

DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2005

WEDNESDAY, MAY 12, 2004

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

The subcommittee met at 9:03 a.m., in room SH-216, Hart Senate Office Building, Hon. Ted Stevens (chairman) presiding.

Present: Senators Stevens, Cochran, Specter, Domenici, Bond, McConnell, Shelby, Gregg, Hutchison, Burns, Inouye, Hollings, Byrd, Leahy, Harkin, Dorgan, Durbin, Reid, and Feinstein.

DEPARTMENT OF DEFENSE

OFFICE OF THE SECRETARY

STATEMENTS OF:

HON. DONALD H. RUMSFELD, SECRETARY

GENERAL RICHARD B. MYERS, CHAIRMAN, JOINT CHIEF OF STAFF

**DR. DAVID S. CHU, UNDER SECRETARY OF DEFENSE (PERSONNEL
AND READINESS)**

ACCOMPANIED BY LAWRENCE LANZILLOTTA, COMPTROLLER

OPENING STATEMENT OF SENATOR TED STEVENS

Senator STEVENS. Good morning, Secretary Rumsfeld, General Myers. We welcome you back before our subcommittee at this important time for our Nation and for the Department of Defense. We also welcome the acting Comptroller, Larry Lanzillotta.

The focus of our hearing today is the fiscal year 2005 Defense budget. This is our normally scheduled hearing, where we ask the Secretary of Defense and the Chairman of the Joint Chiefs of Staff to testify at the end of our hearing cycle and provide their important perspectives on the budget and answer questions that have come up in connection with the other subcommittee hearings.

Last week, we learned a fiscal year 2005 request totaling \$25 billion is forthcoming. We plan to hold a separate hearing on that request when more details are available. If it comes to this committee, I urge members to defer their questions concerning that request until we have it.

Sadly, we also have learned a lot over the past week about the abuse of Iraqi inmates at the Abu Ghraib prison. These actions were absolutely appalling and an embarrassment to our great country, as you have said, Mr. Secretary. Congress must, and we shall, investigate the matter thoroughly. It is our view, however,

that the primary jurisdiction of this issue lies with the Senate Armed Services Committee and the Senate Intelligence Committee, not the Appropriations Committee. This committee needs to focus attention on funding required to train and equip our men and women in uniform throughout the world.

Our military remains engaged in critical missions in Iraq, Afghanistan, and other areas around the world. It's imperative for us to exercise our due diligence in reviewing the \$401.7 billion in Defense spending requests that's already before us. We're committed to ensuring the Defense Department is properly resourced to win our global war on terrorism. Failure in this endeavor is not an option for us, as you have stated, Mr. Secretary.

Mr. Secretary and General Myers, we look forward to this hearing today about your priorities in the current budget request, as well as any other operational update you may wish to provide. I understand you may have a time problem, Mr. Secretary. Please keep us informed on that.

We will make—your full statements are already a part of our record.

Each Member, without objection, will be limited to 5 minutes in the opening round of questions. Time permitting, we will proceed with a second round of questioning.

Before you begin your opening statements, I'll ask my colleague, my co-chairman from Hawaii, if he has comments.

STATEMENT OF SENATOR DANIEL K. INOUE

Senator INOUE. Mr. Chairman, I thank you very much. And good morning, Mr. Secretary and General Myers. And I join my Chairman and welcome you to our Subcommittee.

During our hearings this year, we received testimony from the military departments, the Guard and Reserves, Missile Defense Agency, and the Surgeons General. As we have examined the testimony of these officials, it is very clear that most are very supportive of your budget request. In our review, we learned that, at the same time as our forces are fighting overseas, your Department is engaged in many major and somewhat controversial changes. The Navy and Marines are looking at swapping crews overseas to save money and time for deploying ships, a policy which could impact how many ships we need. The Army is adding forces by reconstructing brigades, but there's no agreement to permanently provide the end strength to achieve this. The Air Force is preparing to introduce the F-22 to its force structure, which dramatically increases combat capability. And there are some who still question whether the system is required. All the services are examining their forces overseas to alter the global footprint while we prepare for base closures domestically. And we are now aware that a budget amendment will be forthcoming to help pay for the rising cost of war in Iraq when for months we thought we could defer any increase until next year.

So, Mr. Secretary and General Myers, we know these are very challenging and critical times for the Defense Department. The challenges have been heightened by the events coming to light in recent weeks, and I'm sure I don't have to tell you that it has been

very difficult for all Americans to witness scenes of torture and human-rights abuses.

Mr. Chairman, I know that many are likely to want to discuss this today, but we should remember that our primary jurisdiction is the budget of the Defense Department, not investigating criminal acts. It is, nonetheless, very important that the Congress and the administration continue to investigate these incidents, and I'm certain they will.

Mr. Secretary, General Myers, I know you recognize the gravity of this matter and the serious impact it is having on our Nation's prestige and influence. I, for one, am very concerned about the long-term effect it will have on our military recruiting and retention. It is equally important that we realize we're all in it together. I'm one of the few on this committee that voted against going to war in Iraq. But now that we are engaged in this policy, we must simply find a way to see it through to a successful and swift conclusion.

And I thank you, Mr. Chairman.

Senator STEVENS. Without objection, we're going to postpone opening statements of other members and go right to the Secretary's statement. As I said, it's printed in the record.

Mr. Secretary, we're happy to have you here with us today.

Secretary RUMSFELD. Thank you, Mr. Chairman, Senator Inouye, members of the committee. I'd like to make a brief statement, and I certainly thank you for this opportunity to meet on the President's proposed budget.

First, I want to commend the men and women in uniform and the civilians in the Department of Defense who support them. It's important, in times like this, that we publicly indicate that we value their service, we value their sacrifice. They are doing a superb job for this country.

ACCOMPLISHMENTS SINCE 2001

When this administration took office 3 years ago, the President charged us to try to prepare the Department to meet the new threats that our Nation will face in the 21st century. To meet that charge, we fashioned a new defense strategy, a new force-sizing construct. We've issued a new unified command plan, instituted more realistic budgeting so that the Department now looks to emergency supplementals for the unknown cost of fighting wars and not simply to sustain readiness. We transformed the way the Department prepares its war plans, and adopted a new lessons-learned approach during Operation Iraqi Freedom. And we have undertaken a comprehensive review of our global force structure.

The scope and scale of what has been accomplished is substantial. Our challenge is to build on these activities even as we fight the global war on terror. One effect of the global war on terror has been a significant increase in the operational tempo and an increased demand on the force. To manage the demand, we must first be clear about the problems so that we can work together to fashion appropriate solutions. We hope the increased demand on the force we're experiencing today will prove to be a spike driven by the deployment of some 138,000 troops in Iraq.

MANAGING DEMAND ON THE FORCE

For the moment, the increased demand is real, and we have taken a number of immediate actions. We're working to increase international military participation in Iraq, and have had good success. More recently, we've lost two or three countries from that coalition, which was unfortunate. We've accelerated the training of Iraqi security forces, and we now have something like 206,000 strong, heading toward 265,000. And our forces are working to hunt down those who threaten Iraq's stability and Iraq's transition to self reliance.

Another way to deal with the increased demand on the force is to add more people, and we've already done so, a fact that seems not to be fully recognized. Using the emergency powers granted by Congress, we have already increased the active duty force levels by something in the neighborhood of 30,000 to 35,000 above the pre-emergency authorized end strength. We've done this over the past 2 years. If the war on terror demands it, we will not hesitate to increase force levels still more using the same emergency authority. But it should give us pause that even a temporary increase in our force levels was and remains necessary.

Think about it. At this moment, we have a pool of about 2.6 million men and women in the Active, Reserve, and Guard, including the Individual Ready Reserve, yet the deployment of 135,000 out of a pool of 2.6 million has required that we temporarily increase the size of the force by some 35,000. That suggests that the real problem is not the size of the force, per se, but rather the way the force has been organized over the years and the mix of capabilities at our disposal. And it suggests that our challenge is considerably more complex than simply adding more troops.

General Pete Schoomaker, the Army Chief of Staff, compares the problem to a barrel of water on which the spigot is placed near the top of the barrel, and you open the spigot and very little comes out because all you can access is the top of the barrel. The answer, at least from the taxpayer's standpoint, it seems to me, is not to get a bigger barrel or more barrels; it's to move the spigot down on the barrel so we can access all of, in this case, the 2.6 million men and women that we should have access to, and take full advantage of their skills and their talents and the fact that every one of them is a volunteer.

We have too few Active and Guard and Reserve forces with the skill sets that are in high demand, and we have too many Guard and Reserve with skills that are in too little demand. Therefore, we urgently need to re-balance the skill sets within the Reserve components, and also between the Active and the Reserve components, so that we have enough of the right kinds of forces available to accomplish the missions. And we need to focus on transforming the forces for the future, making sure we continue to increase the capability of the force and, thus, our ability to do more with those forces. The services are working to do just that.

In looking at our global force posture, some observers have focused on the number of things—troops, tanks, ships—that we might add or remove to one portion of the world or another. I would submit that that may very well not be the best measure for

today. For example, the Army has put forward a plan that, by using its emergency powers, we will increase force levels by roughly 6 percent. But because of the way they will do it, General Schoomaker estimates that the Army will add, not 6 percent, but up to 30 percent more combat power—that is to say, go from 33 brigades up to 43 brigades, with a possibility of going to 48 brigades. Instead of adding more divisions, the Army is focusing on creating a 21st century modular army made up of self-contained, more self-sustaining brigades that are available to work for any division commander. As a result, 75 percent of the Army's brigade structure should always be ready in the event of a crisis. The Army's plan will increase the number of active brigades significantly. But because we will be using emergency powers, we will have the flexibility to reduce the number of active troops if the security situation permits.

SUPPORTING THE GLOBAL WAR ON TERRORISM

Before highlighting the 2005 budget request, let me talk briefly about the funding for the global war on terror. As the year has unfolded, not surprisingly the security situation and the requirements in Iraq have changed. As a result, General Abizaid has requested additional combat capability for the period ahead, and the President has approved that request. We regret having to extend those individuals necessary to provide that capability. They had anticipated serving in Iraq, or in theater, for up to 365 days, and this extension will extend their time in Iraq by up to 90 days. We have recently identified, and are now preparing to deploy, other forces to replace them.

Because our Nation is at war, we need to provide combat forces with the resources they need to complete their missions. While we do not yet know the exact cost of operations in 2005, we do need to plan for contingencies so that there's no disruption in the resources for the troops. The cost of supporting these operations increases the chance that certain accounts, such as Army operations and maintenance, particularly, will experience funding shortfalls beyond February or March 2005.

As Senator Inouye mentioned, the President has, therefore, asked Congress for a \$25 billion contingency reserve fund that can be used for operations in Afghanistan and Iraq until we can get a clearer picture of what will be necessary for a fiscal year 2005 supplemental. This fund would be used primarily for operation and maintenance requirements, such as personnel support costs, combat operations, supplies, force protection, and transportation.

I want to emphasize that this \$25 billion proposed reserve fund would not be all that would be needed in 2005. We are anticipating submitting a full 2005 supplemental appropriation request early next year, when we can better estimate the exact cost.

HIGHLIGHTS OF FISCAL YEAR 2005 BUDGET REQUEST

Returning now to the 2005 budget request, we have requested additional funds to strengthen intelligence, including increases in human intelligence, persistent surveillance, as well as technical analysis and information-sharing. We have also strong funding for transformation and other acquisition needs. The President's budget

requests funds for pay and quality-of-life improvements for the troops. These funds properly focus on the men serving—men and women serving in the Armed Forces. In recent years, Congress has, from time to time, added entitlement-like changes beyond recommendations such as these that have been, for the most part, concentrated on those who have already served. We certainly applaud the desire to honor that service. But I should point out that the effects of these decisions, cumulatively, are important. They're increasing substantially the permanent cost of running the Department of Defense (DOD). By fiscal year 2009, they, cumulatively, will add over \$20 billion a year to the Defense budget, with only modest effect on recruiting and retaining the current active force.

I recognize there are legitimate questions and legitimate differences about the best way to compensate the forces. For this reason, I'm appointing an Advisory Committee on Military Compensation to conduct a comprehensive review of military compensation and benefits, with a view towards simplifying and improving them. Before making further changes, I hope that you will allow us to first develop a comprehensive and integrated set of compensation proposals, which we would submit to you next year.

SPECIAL LEGISLATION

One of the most important ways in which Congress can support the global war on terror is to support three special authorities that we have requested. First is \$500 million to train and equip military and security forces in Iraq, Afghanistan, and friendly nearby regional nations to enhance their capability to combat terrorism and to support U.S. operations in Iraq and Afghanistan. It is a great deal cheaper for the taxpayer if we are able to train and equip forces in Iraq and Afghanistan than it is to maintain U.S. forces in those countries.

