; optimizing time required for pre-deployment training work-ups and post-deployment maintenance; and implementing organizational initiatives, such as the Air Force Aerospace Expeditionary Forces.

MANAGEMENT PLANS

Question. The OMB scores agencies on how well they comply with the President's Management Agenda. Agencies are encouraged to submit management plans to the OMB, and to meet the competitive sourcing targets outlined in the President's budget. The OMB has informed me that these plans, while submitted to the OMB for approval, can be released to the public at the discretion of the agency heads.

If the Congress is to appropriate \$380 billion to the Defense Department to employ 636,000 civilians and 2.4 million military personnel, I expect that you would first provide the Congress with a copy of any management plan or competitive sourcing plan that the Defense Department submits to the OMB.

Secretary Rumsfeld, when do you expect to submit your next management plan to the OMB, and how soon can you make that plan available to the Appropriations Committee?

Answer. OMB will receive the competitive sourcing management plan with the fiscal year 2005 budget. OMB must approve the submission, which will then be included in the President's budget submission.

QUESTIONS SUBMITTED BY SENATOR PATRICK J. LEAHY

WEAPONS OF MASS DESTRUCTION IN IRAQ

Question. Secretary Rumsfeld, before the war, we all read the assessments that Iraq possessed large stocks of weapons of mass destruction and that the military was prepared to use them in the event of attack. Thankfully, no attacks were made against our forces, but we still have not been able to locate any of these weapons stocks. Has DOD completed an intelligence assessment of why these predictions proved incorrect? Can the department provide the Committee with a detailed briefing about these reviews? Additionally, can you provide the Committee with a detailed briefing about the possibility that some of these weapons of mass destruction have fallen into the hands of forces hostile to us?

Answer. DOD continues to investigate the extent of Iraq Weapons of Mass Destruction programs and stockpiles. The Iraq Survey Group has been established to coordinate the search for WMD in Iraq. In late July, the Intelligence Community provided to Congress every publication from 1992 to the present on Iraqi WMD programs and on its threat assessments. Additionally, numerous Intelligence Community and DOD officials have been to brief or testify before Congress on this issue.

IRAQ

Question. Secretary Rumsfeld, I am told that the contract with Kellogg Brown & Root on fixing Iraqi oil facilities is classified. Giving a major contract in secrecy to a company with close ties to the administration will only increase suspicions of those inclined to think we are in Iraq to benefit American companies rather than the Iraqi people.

Why is the contract with Kellogg Brown & Root classified (if that is correct)?

Answer. The contract with Brown & Root Services, a division of Kellogg, Brown & Root (KBR), was awarded March 8, 2003, to support the DOD mission of repair and continuity of operations of the Iraqi oil infrastructure. The contract was classified because it was issued before the war started, when the mission was classified because the planning and limited activities being undertaken had to be integrated

with CENTCOM's military planning for the war effort. This included plans for military action to protect parts of the oil infrastructure against potential sabotage in the event of war. Disclosure, before the commencement of hostilities, of plans to repair and maintain continuity of oil operations would have run a serious risk of compromising the related military planning activity. Additionally, the contractor for repair and continuity of operations had to be ready to commence work immediately upon notice to proceed, but it was not known in advance when the commencement of work might be required, since that would depend on the timing of the military campaign and how events unfolded on the ground as the campaign progressed. Therefore, it was not possible to award an unclassified contract prior to hostilities without jeopardizing the success of the mission.

On March 6, 2003, the Department declassified only the fact that it had plans for extinguishing fires and assessing damage to oil facilities in Iraq. The fact that the Department was planning for the possibility that it would need to repair and provide for continuity of operations of the Iraqi oil infrastructure remained classified until March 22, 2003. This prevented earlier acknowledgement or announcement of potential requirements to the business community.

The government's strategy has been to compete the execution effort at the earliest reasonable opportunity consistent with the needs of the mission. The declassification of the mission has enabled the Department to plan a full and open competition in which the U.S. Army Corps of Engineers will solicit competitive proposals to provide the broad range of services that may need to be performed to support this mission in the months ahead. The contracts awarded as a result of this competition will replace the contract now in place with KBR.

Question. How many other contracts addressing reconstruction in Iraq are classified, and what is the total potential value of those contracts?

Answer. Contracts or task orders supporting the DOD mission of repair and continuity of operations of the Iraqi oil infrastructure were classified because they were issued before the war started, when the mission was classified because the planning and limited activities being undertaken had to be integrated with CENTCOM's military planning for the war effort. This included plans for military action to protect parts of the oil infrastructure against potential sabotage in the event of war. Disclosure, before the commencement of hostilities, of plans to repair and maintain continuity of oil operations would have run a serious risk of compromising the related military planning activity. Additionally, the contractor for repair and continuity of operations had to be ready to commence work immediately upon notice to proceed, but it was not known in advance when the commencement of work might be required, since that would depend on the timing of the military campaign and how events unfolded on the ground as the campaign progressed. Therefore, it was not possible to award an unclassified contract prior to hostilities without jeopardizing the success of the mission.

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The contractual actions related to the oil infrastructure mission are as follows:

- Planning Effort—done under a Task Order issued November 11, 2002, under the Army's Logistics Civil Augmentation Program (LOGCAP) contract. The value of the task order is approximately \$1.8 million.
- Pre-positioning Effort—done under a letter contract issued February 14, 2003. The value of the letter contract is \$37.5 million.
- Continued Pre-positioning, and subsequent Execution Effort—done under a contract awarded March 8, 2003. As of May 27, 2003, five task orders had been placed under this Indefinite Delivery/Indefinite Quantity (ID/IQ) contract. The first four task orders are classified since they were issued prior to March 22, 2003. The fifth task order, issued May 4, 2003, is unclassified. The total estimated cost of the five task orders placed under that contract was, as of May 27, 2003, \$184,786,000. The total value of the contract will be the sum of the values of the orders placed under it. Since assessments of the condition of the infrastructure are still being done, it is not possible to predict with precision all work that will be required to complete the mission. The ID/IQ contract enables the government to obtain the services it needs once specific requirements are identified. The Corps of Engineers will limit orders under this contract to only those services necessary to support the mission in the near term.

The government's strategy has been to compete the execution effort at the earliest reasonable opportunity consistent with the needs of the mission. The declassification

of the mission has enabled the Department to plan a full and open competition in which the U.S. Army Corps of Engineers will solicit competitive proposals to provide the broad range of services that may need to be performed to support this mission in the months ahead. The contracts awarded as a result of this competition will replace the contract now in place with KBR, and task orders will then be issued under the competitively awarded contracts.

Question. Do we know whether Iraqi WMD have been given to terrorist groups since the war began?

Answer. There is no credible indication former regime members have provided chemical, biological, radiological or nuclear weapons or components to terrorist organizations since the war began.

Question. How long will it take to search for WMD in Iraq? When will we know the extent of WMD in Iraq before the war?

Answer. On both questions, it is impossible to predict. However, I am confident that we indeed will find evidence of prohibited activity related to weapons of mass destruction.

Question. The International Atomic Energy Agency (IAEA) under the Nuclear Nonproliferation Treaty has the responsibility to ensure nuclear materials in Iraq are safeguarded and the right to inspect nuclear facilities. When will you let IAEA inspectors back in?

Answer. All of Iraq's nuclear material under NPT safeguards is located at the Baghdad Yellow Cake Storage Facility (Location C). From June 7 to 23, 2003, the IAEA conducted a Physical Inventory Verification (PIV) inspection of Location C with support from Coalition forces. All of the proliferation sensitive and virtually all of the other material subject to NPT safeguards was accounted for. Location C has been resealed, and its perimeter is being guarded by U.S. military forces. What has been referred to as "looting" at this site appears to have been limited to the theft of items such as steel barrels or furniture, not nuclear material.

Pursuant to U.N. Security Council Resolution 1483, the Coalition Provisional Authority is responsible for the disarmament of Iraq.

MISSILE DEFENSE

Question. You plan to field a limited ground-based mid-course missile defense system by the end of 2003–2004.

When do you plan to begin operational tests on this system?

Answer. In January 2003, the President decided to capitalize on the demonstrated capabilities of the GMD element. His decision to allow concurrent defensive capabilities and continuing developmental testing is the basis for the Initial Defensive Capability (IDC) planned for September 30, 2004.

MDA has established a joint organization, the Combined Test Force (CTF), to integrate the objectives of the operational tester—the warfighter—and the user into all developmental activities. Planning for formal operational testing continues; however, no final decision has been made regarding when to begin such testing.

Question. When do you plan to test this system at night? When do you plan to test the system against a tumbling target? When do you plan to do a test with one or more decoys that resemble the target?

Answer. Integrated Flight Test-10 (IFT) was planned to be a nighttime intercept; however, the EKV failed to separate from the booster, and an intercept was not attempted. MDA is currently looking at revising a future flight test to make up this missed IFT-10 objective.

GMD flight test complexity continuously increases as additional functionalities are added. Target signatures, countermeasures, and flight dynamics are in concert with the current threat estimates.

Question. When do you plan to test the system against a target without a beacon or GPS transponder? When do you plan to test the system without advance target trajectory and characterization information?