Second, the Commander's Emergency Response Program, \$300 million, to enable military leaders in Iraq and Afghanistan—U.S. military leaders—to respond to urgent humanitarian relief and reconstruction needs. This has been a remarkably successful program, with quick turnaround projects averaging in the neighborhood of \$5,000 to \$10,000 each. Commanders not only help people in their operations area, but they also gain support in defeating terrorists and building themselves a better future.

And third is increased drawdown authority—we're requesting \$200 million under the Afghan Freedom Support Act—to provide additional help for the Afghan National Army. The President's 2005 budget does not request specific authorization for these three authorities. Therefore, the Department would need to reprogram funding to use them. This underscores the importance of Congress increasing the Department's general transfer authority to \$4 billion, which would represent slightly under 1 percent of total DOD funding. Higher general transfer authority would give us a needed ability to shift funds from less pressing needs to fund must-pay bills and emerging requirements as the circumstances on the ground change over time. As we've seen in the last three years, such requirements have been a constant feature of our military programs.

PREPARED STATEMENT

Mr. Chairman, the President has asked Congress \$401.7 billion for fiscal year 2005. That is a very, very large amount of money, the taxpayers' hard-earned money. Such investments will likely be required for some years, because our Nation is engaged in a struggle that could very likely go on for a number of years. Our objective is to ensure that the Armed Forces remain the best-trained, the best-equipped fighting force in the world, and that we treat volunteers who make up that force with the respect equal to their sacrifice and their dedication.

Thank you, Mr. Chairman.

Senator STEVENS. Thank you very much, Mr. Secretary.

[The statement follows:]

PREPARED STATEMENT OF DONALD H. RUMSFELD

INTRODUCTION

Mr. Chairman, members of the Committee, I am pleased to be here to discuss the progress in the global war on terrorism, our transformation efforts, and to discuss the President's 2005 budget request for the Department of Defense.

First, I want to commend the courageous men and women in uniform and the Department civilians who support them. They are remarkable—and what they have accomplished since our country was attacked 30 months ago is impressive. In 2½ years, they have helped to: Overthrow two terrorist regimes, rescued two nations, and liberated some 50 million people; capture or kill 46 of the 55 most wanted in Iraq—including Iraq's deposed dictator, Saddam Hussein; hunt down thousands of terrorists and regime remnants in Iraq and Afghanistan; capture or kill close to two-thirds of known senior al-Qaeda operatives; disrupt terrorist cells on most continents; and likely prevent a number of planned terrorist attacks.

Our forces are steadfast and determined. We value their service and sacrifice, and the sacrifice of their families.

With your support, we have the finest Armed Forces on the face of the Earth.

We have a challenge: to support the troops and to make sure they have what they will need to defend the nation in the years ahead.

We are working to do that in a number of ways: By giving them the tools they need to win the global war on terror; by transforming for the 21st century, so they will have the training and tools they need to prevail in the next wars our nation may have to fight—wars which could be notably different from today's challenges; and by working to ensure that we manage the force properly—so we can continue to attract and retain the best and brightest, and sustain the quality of the all-volunteer force.

Each represents a significant challenge in its own right. Yet we must accomplish all of these critical tasks at once.

When this Administration took office three years ago, the President charged us with a mission—to challenge the status quo, and prepare the Department of Defense to meet the new threats our nation will face as the 21st century unfolds.

We have done a good deal to meet that charge. Consider just some of what has been accomplished:

- We have fashioned a new defense strategy and a new force sizing construct.
- We have 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 more on how we might be threatened, and what portfolio of capabilities we will need to deter and defend against those new threats.
- We have fashioned a new Unified Command Plan, with a new Northern Command, that became fully operational last September, to better defend the homeland; the Joint Forces Command focused on transformation; and a new Strategic Command responsible for early warning of, and defense against, missile attack and the conduct of long-range attacks.
- We have transformed the Special Operations Command, expanding its capabilities and its missions, 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, supported by other combatant commands.

- We have taken critical steps to attract and retain talent in our Armed Forces—including targeted pay raises and quality of life improvements for the troops and their families.
- We have instituted realistic budgeting, so the Department now looks to emergency supplementals for the unknown costs of fighting wars, not to sustain readiness.
- We have reorganized the Department to better focus our space activities.
- Congress has established a new Under Secretary of Defense for Intelligence and an Assistant Secretary of Defense for Homeland Defense.
- We have completed the Nuclear Posture Review, and adopted a new approach to deterrence that will enhance our security, while permitting historic deep reductions in offensive nuclear weapons.
- We have pursued a new approach to developing military capabilities. Instead of developing a picture of the perfect system, and then building the system to meet that vision of perfection—however long it takes or costs—the new approach is to start with the basics, roll out early models faster, and then add capabilities to the basic system as they become available.
- We have reorganized and revitalized the missile defense research, development and testing program—and are on track to begin deployment of our nation's first rudimentary ballistic missile defenses later this year.
- We have established new strategic relationships, that would have been unimaginable just a decade ago, with nations in Central Asia, the Caucasus, and other critical areas of the world.
- We transformed the way the Department prepares its war plans—reducing the time it takes to develop those plans, increasing the frequency with which they are updated, and structuring our plans to be flexible and adaptable to changes in the security environment.
- We adopted a new “Lessons Learned” approach during Operation Iraqi Freedom, embedding a team with U.S. Central Command that not only studied lessons for future military campaigns, but provided real-time feedback that had an immediate impact on our success in Iraq.
- We made a number of key program decisions that are already having a favorable impact on the capability of the force. Among others:
 - We are converting 4 Trident nuclear SSBN subs into conventional SSGN subs capable of delivering special forces and cruise missiles into denied areas.
 - The Army has deployed its first Stryker brigade to Iraq, is completing conversion of the second, and is replacing the Crusader with a new family of precision artillery that is being developed for the Future Combat System.
 - We have revitalized the B-1 bomber fleet by reducing its size and using the savings to modernize the remaining aircraft with precision weapons and other critical upgrades.
- We have also undertaken a comprehensive review of our global force posture, so we can transform U.S. global capabilities from a structure driven by where the wars of the 20th century ended, to one that positions us to deal with the new threats of the 21st century security environment.
- We have established a new Joint National Training Capability, that will help us push joint operational concepts throughout the Department, so our forces train and prepare for war the way they will fight it—jointly.
- We have worked with our Allies to bring NATO into the 21st century—standing up a new NATO Response Force that can deploy in days and weeks instead of months or years, and transforming the NATO Command Structure—including the creation of a new NATO command to drive Alliance transformation.
- With the help of Congress last year, we are establishing a new National Security Personnel System that should help us better manage our 746,000 civilian employees, and we are using the new authorities granted us last year to preserve military training ranges while keeping our commitment to responsible stewardship of the environment.

The scope and scale of what has been accomplished is remarkable. It will have an impact on the capability of our Armed Forces for many years to come.

We will need your continued support as we go into the critical year ahead.

Our challenge is to build on these successes, and continue the transformation efforts that are now underway. In 2004, our objectives are to:

- Successfully prosecute the global war on terror;
- Further strengthen our combined and joint war fighting capabilities;
- Continue transforming the joint force, making it lighter, more agile and more easily deployable, and instilling a culture that rewards innovation and intelligent risk-taking;

- Strengthen our intelligence capabilities, and refocus our intelligence efforts to support the new defense strategy and our contingency plans;
- Reverse the existing WMD capabilities of unfriendly states and non-state actors, and stop the global spread of WMD;
- Improve our management of the force;
- Refocus our overseas presence, further strengthen key alliances, and improve our security cooperation with nations that are likely partners in future contingencies;
- Continue improving and refining DOD's role in homeland security and homeland defense; and
- Further streamline DOD processes, continuing financial management reform and shortening acquisition cycle times.

So, we have an ambitious agenda. But none of these tasks can be put off.

Our task is to prepare now for the tomorrow's challenges, even as we fight today's war on terror.

MANAGING THE FORCE

One effect of the global war on terror has been a significant increase in operational tempo, which has resulted in an increased demand on the force. Managing the demand on the force is one of our top priorities. But to do so, we must be clear about the problem—so we can work together to fashion the appropriate solutions.

We hope the increased demand on the force we are experiencing today will prove to be a “spike,” driven by the deployment of nearly 135,000 troops in Iraq. We hope and anticipate that that spike will be temporary. We do not expect to have 135,000 troops permanently deployed in any one campaign.

But for the moment, the increased demand is real—and we are taking a number of immediate actions. Among other things:

- We are working to increase international military participation in Iraq.
- Japan began deploying its Self-Defense Forces to Iraq in January—the first time Japanese forces have been deployed outside their country since the end of World War II.
- As more international forces deploy, we have accelerated the training of Iraqi security forces—now some 200,000 strong—to hasten the day when the Iraqis themselves will be able to take responsibility for the security and stability of their country, and all foreign forces can leave.
- And as we increase Iraq's capability to defend itself, our forces are dealing aggressively with the threat—hunting down those who threaten Iraq's stability and transition to self-reliance.

Another way to deal with the increased demand on the force is to add more people. We have already done so. Using the emergency powers granted by Congress, we have increased force levels by more than 35,000 above the pre-emergency authorized end strength.

- The Army is up roughly 11,400 above authorized end strength;
- The Navy is up roughly 3,600;
- The Marine Corps is up some 600, and
- The Air Force is up about 19,800.

If the war on terror demands it, we will not hesitate to increase force levels still more using the emergency authorities. And because of the emergency powers, we have the flexibility to increase or reduce force levels in the period ahead, as the security situation permits, and as the transformation efficiencies bear fruit.

But it should give us pause that even a temporary increase in our force levels was, and remains, necessary. Think about it: At this moment we have a force of 2.6 million people, both active and reserve: 1.4 million active forces; 869,000 in the Selected Reserve—that is the guard and reserve forces in units; and an additional 286,000 in the Individual Ready Reserves.

Yet, despite these large numbers, the deployment of 135,000 troops in Iraq has required that we temporarily increase the size of the force by some 35,000.

That should tell us a good deal about how our forces are organized.

It suggests that the real problem is not the size of the force, per se, but rather the way the force has been organized over the years, and the mix of capabilities at our disposal. And it suggests that our challenge is considerably more complex than simply adding more troops.

General Pete Schoomaker, the Army Chief of Staff, compares the problem to a barrel of water, on which the spigot is placed too high up. When you turn it on, it only draws water off the top, while the water at the bottom can't be accessed. The answer to that problem is not a bigger barrel; rather, the answer is to move the spigot down, so that more of the water is accessible and can be used.

In other words, our challenge today is not simply one of increasing the size of the force. Rather, we must better manage the force we have—to make sure we have enough people in the right skill sets and so that we take full advantage of the skills and talents of everyone who steps forward and volunteers to serve.

We have too few Guard and Reserve forces with certain skill sets that are high demand—and too many Guard and Reserve with skills that are in little demand.

Therefore, we urgently need to rebalance the skill sets within the reserve component, and between the active and reserve components, so we have enough of the right kinds of forces available to accomplish our missions.

And we need to do a far better job of managing the force. That requires that we focus not just on the number of troops available today—though that is of course important—but on transforming the forces for the future, making sure we continue to increase the capability of the force, and thus our ability to do more with fewer forces.

And the Services are working to do just that.

MASS VS. CAPABILITY

One thing we have learned in the global war on terror is that, in the 21st century, what is critical to success in military conflict is not necessarily mass as much as it is capability.

In Operation Iraqi Freedom, Coalition forces defeated a larger adversary. They did it not by bringing more troops to the fight, which we were ready to do, but by overmatching the enemy with superior speed, power, precision and agility.

To win the wars of the 21st century, the task is to make certain our forces are arranged in a way to ensure we can defeat any adversary—and conduct all of the operations necessary to achieve our strategic objectives.

In looking at our global force posture review, some observers have focused on the number of troops, tanks, or ships that we might add or remove in a given part of the world. I would submit that that may well not be the best measure.

If you have 10 of something—say ships, for the sake of argument—and you reduce the number by two, you end up with fewer of them. But if you replace the remaining ships with ships that have double the capability of those removed, then obviously you have not reduced capability even though the numbers have been reduced.

The same is true as we look at the overall size of the force. What is critical is the capability of the Armed Forces to project power quickly, precisely, and effectively anywhere in the world.

For example, today the Navy is reducing force levels. Yet because of the way they are arranging themselves, they will have more combat power available than they did when they had more people.

In Operation Iraqi Freedom, the Navy surged more than half the fleet to the Persian Gulf region for the fight. With the end of major combat operations, instead of keeping two or three carrier strike groups forward deployed, as has been traditional Navy practice, they quickly redeployed all their carrier strike groups to home base. By doing so, they are resetting their force in a way that will allow them to surge over 50 percent more combat power on short notice to deal with future contingencies.