Answer. The beacon is one of several artificialities to be deleted from the test program as the system matures and additional elements come on line. The actual point in the test program at which beacons or GPS data will no longer be used has not yet been determined. The C-Band beacon is currently required for range safety and truth data purposes until the various system radars are fully developed. Due to the lack of an X-Band Radar (XBr) or Upgraded Early Warning Radar (UEWR) in the mid Pacific, target RVs in current flight tests are equipped with a C-Band beacon which is tracked by the FPQ-14 range radar in Hawaii to generate the weapons task plan and to give the interceptor a box in space at which to aim. The flight test program to date has focused on proving and refining hit-to-kill technology, the cornerstone of GMD's mission. Providing the exoatmospheric kill vehicle (EKV) with

target trajectory and characterization information in advance allows us to develop this essential capability without having to wait until necessary BMDS radars and other sensor are in place. The GMD flight test program is constantly under review and evolving as we gain more experience and knowledge.

IFT-21 is planned to be a "pop quiz" test. Current plan for IFT-21 is to withhold the exact launch time until the day of test. Additionally, the target type will be known, but the target complex will not be known a priori; however, all components in the complex will have been previously characterized and flown in a flight test.

It is important to note however, that, in the event of a hostile missile launch, the BMDS will have targeting information in real time. The Block 2004 system will have hostile missile launch early warning and cueing from space-based infrared satellites. The predicted time and location in space where the intercept will occur is calculated in real-time from data provided by tracking radars (i.e., Cobra Dane, Upgraded Early Warning Radars, the Navy's Aegis cruisers and destroyers, and the Sea-Based X-band radar). Based on this real-time information, targeting data is selected from a database and uploaded to the interceptor prior to launch.

Question. Will any of these tests occur before deploying the system?

Answer.

Re: operational tests (OT).—Formal OT will not occur before September 30, 2004.

Re: night test.—MDA is currently examining this issue and hopes to include this objective in an upcoming flight test.

Re: decoys that resemble the target.—Target signatures, countermeasures, and flight dynamics are in concert with the current threat estimates.

Re: without C-Band transponder & GPS.—The C-Band beacon is currently required for range safety purposes and truth data, and as such, it cannot be eliminated from testing; however, it is one of the artificialities that will be removed by development and construction of the BMDS Test Bed.

Re: without advance target trajectory and characterization information.—No. IFT-21, the first pop quiz, is currently scheduled for 2Q fiscal year 2006.

Question. When will the X-band radar be operational? When will the SBIRS-Low and SBIRS-High be operational? How will the missile defense system track and discriminate targets without these key components?

Answer. The Sea-Based X-Band Radar (SBX) will be integrated into the Block 2004 BMDS Test Bed during 4Q fiscal year 2005.

SBIRS Low [renamed Space Tracking and Surveillance System (STSS)] is an R&D effort to demonstrate the value of midcourse tracking to the BMDS. No decision to field an operational system has been made. The first two R&D satellites will be fielded in fiscal year 2007 to support the Block 2006 test bed and demonstrate closing the fire control loop with BMDS interceptors.

Please note SBIRS-High is a USAF program. The following response has been provided from USAF. The SBIRS-High development will field incremental increases in military utility for each of its mission areas—missile warning, missile defense, technical intelligence, and battlespace characterization. SBIRS supports MDA IDO requirements within the fiscal year 2005 BMDS need. Interim support will be available beginning October 4 and fully integrated support is scheduled to be in place April 2005. Major milestones related to certification of missile warning messages will be leveraged by SBIRS High missile defense supporting capabilities beginning with HEO certification in fiscal year 2005, GEO certification in fiscal year 2007, and multi-satellite certification in fiscal year 2009. SBIRS-High will be fully capable at Increment 2 completion in fiscal year 2010.

The critical functions to be performed by an XBR are to detect, acquire, track, and discriminate. Other radars—including the Cobra Dane at Shemya, Alaska; the Beale UWR in California; and the Navy's Aegis—contribute to the performance of these functions to a greater or lesser degree. Discrimination is the function, which most depends on the XBR, but even this function is duplicated, specifically by the EKV's on-board sensors and computer. Even with a system including an XBR, the final discrimination and target selection will be performed by the EKV.

IOWA ARMY AMMUNITION PLANT (IAAP)

Question. The fiscal year 2001 defense authorization bill and the fiscal year 2002 defense appropriation bill required the Department to determine exposures at the Iowa Army Ammunition Plant (IAAP) and to notify current and former employees of the Army side of the plant of possible exposures to radioactive or hazardous substances. The appropriations reports from those years funded a health study of Army workers at IAAP, including screening of all workers for chronic beryllium disease. A report dated August 20, 2002, from Deputy Secretary Paul Wolfowitz included a

letter to the employees, and said that medical surveillance of former workers at IAAP should begin in December 2002.

How many workers at IAAP have been sent the required notification?

Answer. None. The Army received the final version of the security release at our meeting May 23, 2003. When contacting the Department of Energy (DOE) cohort in December 2001 and January 2002, the Army included President Clinton and Secretary Richardson's release to speak regarding nonclassified issues. Through this process, the Army contacted 2,954 former DOE workers or survivors of workers for whom the Army had a known address. In conjunction with this mailing, the Army contacted an additional 7,786 employees we had assumed were DOD employees to give them an opportunity to indicate to us if they had worked on line 1. The Army has not yet sent out the Secretary of Defense security release notice signed by Mr. Wolfowitz. The Army is planning to send that out as a separate mailing along with our cover letter and work history questionnaire. Certainly anyone we contact by mail in the meantime will be given the notification.

Question. What is the status of the health screening, including for chronic beryllium disease? What is the current timeline for the project?

Answer. The American Institute of Biological Sciences review should take eight weeks. The Army will need to resubmit the revised protocol to the University of Iowa Institutional Review Board for review of the modifications.

They may suggest a full board review, which could take a week to one month. Once approved, gearing up should go quickly. The Army anticipates starting screening of the current workforce of about 1,000 at a rate of about 250 per month so it would take about four months. The Army predicts a late September or early October start date for screening. Concurrently we are pursuing access to the IH data to finalize the work/medical history questionnaire and get it in the mail to begin working with the former workers in March of 2004. The Army can screen former workers at a rate of 100 per month at startup. This screening of former workers can be ramped up depending on the total number to be screened and the extent of screening to be performed, all based on the protocol currently under review.

Question. A recent report to Congress on cleanup activities at the IAAP suggested that only paperwork would take place this year (including important groundwater modeling), and said that further soil cleanup has been delayed due to insufficient funding. Contrary to a July 11, 2002, letter to me from Office of Management and Budget Director Mitchell E. Daniels, Jr., Phase 4 soil cleanup is not scheduled to be completed until 2004 and 2005, with further cleanup activities extended many years after that.

What is needed to accelerate cleanup at IAAP? How much funding is needed to complete Phase 4 soil cleanup?

Answer. The Army recently conducted a Program Review of the IAAP restoration program and concluded that the installation met several criteria that made it an ideal candidate for implementation of a performance-based contract strategy. We do not believe that we can in fact accelerate the work effort in fiscal year 2004. The conversion to a performance-based contract is planned to begin in fiscal year 2004 and is expected to improve schedule implementation and control financial liabilities. The implementation of this new contract vehicle is fully expected to accelerate the work efforts once in place.

The current planned funding level of \$150,000 for fiscal year 2004 will be sufficient to complete the Phase 4 soils effort. This information, of course, is based on what is currently known about the sites. Conditions may change once actual soil removal begins this fiscal year, however, substantive changes in cost are not expected.

Question. Has inclusion of IAAP in the FUSRAP program delayed or accelerated cleanup of contaminants at the plant?

Answer. The inclusion of IAAP in the FUSRAP has not delayed the cleanup of contaminants at the plant. Acceleration of the cleanup can be achieved if the FUSRAP cleanup execution schedule is concurred with by the regulators and stakeholders (USEPA Region VII project manager, Iowa Department of Health, and other concerned/interested stakeholders), and all the stakeholders work as a team to achieve the cleanup effort. Phase 4 and 5 soils clean up would have been delayed until fiscal year 2007 or fiscal year 2008 start date without FUSRAP designation.

Question. You have proposed specific exemptions for the Department from several environmental laws. IAAP is a Superfund site, and provides habitat for one known endangered species, but I have had trouble getting answers on the implications of your proposal for this plant.

Would any of the exemptions you have proposed apply to part or all of the IAAP site?

Answer. There are five proposals included in DOD's Readiness and Range Preservation Initiative. These five proposals are essential to range sustainment and reaf-

firm the principle that military lands, marine areas, and airspace that have been set aside for military use exist to ensure military preparedness, while ensuring that the Department of Defense remains fully committed to its stewardship responsibilities. The five provisions:

- Authorize use of Integrated Natural Resource Management Plans in appropriate circumstances as a substitute for critical habitat designation under the Endangered Species Act;
- Reform obsolete and unscientific elements of the Marine Mammal Protection Act, such as the definition of “harassment,” and add a national security exemption to that statute;
- Modestly extend the allowable time for military readiness activities like bed-down of new weapons systems to comply with Clean Air Act;
- Limit regulation of munitions on operational ranges under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) if and only if those munitions and their associated constituents remain there, and only while the range remains operational; and
- Limit regulation of munitions on operational ranges under the Resource Conservation and Recovery Act (RCRA) if and only if those munitions and their associated constituents remain there, and only while the range remains operational.