The result? Today, six aircraft carrier strike groups are available to respond immediately to any crisis that might confront us. That capability, coupled with the application of new technologies, gives the Navy growing combat power and greater flexibility to deal with global crises—all while the Navy is moderately reducing the size of its active force.

The Army, by contrast, has put forward a plan that, by using emergency powers, will increase the size of its active force by roughly 6 percent or up to 30,000 troops above authorized end strength. But because of the way they will do it, General Schoomaker estimates the Army will be adding not 6 percent, but up to 30 percent more combat power.

This is possible because, instead of adding more divisions, the Army is moving away from the Napoleonic division structure designed in the 19th century, focusing on creating a 21st century “Modular Army” made up of self-contained, more self-sustaining brigades that are available to work for any division commander.

So, for example, in the event of a crisis, the 4th Infantry Division commander could gather two of his own brigades, and combine them with available brigades from, say, the 1st Armored Division and the National Guard, and deploy them together. The result of this approach is jointness within the service, as well as between the services. And that jointness—combined with other measures—means that 75 percent of the Army’s brigade structure should always be ready in the event of a crisis.

The Army's plan would increase the number of active brigades significantly over the next four years. But because we will be using emergency powers, we will have the flexibility to reduce the number of troops if the security situation permits—so the Army would not be faced with the substantial cost of supporting a larger force as the security situation and the efficiencies permit.

Yet even if the security situation, and progress in transformation, were to permit the Army eventually to draw down the force, the new way they are arranging their forces will ensure the United States still has more ground combat power—more capability.

So we have two different approaches:

—In one case, the Navy is reducing force levels while increasing capability;

—In the other, the Army is increasing troop levels—but doing so in a way that will significantly increase its capability;

—And in both cases, the increase in capability of each service will be significant.

The point is: our focus needs to be on more than just numbers of troops. It should be on finding ways to better manage the forces we have, and by increasing the speed, agility, modularity, capability, and usability of those forces.

DOD INITIATIVES

Today, using authorities and flexibility Congress has provided, DOD has several dozen initiatives underway to improve management of the force, and increase its capability.

Among other things:

—We are investing in new information age technologies, precision weapons, unmanned air and sea vehicles, and other less manpower-intensive platforms and technologies.

—We are working to increase the jointness of our forces, creating power that exceeds the sum of individual services.

—We are using new flexibility under the fiscal year 2004 National Defense Authorization Act to take civilian tasks currently done by uniformed personnel and convert them into civilian jobs—freeing military personnel for military tasks.

—This year, we will begin to move 10,000 military personnel out of civilian tasks and return them to the operational force—effectively increasing force levels by an additional 10,000 service members in 2004. An additional 10,000 conversions are planned for 2005.

—We have begun consultations with allies and friends about ways to transform our global force posture to further increase capability.

We are already working to rebalance the active and reserve components. We are taking skills that are now found almost exclusively in reserve components and moving them into the active force, so that we are not completely reliant on the Guard and Reserve for those needed skills. And in both the active and reserve components, we are moving forces out of low demand specialties, such as heavy artillery, and into high-demand capabilities such as military police, civil affairs, and special operations forces.

Already, in 2003, the services have rebalanced some 10,000 positions within and between the active and reserve components. For example, the Army is already transforming 18 Reserve field artillery batteries into military police. We intend to expand those efforts this year, with the Services rebalancing an additional 20,000 positions in 2004, and 20,000 more in 2005—for a total of 50,000 rebalanced positions by the end of next year.

We are also working to establish a new approach to military force management called "Continuum of Service." The idea is to create a bridge between the Active and Reserve Components—allowing both active and reserve forces greater flexibility to move back and forth between full-time and part-time status, and facilitating different levels of participation along that continuum.

Under this approach, a Reservist who normally trains 38 days a year could volunteer to move to full time service for a period of time—or some increased level of service between full-time and his normal reserve commitment, offering options for expanded service that do not require abandoning civilian life. Similarly, an active service member could request transfer into the Reserve component for a period of time, or some status in between, without jeopardizing his or her career and opportunity for promotion. And it would give military retirees with needed skills an opportunity to return to the service on a flexible basis—and create opportunities for others with specialized skills to serve, so we can take advantage of their experience when the country needs it.

For example, Coalition forces in Iraq need skilled linguists—so under the Continuum of Service approach we have recruited 200 Iraqi-Americans into a special

Individual Ready Reserve program, and are deploying the first program graduates to Iraq.

The "Continuum of Service" would allow the Armed Forces to better take advantage of the high-tech skills many Reservists have developed by virtue of their private sector experience—while at the same time creating opportunities for those in the Active force to acquire those kinds of skills and experiences. It encourages volunteerism, and improves our capability to manage the military workforce in a flexible manner, with options that currently exist only in the private sector.

We have also been working to fix the mobilization process. We have worked hard over the past year to add more refined planning tools to the process, and make it more respectful of the troops, their families, and their employers. Among other things:

- We have tried to provide earlier notifications, giving troops as much notice as possible before they are mobilized, so they can prepare and arrange their lives before being called up;
- We have worked to ensure that when they are called up, it is for something important and needed—and not to replace someone in task that could wait until a contingency is over;
- We have tried to limit tours, and give the troops some certainty about the maximum length of their mobilization and when they can expect to resume civilian life. We are doing better, but in my opinion, the process is still not good enough.

And we are working each day to make the process better, and more respectful of the brave men and women who make up the Guard and Reserve.

As you can see, we have a number of initiatives underway that we are confident will improve the management and treatment of the Guard and Reserve forces.

The men and women who make up the Guard and Reserve are all volunteers. They signed up because they love their country, and want to serve when the country needs them.

A number of you on this Committee have served in the Guard and Reserve, as have I. Each of us knew when we signed up, it was not to serve one weekend a month and two weeks active duty. We signed up so that if war were visited upon our country, we would be ready to leave our work and family, and become part of the active duty force.

Well, on September 11th, war was visited on our country. Our nation was attacked—more than 3,000 innocent men, women, and children were killed in an instant. And at this moment, in caves and underground bunkers half-a-world away, dangerous adversaries are planning new attacks—attacks they hope will be even more deadly than the one on September 11th.

We are a nation at war. If we were not to call up the Guard and Reserves today, then why would we want to have them at all? Why were we asking them to sacrifice time with their families every month to train? And why are the taxpayers paying for postservice benefits, including healthcare and retirement pay, that add up to between \$250,000 and \$500,000 per reservist?

Availability for service is the purpose of the Guard and Reserve. It is what they signed up for. And I know that a large number of them have stepped forward and volunteered to be mobilized for service in Iraq.

Our challenge—our responsibility—is to do everything we can to see that they are treated respectfully, managed effectively, and that they have the tools they need to win today's war, and to deter future wars.

We are working to do just that—to better manage the force, and to transform the force to make it more capable for the 21st century.

Today, with authority granted by Congress, DOD has the flexibility to adjust troop levels as the security situation requires.

- We have authority to increase or decrease, as need arises.
- We are using that authority; and
- We are working on a number of new initiatives that will allow us to better manage and transform the force.

However, we believe that a statutory end strength increase would take away the current flexibility to manage the force:

- First, if the current increased demand turns out to be a spike and if we are successful in the transformation and rebalancing initiatives underway, the Department would face the substantial cost of supporting a larger force when it may no longer be needed—pay and benefits, such as lifetime healthcare, for each service member added, not to mention the additional costs in equipment, facilities, and force protection.
- Second, if Congress permanently increases the statutory end strength, instead of using the already available emergency powers, we would have to take the cost out of our top line. That would require cuts in other parts of the defense

budget—crowding out investments in the very programs that will allow us to manage the force and make it more capable.

None of us has a crystal ball to see into the future. You have given us the authority to adjust the size of the force, and the flexibility to deal with unknowns. We have been using that authority over the past two plus years, even as we work to implement comprehensive measures to better manage the force. I urge Congress to not lock us into a force size and structure that may or may not be appropriate in the period ahead.

Instead, help us to support the Armed Services with the transformational initiatives they now have underway; help us rebalance the active and reserve force, and give the troops more options to contribute along an expanded continuum of service; help us add capability, and transform the force for the future.

2005 BUDGET

The President's 2005 budget requests the funds to do that.

Before highlighting the 2005 request, let me talk briefly about funding the Global War on Terrorism.

As the year has unfolded, the security situation and requirements in Iraq have evolved. General Abizaid has requested additional combat capability for the period ahead, and I have approved his request.

We regret having to extend those individuals necessary to provide that capability; they had anticipated being in country or in theater for up to 365 days and this will extend their time there. We are currently identifying and preparing to deploy other forces to replace them.

We have been using emergency powers granted by Congress to increase the overall number of U.S. military forces above statutory end strength and will continue to use those authorities to adjust force levels as necessary.

Because our nation is at war, we must provide our warfighters all the resources they need to conduct operations and complete their missions. While we do not yet know the exact costs for operations in 2005, we need to plan for contingencies so there is no disruption in resources for our troops. The costs of supporting these operations increase the chance that certain accounts, such as Army operations and maintenance, will experience funding shortfalls beyond February or March of 2005.

The President has therefore asked Congress for a \$25 billion contingency reserve fund that can be used for operations in Afghanistan and Iraq until we can get a clearer picture on what will be necessary for the fiscal year 2005 supplemental. This reserve fund would be used primarily for operation and maintenance requirements such as personnel support costs, combat operations, supplies, force protection, and transportation. Specifics include:

- Fuel for helicopters, tanks, and other vehicles.
- Transportation costs for movement of personnel and equipment in and out of the theater of operations.
- Equipment maintenance (such as lubricants, repair parts) and logistics supplies.
- Clothing and individual equipment.
- Operation and maintenance of troop billeting, base camps, dining facilities, airfields, and other logistics activities.
- Communications, such as leased telecommunications lines.

This \$25 billion reserve fund will not be all that is needed for 2005. We are anticipating submitting a full fiscal year 2005 supplemental appropriation request early next year when we can better estimate exact costs.

Returning now to the 2005 request, the President's first defense budgets were designed while our defense strategy review was still taking place. It was last year's budget—the 2004 request—that was the first to fully reflect the new defense strategies and policies.

One of the key budget reforms we implemented last year is the establishment of a 2-year budgeting process in the Department of Defense—so that the hundreds of people who invest time and energy to rebuild major programs every year can be freed up and not be required to do so on an annual basis, and can focus more effectively on implementation.

The 2005 budget before you is, in a real sense, a request for the second installment of funding for the priorities set out in the President's 2004 request.

We did not rebuild every program. We made changes to just 5 percent of the Department's planned 2005 budget, and then only on high-interest and must-fix issues—and then only when the costs incurred to mitigate risks could be matched by savings elsewhere in the budget.

The President's 2005 budget requests continued investments to support the six transformational goals we identified in our 2001 defense review:

- 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 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.

In all, in 2005, we have requested \$29 billion for investments in transforming military capabilities that will support each of these critical objectives.

A critical priority in the President's 2005 budget is the \$10.3 billion for missile defense, including: \$9.2 billion for the Missile Defense Agency—an increase of \$1.5 billion above the President's 2004 request; and \$1 billion for Patriot Advanced Capability-3, the Medium Extended Air Defense System, and other short and medium range capabilities.

The budget also includes \$239 million in funding for accelerated development of Cruise Missile Defense, with the goal of fielding an initial capability in 2008.

The 2005 budget request includes critical funds for Army Transformation, including: \$3.2 billion to support continued development of the Future Combat Systems—an increase of \$1.5 billion over the 2004 budget; and \$1.0 billion to fund continued deployment of the new Stryker Brigade Combat Teams, such as the one now serving in Iraq.

We have also requested additional funds to strengthen intelligence, including increases for DOD human intelligence (HUMINT) capabilities, persistent surveillance, as well as technical analysis and information sharing to help us better “connect the dots.”

To enhance our communications and intelligence activities, we are requesting:

- \$408 million to continue development of the Space Based Radar (SBR) which will bring potent and transformational capabilities to joint warfighting—the ability to monitor both fixed and mobile targets, deep behind enemy lines and over denied areas, in any kind of weather. SBR is the only system that can provide such capability.
- \$775 million for the Transformational Communications Satellite (TSAT) which will provide the joint warfighter with unprecedented communication capability. To give you an idea of the speed and situational awareness the TSAT will provide, consider: transmitting a Global Hawk image over a current Milstar II, as we do today, takes over 12 minutes—with TSAT it will take less than a second.
- \$600 million for the Joint Tactical Radio System, to provide wireless internet capability to enable information exchange among joint warfighters.

The budget also requests \$700 million for Joint Unmanned Combat Air Systems (J-UCAS)—a program that consolidates all the various unmanned combat air vehicle programs, and focuses on developing a common operating system.