Because IAAP provides habitat for one known endangered species, the Endangered Species Act proposal could apply if U.S. Fish and Wildlife Service were to propose any installation lands as critical habitat. The Marine Mammal Protection Act proposal is not applicable. The Clean Air Act proposal could apply to any new military readiness activities planned for IAAP in the future. The proposal would allow three years for those activities to meet the requirements of section 176(c) of the Clean Air Act. The CERCLA and RCRA proposals would apply to only operational ranges at IAAP.

Question. Would your proposal remove part or all of the IAAP site from the Superfund program?

Answer. No, Defense Department proposals for Readiness and Range Preservation would not remove IAAP from the Superfund Program. DOD’s RCRA and CERCLA legislative proposals clarify when RCRA and CERCLA apply at the military’s operational ranges. IAAP is addressing contamination from ammunition assembling operations, which is distinct from operational range activities.

QUESTIONS SUBMITTED BY SENATOR RICHARD J. DURBIN

932ND AIRLIFT WING

Question. The Air Force is currently in the process of retiring the C-9 aircraft used for aero medical evacuation. Scott Air Force base has both an active and a Reserve wing, the 932nd Airlift Wing, which have carried out this mission.

I am very concerned that C-9s will be retired and the Reservists’ mission mostly disbanded. These Reservists have served for a many years, and are part of the community. Several hundred Reservists will be left with no mission, and they are unlikely to move to find another Reserve mission. I think our Reservists deserve better treatment.

The statistics that I have seen show that the peacetime domestic aero medical evacuation mission has been reduced because TRICARE allows many military patients to be cared for at local medical facilities. Yet, even by the beginning of the war with Iraq, the C-9s were quite busy—the 932nd Airlift Wing has flown 70 percent of its flying hours over only 6 months of the fiscal year—as of March 31, 2003 the 932nd flew 1,888 hours of a 2,700 hour program. I am concerned that this unit is being disbanded based on peacetime, not wartime need. I understand that some of these flying hours were for mixed transportation missions.

I would like to work with you in finding a solution to retain the 932nd Airlift Wing at Scott Air Force Base. I suggest the following alternate plan:

- Phase out the C-9s instead of precipitously retiring them over the next 5 months.
- Use fewer C-9s, but use those that have recently come out of depot, saving operating costs.
- Use C-40 aircraft in the future for a mixed mission of cargo and passenger transport, as well as patient movements to replace the C-9 aircraft.

Mr. Secretary, will you work with me on this plan or some other plan so that the 932nd Airlift Wing is not left without a mission?

Answer. On behalf of the Secretary of Defense, thank you for your concerns regarding the Air Force's readiness capability for aeromedical evacuation and 932nd Airlift Wing.

The C-9A has been a valuable asset in the Air Force inventory, but under our new aeromedical evacuation concept a dedicated platform is no longer required. Extending the airplane's service beyond the end of fiscal year 2003 would require the use of operations and maintenance funds dedicated to higher priorities. We acknowledge the contributions of the active duty, reserve, and civilian personnel who have served so nobly in support of the aeromedical evacuation mission and we are diligently examining other options for these airmen. However, we must balance the impact of these aircraft retirements against the demands to provide for the national defense. Competition for funding is particularly keen, and priority will be given to requirements supporting reconstitution from recent contingency operations as well as transforming the Air Force. Resources used to extend the C-9s would be particularly difficult to justify since a dedicated aeromedical evacuation platform is no longer needed.

I appreciate your continued support as the Air Force works to modernize our air and space capabilities. Our goal is to balance prioritized requirements with available resources to produce an efficient, cost-effective Air Force. We value your interest and support in this important endeavor.

QUESTIONS SUBMITTED BY SENATOR DIANNE FEINSTEIN

Question. For fiscal year 2004 the administration is seeking \$379.9 billion for the Defense Department and has projected an average increase of roughly \$20 billion per year over the next five years, a 32 percent increase above current levels. These dramatic increases do not fully cover actual combat and peacekeeping operations in Iraq and Afghanistan.

Since these operations are not fully covered in the budget, what do you believe the full costs will be to maintain robust and effective peacekeeping forces in Iraq and Afghanistan for the coming year?

Answer. We cannot yet estimate those costs for the coming year. As soon as we do have an estimate, we will need to discuss with the President how to cover those costs.

HIGH ALERT STATUS NUCLEAR WEAPONS

Question. Under the recently approved Moscow Treaty, the United States and Russian Federation have agreed to reduce each nation's nuclear arsenal by 3,200–3,700 nuclear warheads. These weapons, even while designated for destruction, continue to operate on "high alert status."

Do you believe these weapons can and should be removed from "high alert status" pending their elimination?

Answer. Under the recently approved Moscow Treaty, the United States and Russian Federation have both agreed to reduce their number of operationally deployed strategic nuclear warheads to 1,700–2,200 by December 31, 2012. The nuclear weapons stockpile's composition, size, and warhead configuration (Active or Inactive) will be determined as part of the periodic assessment process established by the Nuclear Posture Review (NPR). Operationally deployed nuclear warheads remain at an alert status consistent with national security requirements.

Dealerting (removing from "high alert") concepts have been studied in great detail over the years. Our heavy bombers were removed from nuclear alert a decade ago. Other dealerting proposals have been judged not to be in the United States' interest and in many cases could add instability under certain circumstances.

With regard to concern about accidental or unauthorized launch by U.S. forces, our Intercontinental Ballistic Missiles (ICBMs) and Submarine Launched Ballistic Missiles (SLBMs) are highly secure.

With regard to concerns about accidental or unauthorized a launch by foreign forces, the NPR that was sent to Congress in January 2002 specifically reviewed dealerting and reaffirming the decision of the previous administration not to dealert U.S. ballistic missile forces.

Question. If they were removed from "high alert status" what are the potential cost savings?

Answer. There are numerous options for removing nuclear systems from alert, but none of the options would result in meaningful cost savings.

Most of the costs for strategic nuclear systems are derived from the infrastructure investment in delivery systems and their associated warheads, and from the manpower costs necessary to maintain and operate these systems safely.

De-alerting these systems, whether it is by something as complex as physically removing the warheads from the delivery systems or something as relatively simple as removing a critical component in the firing sequence, would not reduce the infrastructure or operating costs.

However, some dealerting proposals could require the expenditure of additional money (1) to construct devices that would limit the ability to launch a bomber or ballistic missile while allowing for its lawful and timely execution under Presidential direction, or (2) to provide for additional manpower required for verification of the dealerting concept were it to be employed.

ROBUST NUCLEAR EARTH PENETRATOR

Question. As the United States attempts to diplomatically engage countries such as India and Pakistan to convince them to relinquish their nuclear ambitions, why should the Congress authorize \$15 million to study a weapon such as the Robust Nuclear Earth Penetrator, which could undermine our efforts to limit proliferation internationally?

Answer. Studying the feasibility of using an existing weapon to place at risk hard and deeply buried targets associated with weapons of mass destruction will not undermine our efforts to limit proliferation internationally. Nations seek and develop nuclear capabilities to address their regional security concerns, not because the United States has nuclear weapons. Nuclear weapons readiness and capabilities will continue to play a key role in U.S. national security policy and strategy well into the future. Today, as well as in the future, the United States cannot predict with confidence what nations or non-state actors may pose a threat to our vital interests or those of our allies. The United States must possess forces sufficient to dissuade and deter any potential adversary armed with WMD. Studies aimed at finding cost-effective ways to place facilities associated with WMD at risk—like the RNEP study—are fully consistent with maintaining an effective deterrent.

In the 1960s, there were five nuclear weapons states: the USSR, Britain, France, China, and the United States. Today, at least 12 states possess nuclear weapons. Others are seeking nuclear weapons. The United States is making every effort to dissuade these nations from acquiring WMD. The U.S. nuclear deterrent plays a role in this effort by assuring our allies and friends that the United States intends to maintain its forces to deter any future aggression and persuade potential aggressors to halt developments.

As the United States reduces the number of strategic, operationally deployed, weapons by two-thirds by 2012, we increasingly will have to look at options for more effective weapons for deterrence and achieving our defense goals, including programs like RNEP—a study of two existing gravity bombs repackaged to enhance survivability against hard and deeply-buried facilities. We have not abandoned conventional weapons to deal with the WMD facilities; rather, we have enhanced our conventional capabilities. We will need both advanced conventional and nuclear options to furnish the options we need to meet our defense policy goals.

UTILITY OF ROBUST NUCLEAR EARTH PENETRATOR CLASS WEAPONS

Question. What military utility does this new class of weapons have?

Answer. Nuclear weapons have been and likely always will be viewed as necessary to dissuade and deter the worst of threats to U.S. national security, particularly the threat of weapons of mass destruction use against us or our friends and allies. Those who may contemplate aggression against U.S. territory, troops, allies, and friends have learned from past conflicts and adapted new defensive postures against our weapon systems used a decade ago in Desert Storm. The war with Iraq demonstrated the effectiveness of U.S. technology. Technology, however, is perishable. New weapons, tactics, and technologies must be fielded to ensure the continued effectiveness of U.S. forces and our ability to deter weapons of mass destruction use. We must assure that potential adversaries cannot create a sanctuary by building hard and deeply buried facilities. We need to furnish effective options for the President to hold at risk confidently the most protected of capabilities that threaten U.S. territory, forces, allies, and friends—which may only be possible with RNEP-like capability.