The budget requests \$14.1 billion for major tactical aircraft programs, including: \$4.6 billion for the restructured Joint Strike Fighter (JSF) program; \$4.7 billion to continue acquisition of the F/A-22; \$3.1 billion to continue procurement of the F/A-18E/F; and \$1.7 billion to support development and procurement of 11 V-22 aircraft.

The budget requests funds for Navy fleet transformation, including \$1 billion to continue funding the new CVN-21 aircraft carrier, and \$1.6 billion to continue development of a family of 21st century surface combatants including the DDX destroyer, the littoral combat ship, and the CG(X) cruiser.

We have requested \$11.1 billion to support procurement of 9 ships in 2005. Fiscal 2005 begins a period of transition and transformation for shipbuilding as the last DDG 51 destroyers are built, and the first DD(X) destroyer and Littoral Combat Ship are procured. This increased commitment is further shown in the average shipbuilding rate for fiscal 2005–2009 of 9.6 ships per year. This will sustain the current force level and significantly add to Navy capabilities.

In all, the President has requested \$75 billion for procurement in 2005 and \$69 billion for Research, Development, Testing and Evaluation—funds that are vital to our transformation efforts.

Another area critical to transformation is joint training. Last year, Congress approved funding to establish a new Joint National Training Capability (JNTC), an important initiative that will fundamentally change the way our Armed Forces train for 21st century combat.

We saw the power of joint war fighting in Operation Iraqi Freedom. Our challenge is to bring that kind of joint war fighting experience to the rest of the forces,

through both live and virtual joint training and exercises. Thanks to the funds authorized in the 2004 budget, the JNTC's initial operating capability is scheduled to come online in October of this year. We have requested \$191 million to continue and expand the JNTC in 2005.

With your help, we have put a stop to the past practice of raiding investment accounts to pay for the immediate operation and maintenance needs. The 2005 request continues that practice. We have requested full funding for the military's readiness accounts, providing \$140.6 billion for Operation and Maintenance (O&M) including \$43 billion for training and operations. These funds are critical to transformation—because they allow us to pay today's urgent bills without robbing the future to do so.

We have also requested funds to support pay and quality of life improvements for the troops—including a 3.5 percent military base pay raise. We have requested funds in the 2005 budget that will also help the Department keep its commitment to eliminate 90 percent of inadequate military family housing units by 2007, with complete elimination projected for 2009. And we have requested funds to complete the elimination of out-of-pocket housing costs for military personnel living in private housing. Before 2001, the average service member had to absorb over 18 percent of these costs. By the end of fiscal year 2005, it will be zero. These investments are important to the troops, and also to their families, who also serve—and deserve to live in decent and affordable housing.

These improvements properly focus on the serving men and women of the armed forces. The recommendations are based on what is believed necessary to attract, retain, and motivate the fine young Americans who make up our All-Volunteer Force.

But in recent years, Congress has often added entitlement-like changes beyond recommendations such as these, concentrated on those who have already served. I applaud the desire to honor this service, but at the same time I must point out the fiscal effects of these decisions. They are increasing substantially the permanent costs of running the Department of Defense. By fiscal year 2009, they cumulatively add over \$20 billion a year to the defense budget, with only modest effect on recruiting and retaining the present generation of personnel. Put another way, against a fixed topline for Defense, these decisions will affect the Department's future ability to compensate properly those then serving, and to procure the new systems and capabilities that are so essential to our continued effectiveness.

I recognize there are legitimate questions, and legitimate differences of opinion, about the best way to compensate our forces. For this reason, I am appointing an Advisory Committee on Military Compensation, to conduct a comprehensive review of military compensation and benefits, with a view toward simplifying and improving them. Today, we have too many pay categories that serve overlapping purposes, or do not provide incentives where they are most needed. Before making further major changes, I urge you to allow the Department to first develop a comprehensive and integrated set of compensation proposals, which we will submit to you next year.

We are also making progress in getting our facilities replacement and recapitalization rate in proper alignment. When we arrived in 2001, the Department was replacing its buildings at a totally unacceptable average of once every 192 years. Today, we have moved the rate down for the third straight year, though it is still too high—to an average of 107 years. The 2005 budget requests \$4.3 billion for facilities recapitalization, keeping us on track toward reaching our target rate of 67 years by 2008. And we have funded 95 percent of facilities maintenance requirements—up from 93 percent in fiscal year 2004.

The budget also supports our continuing efforts to transform the way DOD does business. With the passage of the National Defense Authorization Act last year, we now have the needed authority to establish a new National Security Personnel System, so we can better manage DOD's civilian personnel. Initial implementation will begin next year.

Yet, while progress has been made, the Defense Department still remains bogged down by bureaucratic processes of the industrial age, not the information age. We are working to change that. To help us do so, we have requested funds for a Business Management Modernization Program that will help us overhaul DOD management processes and the information technology systems that support them.

One of the most important ways in which Congress can support the global war on terrorism is to support three special authorities we have requested:

- (1) \$500 million to train and equip military and security forces in Iraq, Afghanistan, and friendly nearby regional nations to enhance their capability to combat terrorism and support U.S. operations in Iraq and Afghanistan. It is critical that this authority include security forces because the terrorism threat in Iraq

is inside its borders. Security forces—not the New Iraqi Army—play the primary role in confronting this threat.

—(2) The Commanders Emergency Response Program (\$300 million) to enable military leaders in Iraq and Afghanistan to respond to urgent humanitarian relief and reconstruction needs. This has been a remarkably successful program. With quick turnaround projects averaging about \$7,000 each, commanders not only help people in their operations area, but also gain their support in defeating terrorists and building themselves a better future.

—(3) Increased drawdown authority (\$200 million) under the Afghanistan Freedom Support Act, to provide additional help for the Afghan National Army. During this pivotal year, this authority is critical for advancing democracy and stability in Afghanistan.

The President's fiscal year 2005 budget does not request specific appropriations for these three authorities, and therefore the Department would need to reprogram funding to use them. This underscores the importance of Congress increasing the Department's General Transfer Authority (GTA) to \$4 billion—which would still represent just one percent of total DOD funding. Higher General Transfer Authority also would give us a greater ability to shift funds from less pressing needs to fund must-pay bills and emerging requirements. As we have seen in the past three years, such requirements have become a constant feature of our military programs.

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, it is critical that we have the ability to shift funds between priorities.

We also need your continuing support for two initiatives that are critical to 21st century transformation: the Global Posture Review, and the Base Realignment and Closure (BRAC) Commission round scheduled for 2005.

We need BRAC to rationalize our infrastructure with the new defense strategy, and to eliminate unneeded bases and facilities that are costing the taxpayers billions of dollars to support.

And we need the global posture review to reposition our forces around the world—so they are stationed not simply where the wars of the 20th century ended, but are arranged in a way that will allow them to deter, and as necessary, defeat potential adversaries that might threaten our security in the 21st century.

These two efforts are inextricably linked.

It is critical that we move forward with both BRAC and the Global Posture Review—so we can rationalize our foreign and domestic force posture. We appreciate Congress' decision to authorize a BRAC round in 2005—and will continue to consult with you as we proceed with the global posture review.

CONCLUSION

Mr. Chairman, the President has asked Congress for a total of \$401.7 billion for fiscal year 2005—an increase over last year's budget. Let there be no doubt: it is a large amount of the taxpayer's hard-earned money. Such investments will likely be required for some years—because our nation is engaged in a struggle that could well go on for a number of years to come.

Our objective is to ensure that our Armed Forces remain the best trained, best equipped fighting force in the world—and that we treat the volunteers who make up the force with respect commensurate with their service, their sacrifice, and their dedication.

Their task is not easy: they must fight and win a global war on terror that is different from any our nation as fought before. And they must do it, while at the same time preparing to fight the wars of 2010 and beyond—wars which may be as different from today's conflict, as the global war on terror is from the conflicts of the 20th century.

So much is at stake.

Opportunity and prosperity are not possible without the security and stability that our Armed Forces provide.

The United States can afford whatever is necessary to provide for the security of our people and stability in the world. We can continue to live as free people because the industriousness and ingenuity of the American people have provided the resources to build the most powerful and capable Armed Forces in human history—and because we have been blessed with the finest young men and women in uniform—volunteers all—that the world has known.

They are courageous, they are selfless, and they are determined. They stand between this nation and our adversaries, those who wish to visit still further violence on our cities, our homes and our places of work. The men and women of the Armed Forces are hunting the enemies of freedom down—capturing or killing them in the

far corners of the world, so they will not kill still more innocent men, women, and children here at home.

We are grateful to them and proud of them. We stand ready to work with you to ensure they are treated with the dignity they deserve, and the respect they earn every day.

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

STATEMENT OF GENERAL RICHARD B. MYERS

Senator STEVENS. Do you have a statement, General Myers?

General MYERS. Mr. Chairman, I do have a short statement.

Senator STEVENS. Would you pull that mic a little closer to you, please?

General MYERS. Mr. Chairman, I do have a short statement.

Thank you, Mr. Chairman, Senator Inouye, Senator Byrd, members of the committee. Once again I thank you for your unwavering support of our Armed Forces, and, more specifically, our men and women in uniform as they fight this all-important war on terrorism.

Recently, the world's attention has been focused, understandably, on the horrendous incidents of detainee abuse at Abu Ghraib prison. Let me, once more, restate that these acts are absolutely unacceptable, and I assure you that commanders at every level are taking prompt and decisive action to ensure that the accused receive due process and that the guilty are punished.

One of the United States (U.S.) military's greatest strengths comes from the fact that we hold our servicemen and women accountable for their actions. I am confident in our military justice system, and I'm confident that our commanders are doing the right things to prevent further compromise of military standards and American values.

I can also assure you today we are as firm as ever in our resolve to help create a free, prosperous, and democratic Iraq. We are dealing deliberately and aggressively with the anti-coalition forces in Fallujah, as well as Sadr's band of thugs, to ensure they do not derail the progress that we're making.

The truth is, the majority of the Iraqi people want democracy in Iraq to succeed, and they're positive about what the future holds, thanks, in large part, to the efforts of our servicemen and women. And I know our servicemen and women are all suffering unfairly with a collective sense of shame over what happened at Abu Ghraib.

I would like to quote a letter from a soldier in the 1st Armor Division. He said that every time he eats in the dining hall, he sees the prison abuse story on TV, and he says, quote, "Everyone is so angry. It's as if those soldiers hurt us more than the enemies here in Iraq have. My battalion has caught car bombers, weapons smugglers, and those laying mines to kill us. And, every time, we treated them with respect."

This is the type of soldier who accurately, in my view, represents the values of our military and our Nation. The credibility of our troops will be restored day by day as they interact with the Iraqi people, and I'm confident that our servicemen and women will continue to prove worthy of the trust and respect of our Nation and of the world. They are so tremendously dedicated. They understand their mission very well. And they understand what a huge dif-

ference they are making. They've seen the enemy unload weapons from ambulances, use mosques as operating bases, deliberately put children in the line of fire as human shields, and attack innocent civilians indiscriminately by firing mortars and grenades at marketplaces, yet our servicemen and women are going to extraordinary lengths to conduct the most humane operation they possibly can. That means at times that we accept greater risk in order to avoid civilian casualties.

I see the same kind of professionalism and compassion in Afghanistan, as well. There are now 13 provincial reconstruction teams working on security and civil affairs for the Afghan people.

We are making great progress in the war on terrorism with the help of more than 90 other nations. Despite Spain and three other countries' decisions to depart Iraq, the coalition remains very strong.

Recent events in Fallujah, Najaf, and other parts of central Iraq have resulted in the decision to extend some 20,000 U.S. troops beyond their expected rotation date. We are now working to backfill these troops. It's not 100 percent clear what the security environment will be after 30 June and beyond, but we will continue to support General Abizaid with the number of forces that he needs.

What is clear is that we have not finished our task of reviewing all our options for making better use of our authorized forces. As Secretary Rumsfeld said, we're looking at the stress on our forces from every possible angle. A cold war approach to simply counting divisions or ships or fighter wings will not help us refine our capabilities to meet the national security environment of the future. All solutions need to be flexible and, most importantly, transformational.

As the Secretary said, General Schoomaker's review of how the Army structures their combat units, and Admiral Clark's new approach to carrier strike group deployments, are two very visible examples of this transformation.

We don't have time today to list all the significant transformational issues we're working on, but these initiatives span from Guard and Reserve mobilization, to our planning processes, to deployable command and control systems. And with your support, we will continue to transform our warfighting capability.

Despite the significant stresses on our Armed Forces today, readiness remains good. We are keeping a close eye on recruiting and retention, and we can say that so far it's going very, very well. We have the trained personnel and resources to accomplish the military objectives outlined in the Department's strategic planning guidance.

I support the President's request for a \$25 billion contingency reserve fund to support ongoing operations in the war on terrorism. This money is vital to ensuring our troops continue to be trained and resourced for the missions they are assigned, and to avoid any decrease in readiness or capability while they're deployed.