The capability technically of a conventional bomb to achieve the structure shock effects necessary to destroy a growing class of hard and deeply buried targets is limited. It can be enhanced by obtaining exquisite intelligence on, proper delivery to, and targeting of key points such as target facility entrances, vents, and other nodes for functional disruption. However, as the depth of these targets increases, the ability to hold them at risk decreases to a point where conventional weapons are no longer effective even when the precise location and nature of the facility is known.

If RNEP delivery, impact, and penetration are made comparable to today's conventional bombs, ground shocks produced by the nuclear blast are propagated hundreds of feet into the earth to address deeply buried facilities in regions where conventional weapons have no capability.

Question. In the fiscal year 2004 budget, there is a request for an exemption of further operational testing of the ballistic missile defense system. In March, the Undersecretary of Defense, Edward Aldridge announced, "It was not our intent to waive operational testing."

If the intent was to not exempt testing prior to fielding the weapons system, what was the purpose of the exemption request?

Answer. The question refers to proposed section 8061, which reads in full:

"Sec. 8061. Funds available to the Department of Defense under the heading, "Research, Development, Test and Evaluation, Defense-Wide" may be used to develop and field an initial set of missile defense capabilities, and such fielding shall be considered to be system development and demonstration for purposes of any law governing the development and production of a major defense acquisition program. The initial set of missile defense capabilities is defined as 'Block 04' Ballistic Missile Defense system fielded in fiscal year 2004 and 2005. Subsequent blocks of missile defense capabilities shall be subject to existing laws governing development and production of major defense acquisition programs."

The Department's version of section 8061, quoted above, confirms the developmental nature of the initial set of missile defense capabilities. Because Block 04 remains in system development and demonstration, the use of Research, Development, Test and Evaluation funds to pay for the development and fielding of the system is appropriate, and the Department ultimately must complete operational test and evaluation of the system.

Question. Does testing under the guidelines of the Testing and Evaluation department negatively impact the program?

Answer. No, the program is not negatively impacted by DOT&E testing guidelines. MDA and DOT&E have established an effective working relationship. DOT&E is a member of the Missile Defense Support Group and provides testing advice to the Director, MDA and to USD (AT&L). Additionally, DOT&E produces a congressionally directed annual report on the status and effectiveness of the MDA test program.

TESTING

Question. Recently, the Missile Defense Agency cancelled Integrated Flight Test-16, which was dubbed the "dress rehearsal for deployment." This test was intended to increase the agency's knowledge regarding the feasibility and effectiveness of GMD's initial defensive capability. In addition, three more test scheduled for the coming years have also been canceled bringing the total number of canceled tests disclosed this year to nine.

Do you believe the system has received sufficient testing to be proven feasible and effective enough to be deployed?

Answer. MDA is confident that the overall BMDS test program is scoped to provide an effective defense against ballistic missiles of all ranges. Additionally, MDA is always reexamining the GMD flight test program to ensure that proven critical components and technologies will be resident in the Block 2004 BMDS Test Bed.

Question. Our experiences in Operation Enduring Freedom and now Operation Iraqi Freedom have demonstrated the need for strategic lift able to access all theaters of the battlefield, regardless of the size and quality of available airstrips.

With the armed forces relying on the C-17 to fulfill many of these missions, are there sufficient numbers of C-17's in the inventory to fulfill your requirements? If not, how many additional aircraft will be needed?

Answer. The Mobility Requirement Study 2005 (MRS05) established an airlift capacity requirement range between 51.1 and 54.5 Million Ton Miles per Day (MTM/D). Further evaluation during the Quadrennial Defense Review established the objective capacity at 54.5 MTM/D. This airlift capacity requirement includes strategic airlift, intratheater airlift, special operations, EUCOM requirements, as well as other CINC requirements. The current C-17 program achieves an inventory of 180 aircraft in fiscal year 2008. At that time, the fleet will be at the desired capacity.

Question. Economic conditions in the former Soviet bloc may stimulate the proliferation of advanced military technology, particularly in regard to surface-to-air missiles and tactical aircraft like the Mig-29 and Su-27. Even though our current

fighter aircraft have been successful in defeating various air defenses, they may not be capable of being modified to the extent needed to provide the stealth and other combat capabilities needed to cope with air defenses many countries may possess in future conflicts.

Do you believe aircraft like the F-22 will be able to fill this role, ensuring air superiority and fulfilling the fighter/attack role in the decades to come?

Answer. Yes. The F/A-22 is designed from the "ground up" to have the unique capability to operate in the presence of and suppress or destroy these anti-access adversary systems as required. The F/A-22's fundamental attributes of stealth, supercruise, advanced maneuverability, lethality, and integrated avionics will ensure Air Dominance in this decade and the decades to come. In future conflicts the aircraft will be essential for successful initial joint forcible entry and follow-on operations. The F/A-22 is a benchmark for Department of Defense and Air Force transformation efforts.