PREPARED STATEMENT

We still have a long way to go in this war, beyond the transfer of sovereignty in Iraq and elections in Afghanistan, but our troops are making a huge difference every day, and they know it. We are

truly blessed with amazing men and women to do this very, very important work. I thank all of you for your continued strong support of our men and women in the Armed Forces.

[The statement follows:]

PREPARED STATEMENT OF GENERAL RICHARD B. MYERS

I am privileged to report to Congress on the state of the United States Armed Forces.

As they were a year ago, our Nation's Soldiers, Sailors, Airmen, Marines and Coastguardsmen are currently operating within our borders and around the globe with dedication, courage and professionalism, alongside our Coalition partners, to accomplish a variety of very demanding missions. Global terrorism remains a serious threat, and the stakes in the Global War on Terrorism remain high.

Over the past year, I have told you that with the patience, will, and commitment of our Nation we would win the War on Terrorism. The support we have received from the Congress has been superb. From Congressional visits to deployed personnel, to support for transformational warfighting programs, to funding for security and stability operations, to improved pay and benefits for our troops, your support for our servicemen and women has enabled us to make significant progress in the War on Terrorism.

In spite of the difficulties in Fallujah and the radical Sadr militants, we are making progress in Iraq. Saddam Hussein no longer terrorizes the Iraqi people or his neighbors; he is in custody awaiting justice. The Iraqi people are on their way to establishing a prosperous and peaceful future. It won't come easy. Freedom never does, and events over the last month have been challenging. The list of important accomplishments in every sector—education, medical care, business, agriculture, energy, and government, to name a few—is long and growing. We have made substantial progress in Afghanistan as well. The Constitutional Loya Jirga is an encouraging example of democracy in action. In both countries, as in the Horn of Africa and other areas, United States and Coalition personnel work together to capture or kill terrorists, while at the same time improving infrastructure and economic conditions so that peace and freedom can take hold.

Despite the operational demands on our forces, we remain ready to support the President's National Security Strategy and Secretary of Defense's draft National Defense Strategy to assure our allies, while we dissuade, deter and defeat any adversary. The draft National Military Strategy (NMS), developed in consultation with the Service Chiefs and Combatant Commanders describes the ways we will conduct military operations to protect the United States against external attack and aggression, and how we will prevent conflict and surprise attack and prevail against adversaries. The strategy requires that we possess the forces to defend the U.S. homeland and deter forward in four critical regions. If required, we will swiftly defeat the efforts of two adversaries in an overlapping timeframe, while having the ability to "win decisively" in one theater. In addition, because we live in a world marked by uncertainty, our forces must also be prepared to conduct a limited number of lesser contingencies while maintaining sufficient force generation capabilities as a hedge against future challenges.

We appreciate your continued support giving our dedicated personnel the warfighting systems and quality of life they deserve. Our challenge for the coming year and beyond is to stay the course in the War on Terrorism as we continue to transform our Armed Forces to conduct future joint operations. We cannot afford to let our recent successes cause us to lose focus or lull us into satisfaction with our current capabilities. The war is not over, and there is still dangerous work to do. To meet this challenge, we continue to focus on three priorities: winning the War on Terrorism, enhancing joint warfighting, and transforming for the future.

WAR ON TERRORISM

Thirty-two months after the terrorist attacks on September 11, defeating global terrorism remains our military's number one priority. We will continue to fight this war on many different fronts, because terrorism comes in many different forms. The stakes remain high, but our resolve remains firm.

The more experience we gain in this fight, the more we recognize that success is dependent on a well-integrated military, interagency and coalition effort. This means the coordinated commitment of the military, diplomatic, informational, economic, financial, law enforcement, and intelligence resources of our Nation—all instruments of our national power. On the international level, Coalition military and interagency cooperation has been remarkable. In Iraq, Coalition forces from over 30

nations are working hard to bring peace and stability to a country brutalized for 3 decades. In Afghanistan, 41 nations are working to secure a democratic government and defeat al Qaida and remnants of the Taliban regime, with NATO assuming an increasing role in stability and reconstruction efforts.

We have made significant strides coordinating U.S. Government efforts within the interagency and with our Coalition partners. One of the ways we have been successful at coordinating interagency efforts is through venues such as the Strategy Working Group, the Senior Leadership Review Board and the Regional Combating Terrorism Strategies. Continued success in this war will depend largely on our ability to organize for a sustained effort and coordinate seamlessly among all government agencies. An even more demanding task is coordinating the efforts of our Coalition partners, now numbering more than 90 nations. Coalition contributions have been significant, ranging from combat forces, to intelligence, logistics and medical units. They have complemented our existing capabilities and eased the requirement for current U.S. forces in Iraq and Afghanistan. Coordinating the efforts of our Coalition partners is critical to combating the remaining terrorist threat.

The al Qaida network, though damaged, remains resilient, adaptable and capable of planning and executing more terrorist acts, such as the attacks in Saudi Arabia, Turkey and most recently in Spain. Al Qaida continues to receive support and recruit operatives from sympathizers around the world. Al Qaida will increasingly focus on Iraq as today's jihad. As the network consolidates its efforts in Iraq, the threats of attacks will grow. In fact, four al Qaida audiotapes released in 2003 prominently mentioned Iraq, demonstrating Usama Bin Ladin's emphasis on staging attacks there. Ansar al-Islam also remains a formidable threat in Iraq, despite damage inflicted by Coalition forces during OIF. Its key leadership remains at large and continues to plot attacks against US and Coalition interests.

The ceasefire with anti-Coalition militants in and around Fallujah is fragile. The Coalition is responding to attacks by militants who frequently fire upon Coalition forces and hide among the populace, and who fire from mosques and hospitals. The combatants in this area apparently are a combination of former regime elements, Islamic extremists, terrorists, foreigners, and other disenchanted Sunnis who oppose Coalition efforts to reconstruct Iraq. Delegations of Iraqi leaders continue efforts to mediate surrender and the turn-in of weapons.

In the South, Muqtada al-Sadr's armed backers largely have been forced by Coalition military pressure to coalesce within the city of An Najaf. They continue to engage Coalition forces with mortars and small arms, likely from inside or nearby shrines sacred to Shia. Al Sadr continues to intimidate the citizens of An Najaf, the majority of whom want to see this situation resolved and the shrines protected. Sadr has convinced some impressionable Shia youth to fight to legitimize his influence in Iraq. However, senior Shia intervention may push Sadr to concede to a political settlement.

Other terrorist groups also pose significant threats to U.S. interests, and we believe that some of these terrorist groups have developed contingency plans for terrorist attacks against U.S. interests abroad. The Revolutionary Armed Forces of Colombia continue to conduct terrorist attacks throughout Colombia. They currently hold three U.S. hostages captured in early 2003, and directly threaten efforts to bring peace, stability and an end to the drug trade in Colombia. Jemaah Islamiyah in Southeast Asia is another terrorist group that shares al Qaida's goals and methods, adding to the transnational terrorist threat. The intelligence that led to recent heightened alert levels during the holidays in December show that the threat of a major terrorist attack against the U.S. homeland remains very real.

Disturbingly, terrorist groups continue to show interest in developing and using Chemical, Biological, Radiological and Nuclear (CBRN) weapons in terrorist attacks. Terrorists have attempted to acquire military-grade materials, and interest in CBRN weapons and materials by several groups is well documented.

The Coalition's efforts in the War on Terrorism (WOT) represent the significant first step in curtailing WMD proliferation. Our strategy for combating WMD calls for the Combatant Commanders to detect, deter, deny, counter, and if necessary, interdict WMD and its means of delivery. Combating WMD relies on a continuum of interrelated activities, employing both defensive and offensive measures, and confronting the threat through mutually reinforcing approaches of nonproliferation, counterproliferation, and consequence management. This multi-tiered and integrated effort will greatly reduce the threat of WMD falling into the hands of terrorists. Following the liberation of Iraq and the collapse of Saddam Hussein's brutal regime, the countries of Iran, and most recently, Libya have been more forthcoming about their illegal WMD programs to the international community. This should also help to apply international pressure on North Korea and its nuclear declarations.

To counter the potential threat of the proliferation of WMD, the President's Proliferation Security Initiative (PSI) is the most far-reaching attempt to expand our efforts to impede and interdict the flow of weapons of mass destruction, their means of delivery, and related materials, between state and non-state actors of proliferation concern. It is part of a larger effort to counter proliferation of weapons of mass destruction and missile-related technology by interdicting shipments of these materials by air, land, and sea. To date, there are 14 partner nations actively participating in PSI operations and exercises. Our goal is to expand PSI participation in order to be postured to respond quickly to assist in the interdiction of the proliferation trade. United Nations Security Council Resolution 1540, adopted by a vote of 15-0 on April 28, 2004, underscores the international importance of this issue and enhances the legal basis for PSI and related efforts to combat proliferation of WMD, related materials, and their delivery systems.

OIF AND OEF OPERATIONS

U.S. Central Command (CENTCOM) is still center-stage in the WOT, and doing a magnificent job under difficult circumstances. The Iraqi Governing Council unanimously approved its Transitional Administrative Law (TAL) on March 8, providing the framework for elections and transition to a permanent constitution and an elected, democratic government in 2005. On June 30, a fully sovereign Iraqi interim government will take office in Iraq. Iraqis recognized the need for a security partnership with the Multinational Force (MNF), under unified MNF command, in the TAL. The TAL provides that "consistent with Iraq's status as a sovereign state—the Iraqi Armed Forces will be a principle partner in the MNF operating in Iraq under unified command" and that this arrangement will last "until the ratification of a permanent constitution and the election of a new government." Furthermore, United Nations Security Council Resolution 1511 acknowledges the responsibility and authority of the MNF for the security of Iraq.

Since the end of major combat operations, we have made steady progress towards meeting our objectives. Essential services are being restored, and a political transformation is already underway in Iraq. We continue to train and equip Iraqi security forces. It is important for the Iraqis to see Iraqi faces on their security forces, with the Coalition forces remaining in the background. Although a few countries are withdrawing their troops from Iraq, our Coalition remains strong, with over 30 other countries directly supporting stability and security in Iraq.

Today, Coalition forces continue to rout out remnants of the former regime attempting a desperate last stand. Using intelligence provided by Iraqi citizens, we are conducting thousands of raids and patrols per week alongside Iraqi security forces. We have seized massive amounts of ammunition, and captured or killed 46 of the 55 most wanted former Iraqi leaders, as well as thousands of other Saddam loyalists, terrorists and criminals. We have captured or killed all of the top 5, most notably Saddam Hussein and his sons, Uday and Qusay.

The Iraq Survey Group is continuing its examination of Saddam's WMD programs by interviewing Iraqi citizens, examining physical evidence, and analyzing records of the old regime. We know that this process will take time and patience, and must be able to stand up to world scrutiny.

Our Soldiers, Sailors, Airmen, Marines and Coastguardsmen in Iraq are now supporting over 203,000 Iraqi security forces. The Iraqi police continue to expand their training pipelines in Jordan and Iraq, producing hundreds of trained officers each month. We are well on track to meet our goal of 31,000 trained Iraqi police by August 2004, and a fully trained force of 75,000 by June 2005. The Facilities Protective Service has fewer training requirements and has already reached its goal of 50,000 members. They have taken over security from Coalition Forces at most fixed site locations, such as power lines and parts of the oil infrastructure—key targets for sabotage. Our goal for the Border Enforcement Force is to have 20,400 members by May 2005. They will relieve Coalition forces guarding checkpoints along Iraq's border. U.S. military forces continue to vet former members of the Iraqi military and other security services for employment in the new Iraqi security services, but Iraqis are formally in charge of de-Ba'athification efforts and have established guidelines for that process. The Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan 2004 that Congress approved last year was instrumental in enabling our planned accelerated development of these security forces, and we are grateful for that support.

The New Iraqi Army continues to train additional battalions. Iraq's Army needs more than just military skills. They must have a deep-rooted sense of professionalism, focused on protecting all Iraqis while operating firmly under civilian control. The new army will reflect Iraq's religious, regional, and ethnic mix, will be apo-

litical, and indoctrinated in their role of defense and security. We will spend the time and resources necessary to ensure the Iraqi Army is a well-trained and highly capable force.

The linchpin of our security efforts during this transition period is the Iraqi Civil Defense Corps (ICDC), currently planned to be a fully trained force of 40,000 by September 2004. The ICDC is a light military force, created to deal with the current stability issues in Iraq. As we have done from the beginning, we continue to reassess the security environment in Iraq. These security assessments could change force goals for the various components of Iraqi security forces. ICDC units' performance in recent counter-insurgency operations was mixed. In almost every case, the units that performed effectively had completed the prescribed training programs, were fully equipped, had a history of close integration with Coalition forces, served under effective chains of command, and had developed a high level of unit cohesion from having worked together for some time. The units that failed to perform well generally lacked several of these characteristics.