Question. DOD Directive 1344.7 governs personal commercial solicitation on military installations. The Directive protects Service members from unfair business practices. I understand that DOD is in the process of amending the Directive. I am concerned that the changes being considered should not unnecessarily restrict the access of Service members to beneficial insurance and financial planning services. I understand the Department is committed to working with affected parties, including the insurance and financial services companies that solicit business on-base to develop new policy.

Can you offer your assurance DOD will consult with affected parties prior to issuing any proposed draft regulation to ensure the service members continue to have access to competitive insurance and financial planning products and services?

Answer. The Department intends to host two public fora to allow for comments by all those affected by the policy. The Department first intends to host a forum at which the public may express views about the current commercial solicitation policy. These comments will be considered in preparing the draft for publication and public comments as a proposed rule in the Federal Register. After publication, the public will be invited to comment on the draft at an additional forum. The Department will carefully consider the written and oral comments on the proposed rule in promulgating the final rule.

PERCHLORATE

Question. We have now written to you on three separate occasions since November of last year impressing upon you the urgency for the DOD to take an active leadership role in mitigating the contamination of drinking water by perchlorate, a chemical used in most DOD missiles and munitions.

What steps are you taking to respond to our domestic public health problem that is a legacy of DOD operations over the past half century?

Answer. The Department's goal has been and continues to be support of a national process leading to mitigation of risks from perchlorate. The Environmental Protection Agency (EPA) is currently engaged in a process of investigation intended to arrive at an acceptable level of perchlorate in the environment. The Department, the National Aeronautics and Space Administration (NASA), the Department of Energy (DoE) and non-governmental organizations have been actively working with the EPA over the past several years to develop scientifically-defensible decisions regarding perchlorate use, assessment, and cleanup. Since 1997, the Department has spent \$2 million on research to assist the EPA in determining whether low-level perchlorate exposure poses a risk to the American public. In addition, the Department has invested considerable resources in the development of environmental treatment technologies for perchlorate, and has issued several significant research grants to identify possible substitutes for perchlorate in military applications. The Department is committed to using the best available science to inform public policies and decisions. The Department believes that the research undertaken by DOD, NASA, and EPA to evaluate the potential risks associated with perchlorate is a clear indication of that commitment. Pending promulgation of a cleanup standard, the Department will continue to work directly with state and local officials on the best strategies to safeguard our public water supplies.

Question. You have argued for a transformation of the military; a clear need is transformation of the policies and actions that endanger our citizens as a result of practices of the DOD. Currently, the policy of the DOD towards the need for you to clean up a legacy of environmental pollution appears to be old fashioned thinking and not that of a modern defense establishment.

When will you change the policy at the DOD and take positive action?

Answer. The Department is committed to fulfilling the public's trust for protecting and restoring the natural and cultural resources on lands managed by DOD. The Department has an exemplary record of environmental stewardship and faithfully complies with all environmental laws and regulations. In addition, the Department has gone beyond legal requirements by funding and providing to EPA and state regulators important research that helps define the effect of perchlorate on human health. DOD has also conducted a number of surveys to ascertain perchlorate occurrence at DOD facilities since 1998, and issued policy allowing DOD components to sample for perchlorate at facilities where there is a reasonable basis to suspect both a potential presence of perchlorate and a pathway that could potentially threaten public health. My office is currently in the process of developing a more robust policy, which will be used for program planning and prioritization in advance of promulgation of a standard. The Department and EPA, in partnership with NASA and DOE, continue to work together to address unresolved science and science policy issues. The National Academy of Science is now scheduled to review the underlying science issues for a proposed standard. We have also conducted extensive studies in the technology required to cleanup perchlorate. These studies have developed technologies for and supported their use by U.S. industries. Several of these technologies are currently in use. DOD believes that information collected on potential presence of perchlorate and our long history of cooperation with EPA on resolving health science issues has served to augment and accelerate the EPA's regulatory process which will lead to an eventual standard.

Question. I am very frustrated by the lack of response and absence of leadership on the part of the DOD and I would like to see this changed. My staff is prepared to work with your department and other agencies to find a solution.

Whom is the point of contact for my staff to follow-up with to work towards resolving the problem of an absence of leadership within the DOD?

Answer. The Assistant Deputy Under Secretary of Defense for Environment, Safety, and Occupational Health, Mr. John Paul Woodley is available to discuss the Department's position on this issue.

SUBCOMMITTEE RECESS

Senator STEVENS. Thank you, Mr. Secretary, General Pace, and Secretary Zakheim. The subcommittee will reconvene Thursday, May 15, to consider testimony from public witnesses concerning the President's budget request. Thank you very much.

[Whereupon, at 12:34 p.m., Wednesday, May 14, the subcommittee was recessed, to reconvene subject to the call of the Chair.]