CJTF-7, the Coalition Police Advisory Training Team and the Coalition Military Advisory Training Teams, are all re-evaluating the security force training programs in light of the mixed performance over the last three weeks, and have identified a number of key enablers that should produce a cadre of trained and capable forces. These include acceleration of academy training programs, increasing the number of coalition advisors embedded into units, increasing the involvement of Iraqi security forces in Coalition operations and introducing former Iraqi officers as liaison officers to coalition units.

Equipment shortages remain one of the greatest obstacles to establishing capable security forces, but our recent efforts to energize the equipment procurement process are beginning to pay off. We should see the acceleration of equipment deliveries beginning in May. Because of losses associated with operations in early April, we will have to establish additional contracts for equipment above those already in place to get the Iraqi Security Forces up to the 100 percent equipped mark. If the additional contracts are awarded this month, we expect most of the forces can cross the 50 percent required equipment threshold in July, and 100 percent by September.

Fiscal year 2004 supplemental funds provided commanders with one of the most successful tools in winning the hearts and minds of the Iraqi and Afghan people, the Commander's Emergency Response Program (CERP). These funds provide commanders and the resourceful young troops they lead with the means to respond to urgent humanitarian and stabilization and reconstruction needs such as water and sanitation projects, irrigation and small-scale agriculture assistance, school house repairs and civic cleanup projects. This program is an invaluable tool for establishing relationships with the Iraqi and Afghan people, assisting in economic development, and creating a safer environment.

The United Nations and the international community are also playing vital roles in the political and economic transformation of Iraq. Over 70 countries and international organizations including the United States, pledged \$33 billion at the Madrid Donors Conference. U.N. Security Council Resolution 1511 called upon Iraqis, initially through the Iraqi Governing Council, to determine the course and speed of their political reformation. In response, the Iraqi Governing Council has submitted its plan and timetable for selecting a transitional National Assembly and interim government, drafting a constitution and holding elections. It is an ambitious schedule, but one that they can accomplish with our help.

In addition to security and political progress, we continue to help Iraq rebuild the infrastructure required for economic progress and a stable democracy. The Coalition Provisional Authority (CPA) and Gulf Region Division-Restore Iraqi Electricity (GRD-RIE) are managing a comprehensive maintenance and upgrade program designed to improve power generation, transmission, efficiency and capacity to meet the future needs of the Iraqi people. Through the coordinated efforts of the Army Corps of Engineers and the Iraqi Ministry of Electricity, we met the initial October 2003 goal of 4,400 MW of peak power generation. The next goal is 6,000 MW of power by June 1, 2004. In order to meet this goal the CPA developed the Power Increase Plan to offset recent system failures from severe weather and continuing sabotage and looting. This plan increases electrical power generation through an increase of generator rehabilitation and maintenance projects, the increase of new power generators to the national power grid, increasing electrical power imports from other nations, and improving system-wide power transmission and distribution. Other progress continues throughout Iraq in potable drinking water projects, supplying hospitals with medical supplies, providing school supplies for Iraqi school children and rebuilding classrooms. Living conditions are improving everyday in Iraq, as many of you have seen for yourselves on recent trips to Iraq.

In Afghanistan, our military strategy combines both combat and stability operations. U.S. and Coalition forces are conducting combat operations to rid Afghanistan of al Qaida and Taliban remnants, and stability operations to assist in building Afghan security institutions, governing bodies, and economic prosperity. In January, the interim Afghan government held their first Constitutional Loya Jirga, approving a new constitution for Afghanistan. In September, Afghanistan will hold its first presidential and parliamentary elections in over three decades. This is extraordinary progress, by any measure.

Security and stability operations are being conducted by 13 Provincial Reconstruction Teams (PRTs) operating throughout Afghanistan, with at least 5 more PRTs planned for this year. Coalition and NATO PRT representatives are making great strides improving the quality of life for the Afghan people by building schools, clinics, wells, roads and other community infrastructure projects. Reopening the Kabul-to-Kandahar road was a major success. Our efforts have increased security and stability in Afghanistan.

In August 2003, NATO assumed responsibility for the International Security Assistance Force (ISAF) in Afghanistan. In October 2003 the United Nations Security Council passed a resolution extending ISAF's mission in Afghanistan for one year, and authorizing ISAF to operate outside Kabul and its environs. In February 2004, a Canadian officer assumed command of the NATO ISAF headquarters from the German commander. NATO's role in Afghanistan is expanding. Germany now leads the NATO PRT at Konduz. NATO is planning future ISAF expansion across northern and western Afghanistan.

The Afghan National Army (ANA), now numbering over 8,000 trained personnel, is at the forefront of efforts to improve security and stability and establish a strong national identity among the Afghan people. To date the ANA has performed well, fighting side-by-side with United States and Coalition forces during recent successful combat operations to capture or kill Taliban, Hezb-I-Islami-Gulbiddin, and al Qaida elements. In January 2004 training capacity was increased to graduate 10,800 ANA trained personnel per year. Most of the funding provided in the Afghanistan portion of the fiscal year 2004 Emergency Supplemental has strengthened ANA efforts, including the acceleration of training and improved retention and recruitment.

Congress has demonstrated its commitment to the future of Afghanistan, but there is still much more the international community could and should contribute to the reconstruction of Afghanistan. The Berlin Donor's Conference was a significant success with \$4.5 billion pledged for this fiscal year and \$8.2 billion for the next 3 years. The Afghan government, with the help of the U.S. government, is seeking more donations for several infrastructure projects such as a new Ministry of Defense headquarters, a hospital in Kabul, and a military academy, as well as donations of certain equipment, weapons and ammunition.

In neighboring Pakistan, working closely with President Musharraf, we have been able to increase coordination among United States, Coalition, Afghan and Pakistani forces along the Pakistan-Afghanistan border. The Pakistani government has taken some initiatives to increase their military presence on the border, such as manned outposts, regular patrols and security barriers. From time to time they have aggressively confronted Taliban and al Qaida supporters in the areas of the Pakistan Federally Administered Tribal Areas and suffered casualties in the process. The Tripartite Commission consisting of United States, Afghan and Pakistan representatives concluded its seventh session in mid-April. Among the many accomplishments of the Tripartite Commission has been the establishment of a sub-committee to investigate means to prevent cross-border conflict. United States/Pakistani military cooperation continues to improve, and we are helping Pakistan identify equipment requirements for their counter-terrorism efforts.

Operations in the Horn of Africa remain an essential part of the WOT. The Joint Task Force Horn of Africa at Camp Lemonier, Djibouti is conducting counter-terrorist and civil affairs operations in Eastern Africa. Although these operations have impacted al Qaida's influence in the region, a continued military presence is essential to stop the movement of transnational terrorists and demonstrating to the region our resolve to wage the WOT in Africa.

In support of OEF—Philippines, U.S. Pacific Command (PACOM) used congressionally approved funds this past year to continue counter-terrorism training for the Armed Forces of the Philippines. A small contingent of U.S. military personnel remains in the southern Philippines managing these efforts and other humanitarian assistance projects.

OTHER OVERSEAS OPERATIONS

U.S. European Command (EUCOM), in accordance with SECDEF guidance, has developed a concept for the reduction of U.S. forces supporting U.S. Stability Forces in Bosnia-Herzegovina. USEUCOM is closely monitoring the stability of the Province of Kosovo, given recent violence, to determine required U.S. force levels to support the U.S. Kosovo Force. Any force reductions will be done in concert with the North Atlantic Council's Periodic Mission Review recommendation for the Balkans.

When EUCOM concludes the Georgia Train and Equip Program in May 2004, they will meet their objective of improving Georgia's ability to confront transnational terrorism operating within Georgia. Training is being provided for two staffs, four battalions and one mechanized/armor company team. To build on this success and momentum, EUCOM is reviewing a possible follow-on Georgia Capabilities Enhancement Program to sustain and improve the Georgian military's newly acquired capabilities, and demonstrate a continued U.S. commitment to the Georgian Armed Forces' development.

Maritime Interdiction Operations took on a new global focus last year, beyond the historical CENTCOM and EUCOM missions, when the President approved Expanded Maritime Interception Operations to interdict terrorists and their resources globally. Expanded Maritime Interception Operations are now significant mission areas for every deployed battle group, especially along maritime transit lanes and choke points. Results from these maritime operations, such as in the Mediterranean Sea, have produced lower insurance premiums in the shipping industry, considerably less illegal immigration in countries such as Spain, Italy, and Greece, and a reduction in crime at sea. Maritime Interdiction Operations are a truly international effort. German and Spanish led multi-national naval forces patrol the CENTCOM area of responsibility, and this past year Coalition naval forces have been responsible for boarding over thirty ships within EUCOM's area of responsibility.

U.S. Southern Command (SOUTHCOM) continues to support counter-narcotics trafficking and counter-terrorism efforts in the Caribbean and Central and South America. They are assisting the Colombian military in its fight against designated terrorist organizations by providing military advice, training, and equipment with an emphasis on the pursuit of narco-terrorist leadership, counter-narcotics tactics, and security for major infrastructure such as the Cano Limon pipeline. SOUTHCOM supported the formation of the Colombian Army Special Operations Command and is continuing its efforts to train the Commando Battalion, and a Ranger-type unit. Training was successfully completed for the first Colombian Commando Battalion, and training has begun for the second battalion. The Colombian military has been very successful over the past year in their fight against narco-terrorism. The Tri-Border Area between Argentina, Brazil and Paraguay is another focal point for drug and arms trafficking, money laundering, document fraud and Islamic terrorist-supported activities in South America. U.S.-sponsored multilateral exercises are promoting security, improving effective border control, and denying terrorist groups such as Hizballah, Hamas and other Middle Eastern terrorist safe havens, restricting their ability to operate.

SOUTHCOM is also providing nearly 2,000 military personnel to manage detainee operations at Guantanamo Bay, Cuba. We operate in close coordination with several U.S. agencies. We are constantly reviewing the status of each detainee, and to date have transferred 128 of the detainees who were determined to be of no intelligence or law enforcement value, or no threat to the United States or its interests, back to their countries of origin for release. 18 detainees have been transferred back to their country of origin, under an agreement for continued detention by that country. More await similar agreements to allow for transfer or continued detention. A number of detainees have been assessed as high intelligence and or law enforcement value, or pose a significant threat to U.S. interests. These detainees will remain for further exploitation. Other cases are being considered for referral to the Military Commission, although no one has been referred to date. Information gleaned from detainees, many of whom continue to make threats against Americans, has already helped prevent further terrorist attacks against the United States and our allies. Furthermore, continued detention of those who pose a threat to U.S. interests prevents those enemy combatants from returning to the battlefield.

SOUTHCOM is also conducting security and stability operations in Haiti following the departure of President Aristide, with a Multinational Interim Force (MIF) of nearly 4,000 personnel. The presence of the MIF has improved the security and humanitarian situation in Haiti. The MIF is composed of approximately 2,000 U.S. military personnel with the remainder from Canada, Chile and France. Under U.N. Security Council Resolution 1542, adopted unanimously on April 30, SOUTHCOM and the Multinational Force will transition the current Haiti operation

to a new United Nations Stabilization Mission in Haiti on or about June 1, 2004. The United Nations has authorized a force of 6,700 troops and 1,600 police.

In accordance with the Unified Command Plan 2002 Change 2, on January 1, 2004 U.S. Strategic Command (STRATCOM) reported significant progress in all of their new mission areas: global strike; missile defense; DOD information operations; and command, control, communications, computers, intelligence, surveillance and reconnaissance missions. Further, they are on schedule to achieve full operational capability in each of the newly assigned mission areas this year. SECDEF has already approved the Information Operations Roadmap, which has 57 wide-ranging recommendations that aid Combatant Commanders in planning and executing fully integrated information operations.

As we become more reliant upon information to conduct operations, the defense of our network is paramount. This requires properly trained people, common operating standards, and a well-stocked arsenal of Information Assurance tools. We are working diligently to centralize network operations and defense, and to formalize information sharing policy, guidance and procedures. These steps, along with our cryptographic modernization plan, will safeguard our vital information.

We are formalizing the role of U.S. Special Operations Command (SOCOM) in the War on Terrorism. In the near future, we will be recommending a change to the Unified Command Plan assigning SOCOM specific responsibility to coordinate DOD actions against terrorist networks. In March, SOCOM's trans-regional psychological operations program was approved to unify existing programs, streamline approval authorities and synchronize psychological operations across regional boundaries in support of the War on Terrorism. These changes will provide SOCOM and all of DOD improved focus in our global effort to combat terrorism.

CURRENT HOMELAND DEFENSE OPERATIONS

Last year, U.S. Northern Command (NORTHCOM) reached full operational capability in their mission to deter, prevent and defeat threats and aggression aimed at the United States and its territories. Upon SECDEF approval, NORTHCOM can now deploy Quick Response Forces (company-sized units) and Rapid Response Forces (battalion-sized forces) to support time-sensitive missions such as defense of critical infrastructures or consequence management in support of the Department of Homeland Security (DHS). To improve interagency collaboration, DOD has been working with DHS to develop and implement the National Response Plan, a national-level, all-hazards plan that will integrate the current family of Federal Domestic Emergency Response Plans into a single plan.

The Joint Staff has developed a CONPLAN for consequence management operations, and NORTHCOM and PACOM have developed supporting plans. NORTHCOM's Joint Task Force Civil Support maintains strong interagency relationships to integrate command and control of DOD forces with federal agencies to manage the mitigation of Chemical, Biological, Radiological and Nuclear and High-Yield Explosive (CBRNE) incidents. This past summer, DOD, Nevada National Guard and Reserve units, FEMA, 27 other Federal agencies, and Nevada State and local agencies participated in a consequence management exercise in Nevada called DETERMINED PROMISE 2003. I was thoroughly impressed by the coordination and cooperation among active and reserve component forces, and Federal, State and local authorities. We are conducting similar exercises across the country.

In regards to anti-terrorism and force protection measures, the Joint Staff is working to ensure that Combatant Commanders at home and abroad have the resources to mitigate threats and respond to emergent requirements through the Combating Terrorism Readiness Initiatives Fund. My staff is involved in developing and updating anti-terrorism standards and policies to reflect current worldwide operations and lessons learned so that we can address any vulnerabilities. We coordinate with various agencies in the areas of training, planning, operations and intelligence sharing, all essential for developing sound anti-terrorism policies.

In an effort to improve the security of U.S. military installations and personnel around the world, the Joint Staff has created the Antiterrorism Enterprise Portal, an evolving web-based portal that aggregates the resources and programs required to support the DOD Antiterrorism Program. This portal is fast becoming DOD's one-stop location for antiterrorism/force protection information.

A program that complements this portal capability is the Joint Protection Enterprise Network (JPEN). Operated by NORTHCOM, this network provides the means to share unclassified force protection information rapidly between military installations in the Continental United States, increasing their situational awareness and security significantly. Although currently operating only on military installations,

JPEN has the potential to be expanded to share terrorist information with Federal, State and local agencies as well.

The WOT requires collecting relevant data and turning it into knowledge that will enable us to detect and preempt the plans of an elusive, skilled enemy dispersed across the globe. Although many obstacles remain, we are making significant progress in the area of information sharing. The Joint Intelligence Task Force for Combating Terrorism (JITF-CT) at DIA is a prime example of effective intelligence cooperation in the WOT. In the area of counterterrorism, we are making significant progress toward transparency and full information sharing. JITF-CT has experts from 12 intelligence and law enforcement organizations, and JITF-CT personnel are embedded in 15 other organizations, including some forward deployed personnel.

READINESS FOR FUTURE OPERATIONS

Our Nation's number one military asset remains the brave men and women serving in our Armed Forces. This past year, they demonstrated to the world their dedication, perseverance and compassion as they liberated the Iraqi people and worked to bring peace and prosperity to the region. The Administration, Congress and DOD have made raising our military's standard of living a top priority. The 2004 budget provided an average military pay raise of 4.15 percent and targeted increases of up to 6.5 percent for some enlisted personnel. The 2005 budget's proposed reduction of out-of-pocket housing expenses from 3.5 percent to 0 is a sound investment, as are future pay increases based on the Employment Cost Index plus .5 percent.

DOD has a focus group that continues to look at programs to enhance the combat effectiveness and morale of service and family members associated with OIF and OEF. Areas where we have made significant progress are Rest and Recuperation Leave, danger area benefits to include incentive options for extended tours of duty in Iraq and Afghanistan, exchanges, childcare and communications initiatives.

All Services generally met or exceeded active duty and reserve component recruiting and retention goals in both fiscal years 2002 and 2003 and are currently on target to meet fiscal year 2004 goals. However, recruiting and retention of both active and reserve personnel will continue to require attention and continued investment as we face the challenges of an improving economy and the high operations tempo associated with the war. I view all of the Quality of Life issues as inseparable from overall combat readiness, and we greatly appreciate Congressional support for all of these initiatives.

The overall readiness of our armed forces—whether forward deployed, operating in support of contingency operations, or employed in homeland defense—remains good. Our forces are the world's best trained and, possess the requisite personnel, equipment, and resources necessary to accomplish the military objectives outlined in the Strategic Planning Guidance. Challenges do exist, especially with regard to ground forces in Iraq. By mid-May, we will have completed the movement of personnel and equipment to Iraq that rivals any such military deployment in history. Coincident with this deployment of forces is a corresponding redeployment back to home bases of our service personnel after one year of service in Iraq. Some 20,000 personnel, mostly members of two Brigades of the 1st Armored Division, the 2nd Light Cavalry Regiment and associated Combat Support and Combat Service Support units, have been retained in theater past 365 days because of the present security situation in central Iraq. We will continue to examine force levels and size our combat forces appropriately as the security situation dictates in both Iraq and Afghanistan.

We continue to rely heavily on our Reserve and Guard personnel, who are playing critical roles in Homeland Defense, and serving with distinction around the world in the War on Terrorism. Some missions like the ones in Bosnia-Herzegovina and Kosovo are almost exclusively made up of Reserve and Guard units, and they are doing a magnificent job. We are well aware of the strains on members, their families, and their employers, and continuously seek better ways to support them.

There are several initiatives underway, collectively by DOD, the Services, Combatant Commands, and the Joint Staff to reform the mobilization process and to relieve the stress on the force. USJFCOM, in conjunction with the Services, is leading the mobilization reform effort by evaluating policy changes and identifying other solutions to streamline the mobilization/demobilization process, and preliminary recommendations are expected in early 2004. Two Operational Availability sub-studies were conducted last year and identified the Active Component/Reserve Component Mix and Low Density/High Demand assets as two areas of immediate concern to relieve stress on the Reserve Component forces. As an example, the Army has already begun converting some Reserve Component artillery forces into Military Police forces to meet one of the expected high demand roles of the foreseeable future. This,

and other ongoing rebalancing efforts will ensure that active and reserve forces continue to complement each other. The Services are actively engaged in reviewing how much of a given capability they need for this new security environment, and which capabilities belong in each component. Other key DOD areas of concern are reducing the need for involuntary mobilization of the Reserve Component early on in rapid response operations, establishing a more rigorous process for reviewing joint force requirements, and ensuring efficient use of mobilized Reserve Component personnel. A comprehensive Rebalancing the Force Report by ASD (RA) will summarize these efforts, while a study by ASD (HD) will define Reserve Component requirements for Homeland Defense.

U.S. Armed Forces are capable of achieving all assigned objectives in the draft National Military Strategy. However, current stresses on the force remain considerable. The increased demands of the War on Terrorism, sustaining post-conflict operations in Iraq and Afghanistan, and other global commitments are unlikely to change significantly in the near-term. Moreover, while committed globally, our Armed Forces must continue to defend the homeland, reconstitute forces returning from contingency operations, transform to meet future challenges, strengthen joint and combined warfighting capabilities, and maintain readiness. Today, given these commitments and requirements, we are carefully managing the risk in executing an additional major combat operation.

When units return home from combat operations, they must undergo a reconstitution process, which generally means a drop in their readiness. However, this does not necessarily indicate that a unit is either unavailable for or incapable of executing part or all of their assigned wartime missions. We have initiated new measures in the current readiness reporting system to identify Service and combatant command requirements, determine the scope of required reset actions, and develop appropriate solutions to mitigate shortfalls and manage risk. Our workload remains high, but we remain prepared to accomplish those missions assigned to us.

Army units returning from OIF I/OEF require focused maintenance efforts to return them to pre-hostility readiness levels, while continuing to meet Combatant Commanders' maintenance requirements. The Army's goal is to return OIF I/OEF active duty units to pre-deployment readiness within 6 months and reserves within 1 year after return to home station. However, some critical aviation systems may require additional time in order to complete depot level repairs. Funding was programmed from the 2004 Supplemental for these organizational and depot level maintenance requirements. Army Materiel Command is the lead agency for developing a plan to repair major equipment items from OIF I/OEF. The Army has developed repair estimates for all OIF I units. The workload consists of approximately 1,000 aviation systems, 124,400 communications & electronics systems, 5,700 combat/tracked vehicles, 45,700 wheeled vehicles, 1,400 missile systems, 6 Patriot battalions, and 232,200 various other systems are included in this repair plan. As OIF II and beyond maintenance requirements are further defined, DOD will refine estimates and update costs.

Combatant Commanders and the Services identified preferred munitions as one of their risk areas of concern via periodic readiness reporting. Supplemental funding, as well as augmented annual budget requests, has allowed us to meet our requirement for Joint Direct Attack Munitions and laser-guided bomb kit production. In the near term, we are focused on improving how we determine our munitions requirements. Over the long-term, we plan to field improved guided munitions systems that build on our already superb precision-delivery capabilities.

Our military training areas are facing competition from population growth, environmental laws, and civilian demands for land, sea, and airspace. The Services are proud of their success in protecting the environment, endangered species and cultural resources. We are grateful to Congress for their assistance in the fiscal year 2004 Defense Authorization Act, which precluded designating certain DOD lands as critical habitat, and preserved valuable Navy training while ensuring protection of marine mammal species. Having the world's most sophisticated weapons systems and simulators cannot substitute for our most important military training activities, air, land and sea maneuver and live-fire training. Some installations, ranges, and training areas are losing critical military value because encroachment is impairing their capability to provide useful readiness and operational support. We will continue to seek Congressional support that balances environmental concerns and readiness.

Our Nuclear Readiness continues to evolve. In December 2001, the Nuclear Posture Review established a New Triad composed of Offensive Strike capabilities (both nuclear and non-nuclear), Defenses (active and passive) and Responsive Infrastructure in order to respond to a wide range of contingencies. DOD is in the midst of a Strategic Capabilities Assessment to assess the progress in fielding the New Triad

and determine the number and types of forces to meet the Moscow Treaty commitment of reductions of 1,700 to 2,200 operationally deployed strategic nuclear warheads by 2012.

We continue our efforts to ensure we can operate effectively in a CBRN environment, since our potential adversaries, both nation states and terrorists, seek to acquire and develop weapons of mass destruction, including biological warfare agents. Vaccinations represent an important countermeasure against biological threats and provide our military personnel with the best available protective measures. To date, approximately 695,000 military personnel have been vaccinated against anthrax and more than 520,000 military personnel have received smallpox vaccinations. The anthrax and smallpox vaccination programs are very successful, and it is imperative to develop effective countermeasures against other biological threats to protect our warfighters.

While our warfighting team has always included contractors, their involvement is increasing. The Joint Staff is leading a joint group to develop overarching DOD policy and procedures for management of contractor personnel during contingency operations.

We must also reexamine our ability to get to the fight. The Mobility Requirements Study 2005, completed in 2000, is the current baseline mobility requirements document. DOD is actively engaged in conducting a new full-scale mobility study that reflects our current defense strategy and incorporates lessons learned from OEF and OIF to further clarify strategic lift requirements. The goal is to complete a new Mobility Capabilities Study by March 2005, in time to influence preparation of POM-08 and the Quadrennial Defense Review.

Sustaining our overseas presence, responding to complex emergencies, prosecuting the global war on terrorism, and conducting operations far from our shores are only possible if our ships and aircraft are able to make unencumbered use of the sea and air lines of communication. Our naval and air forces must be able to take advantage of the customary, established navigational rights that the Law of the Sea Convention codifies. We strongly support U.S. accession to the Convention.

Although C-17 production is not planned to terminate until fiscal year 2008, portions of C-17 production lines will begin to close in fiscal year 2006. The Air Force and DOD are studying the benefits and risks (including financial and war fighting) of continuing or terminating the C-17 production lines, and plan to complete this assessment in time to inform the fiscal year 2006 POM.

The significant age of our KC-135 fleet and the importance of air-refueling capabilities dictate modernization of our aerial-refueling fleet. Based on the results of ongoing investigations and studies, the Air Force will recommend a cost-effective strategy for acquiring a suitable replacement for the KC-135 fleet to meet joint warfighting requirements to support our National Security Strategy.

The F-35 Joint Strike Fighter (JSF) will be a giant leap over existing attack/fighter capabilities. JSF is in the third year of an 11-year development program, and we have seen some design challenges. The current design challenge for all three variants is weight, which impacts performance requirements, particularly for the Short Takeoff and Vertical Landing variant. Design teams are working diligently to solve this issue, and we have moved the first planned production procurement to the right one year, and added extra money to the development. The weight issue is within normal parameters of design fluctuation, and this issue will be worked out through the development and design process.

Protection of our troops remains a top priority. Interceptor Body Armor (IBA) was in the initial fielding phase at the start of OIF. The DOD has been aggressively managing this critical item, and accelerated fielding and production rates when CENTCOM identified the need due to the threat situation. IBA consists of an Outer Tactical Vest (OTV) and a set of Small Arms Protective Inserts (SAPI). Currently, there is enough IBA (with SAPI) in theater to meet the CENTCOM military and civilian requirements, for their entire area of operations, including Iraq, Kuwait, Afghanistan and the Horn of Africa. We will continue to work diligently to provide the best protective equipment for our servicemen and women and DOD civilians.

The Up Armored version of the High Mobility Multi-Purpose Wheeled Vehicle (HMMVV) has proven to be effective at protecting our soldiers against mines, improvised explosive devices (IED) and direct fire weapons. Currently there is a shortfall in Iraq and worldwide. To fill this shortfall, in the near term, the Joint Staff, the Services and the Combatant Commanders are conducting an aggressive campaign to redistribute worldwide inventories of UP Armored HMMVVs to Iraq. In the longer-term, Congress' Emergency Supplemental and reprogramming have provided funding to accelerate production of Up Armored HMMVVs to meet CENTCOM requirements by October 2004.

OIF reaffirmed how critical the deployment and distribution process is to joint warfare. The Joint Staff is working with DOD and the Service logistics experts to develop an integrated end-to-end deployment and distribution process that is responsive to rapid projection of forces, the delivery and handoff of joint forces, and worldwide sustainment in support of the Joint Forces Commander.

During the fiscal year 2004 budget cycle, Congress voiced concern over the Department's overseas basing plans. Since then, our global posture strategy has matured. We are now in the process of detailed consultation with our allies and members of Congress. The overseas portion of the fiscal year 2005 Military Construction budget submission includes projects at enduring locations. These projects reflect our Combatant Commanders' most pressing base and infrastructure needs. I urge Congress to support our Combatant Commanders and fund the overseas MILCON projects submitted in the fiscal year 2005 budget request. These projects contribute directly to our readiness and the quality of life our personnel deserve.

JOINT WARFIGHTING

Protecting the United States, preventing future conflicts, and prevailing against adversaries require our military to sustain and extend its qualitative advantage against a very diverse set of threats and adversary capabilities. Maintaining our qualitative advantage begins with improving education programs across the Services. We must also adapt and transform organizations and functions to eliminate gaps and seams within and between combatant commands, agencies at all levels of government, and potential coalition partners. Information sharing is at the forefront of this effort.

Recent operations in Afghanistan, Iraq, the Philippines, and Africa have demonstrated the impact timely sharing of intelligence has on planning and executing military operations. Since this is a global war requiring an international effort, we must also improve coalition command and control capabilities, and consolidate the numerous networks that exist today. These disparate networks hinder our ability to plan in a collaborative environment and exercise timely and effective command and control with our multinational partners.

We must also review policies and implement technology that safeguard our vital sensitive information while ensuring critical operational information is shared with all those who fight beside us. JFCOM has been tasked to take the lead in identifying specific multinational information sharing requirements and recommending policy changes. Our goal is to establish a multinational family of systems with common standards as part of the Global Information Grid enterprise services. I view this as a top priority and ask for Congressional support—information sharing with our allies is critical to winning the War on Terrorism.

During OIF, our military forces benefited from unprecedented situational awareness through a common operational picture. In particular, one new system, Blue Force Tracker, was critical to the success of our forces as they sped towards Baghdad. Some of the 3rd Infantry Division, V Corps, and I MEF vehicles were equipped with transponders that automatically reported their positions as they maneuvered across the battlefield—greatly improving situational awareness for our battlefield commanders, and reducing the potential for blue-on-blue engagements. Despite significant improvements in joint combat identification, challenges remain to reduce incidents of friendly fire, and maximize the synergy of combined arms to provide all front-line tactical units with friendly and threat information during decisive engagements. To address these challenges, JFCOM has the lead in the comprehensive effort to improve Joint Battle Management Command and Control, which includes the integration of Common Operational and Tactical Pictures, Combat Identification, and Situational Awareness across the force.

We are taking command and control lessons learned from OIF like the capability to track Blue Forces, and running them through the Joint Capabilities Integration and Development System process to help shape future systems requirements. The objective is to ensure all of the critical considerations of Doctrine, Organization, Training, Material, Leadership and Education, Personnel, and Facilities (DOTMLPF) are employed in an approach that synchronizes material and non-material solutions.

We are also improving our military war planning process. The Joint Staff has developed an Adaptive Planning process—whose key concepts are agility and speed—to reduce the time to develop and update war plans, while adding flexibility and adaptability to respond to the rapid changes in the global strategic security environment. The goal is to provide the President and SECDEF the best options possible. We have also been developing a collaborative campaign-planning tool for crisis action planning and execution. These tools should allow commanders the ability to as-

sess multiple courses of action, rapidly compressing plan development time while increasing plan flexibility.

Our warfighting effectiveness is also enhanced by our Joint Exercise Program, which provides Combatant Commanders with the means to train battle staffs and forces in joint and combined operations, evaluate their war plans, and execute security cooperation plans with our allies and Coalition partners. In order to improve joint training opportunities, JFCOM is developing a Joint National Training Capability (JNTC), which will achieve Initial Operational Capability in October 2004. JNTC will combine live and virtual play at multiple locations. The goal is to provide realistic joint combat training against an adaptive and credible opposing force, with common ground truths, and high quality exercise feedback.

Strategic airlift is available to exercises only on an as-available basis, since it is prioritized for operational needs first. Providing the personnel and assets to accomplish meaningful joint training during this period of high OPTEMPO has also been challenging. To balance these competing requirements, the Combatant Commanders are reviewing their fiscal year 2004 exercise programs with a view to canceling, downsizing or postponing exercises. We must continue to balance operational and exercise requirements against OP/PERSTEMPO and available lift.

Prior to combat operations in Iraq, we established a process for adapting OIF lessons learned for future operations as rapidly as possible. JFCOM has the lead role in turning identified operational level lessons learned into required capabilities through the Joint Capabilities Integration and Development System. After completing the OIF Strategic and Operational Lessons Learned reports, we are following up with a specific report to the Congressional Defense Committees, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives. OIF Strategic Lessons Learned require additional commitment at the national-strategic level, including an improved deployment process, redistributing specialties between the Active and Reserve Components, Reserve Component readiness and mobilization, and improving the planning and transition to post conflict operations.

Planning and transition to post conflict stability operations require significant adjustments in how we plan, train, organize, and equip our forces. We can expect future adversaries to attempt to offset U.S. military strengths through asymmetric means, to include terrorist insurgency, as combat operations transition to post conflict operations. The lessons learned process continues during stability operations in Afghanistan and Iraq.

CONSIDERATIONS AND RECOMMENDATIONS FOR GOLDWATER-NICHOLS ACT

For the past 18 years, joint operations have been improving under the provisions of the Goldwater-Nichols Act. The act strengthened civilian control of the military and facilitated better military advice to the President, SECDEF, NSC and Congress. Today, the Armed Forces are involved in a worldwide fight against terrorism, well beyond anything envisioned by the framers of Goldwater-Nichols. Now, it is time to consider new ideas for improving the effectiveness and efficiency of the military instrument of power in today's new security environment.

The WOT and other recent military operations have demonstrated the need for improved interagency cooperation, integration and execution of National Security Council decisions. We also need to improve how we coordinate the efforts of international, regional and non-governmental organizations. I fully support initiatives to formalize a mechanism that creates effective lines of authority and provides adequate resources to execute interagency operations. For example, designating the Chairman of the Joint Chiefs of Staff as the principal military advisor to the Homeland Security Council would improve homeland defense and prosecution of the WOT beyond our borders.

As new defense reform initiatives are considered, the Chairman must retain a dedicated Joint Staff, with expertise across the full range of military issues, to assist in formulating quality, independent military advice to the President, the National Security Council, and the Secretary of Defense.

Joint Officer Management codified in the 1986 Goldwater-Nichols legislation was based on the threats and force structure evident late in the Cold War. We are developing a strategic plan to shape joint officer management based on the type and quantity of officers needed to perform current and future joint missions, and the education, training, and experience joint officers require. This strategic approach will ensure future joint officers meet the needs of joint commanders.

We are already taking some initiatives to improve our Joint Professional Military Education system, with the goal of educating and training the right person for the right task at the right time. Historically, we waited until officers became majors and

lieutenant colonels before we provided them with joint education. We are finding that the War on Terrorism requires noncommissioned officers and junior officers from all Services to work in the joint environment more often than they have before. We are developing courses tailored to the needs of our younger troops that expose them to joint warfighting far earlier in their careers. To improve joint officer management and education, and prepare officers for joint duty earlier in their professional careers, I request consideration to allow the Service War Colleges to teach Joint Professional Military Education (JPME) Phase Two and the authority to determine the appropriate length of the Joint Forces Staff College's JPME Phase II course. We also have pilot programs providing joint education to Senior Noncommissioned Officers and our Reserve and Guard component members. Additionally, we are reviewing our joint general and flag officer training programs to ensure our senior officers are prepared to command joint task forces and work effectively with interagency and coalition partners.

Today, the Chairman remains well positioned to assist in providing strategic direction to the Armed Forces, assess impacts on the long-term readiness of the force, and evaluate current and potential levels of risk associated with global military activities. Already, we are in the process of transforming our internal processes to make them more responsive in the current dynamic environment. In a similar vein, I request we also reevaluate and streamline our current reporting requirements to Congress, many of which seem of questionable utility. I propose the formulation of a working group composed of members from the HASC, SASC, HAC, SAC, OSD, OMB and Joint Staff to identify the best means and frequency of communications to meet Congressional oversight needs.

TRANSFORMATION OF THE U.S. ARMED FORCES

We cannot focus solely on the threats we face today and assume there are not other, perhaps even more challenging threats on the horizon. Maintaining our unchallenged military superiority requires investment to ensure the current readiness of deployed forces while continuing to transform military capabilities for the future. Our adversaries will learn new lessons, adapt their capabilities, and seek to exploit perceived vulnerabilities. Therefore our military must transform, and must remain ready, even while we are engaged in war.

Before the events of September 11th, transforming the force was viewed as DOD's greatest near-term challenge. Since then, we have had to fight battles in the mountains of Afghanistan, in the cities of Iraq, and around the world for the security of America. Putting transformation on the back burner and focusing solely on the fight at hand is simply not an option. We are fighting a war unlike any we have fought before—it demands new ways of thinking about military force, new processes to improve strategic agility, and new technologies to take the fight to the enemy. DOD continues to invest heavily in transformation, both intellectually and materially.

The draft National Military Strategy adopts an “in-stride” approach to transformation that balances transformation, modernization and recapitalization to maximize our military advantages against future challengers. In addition to describing how the Joint Force will achieve military objectives in the near term, the strategy identifies force employment concepts, attributes and capabilities that provide the foundation for the force of the future. The goal is full spectrum dominance—the ability to control any situation or defeat any adversary across the range of military operations. We must ensure our military forces possess the capabilities to rapidly conduct globally dispersed, simultaneous operations; foreclose adversary options; and if required, generate the desired effects necessary to decisively defeat adversaries.

We recently published the Joint Operations Concepts document that describes a suite of concepts of how the joint commander will fight in 2015 and beyond. Joint Operations Concepts provide a framework for developing capabilities and defining concepts to achieve full spectrum dominance. Using this document as a foundation, the Joint Staff completed development of five joint functional concepts to define how joint warfighting will be conducted across the range of military operations. These functions include force application, protection, command and control, battlespace awareness, and logistics. Meanwhile, the Combatant Commands have been working on four high-level operating concepts that include strategic deterrence, stability operations, homeland defense, and major combat operations.

Collectively, functional and operating concepts define how we want to fight in the future, and will help us transform from the threat-based force of the Cold War to a capabilities-based force postured to respond to a wide variety of threats, some of which we cannot confidently predict today. To aid the Joint Requirements Oversight Council in determining warfighting needs with a capabilities-based approach, we are developing joint integrating concepts. These concepts are far more focused than

functional and operating concepts, and define specific tasks to be conducted. They are designed to bridge the gap between how we want to fight and the capabilities we need. Examples include urban operations, global strike operations, and forcible entry operations. The functional, operating and integrating concepts will continue to evolve over time. The first round of this very important concept work should be done within the year.

For each functional concept area we have established a Functional Capability Board to integrate the views of the Combatant Commands, Services, Defense Agencies, Joint Staff, and OSD. These boards comprise functional experts from across DOD who will provide the best advice possible for our planning, programming, and acquisition processes. Functional Capability Boards also support a new process called the Joint Capabilities Integration and Development System, which replaces the previous Cold War-era Requirements Generation System. The new system recognizes that less expensive programs can have a significant impact on joint operations. Virtually all programs are reviewed through the JROC process for potential joint impact before they get a green light, ensuring all Service future systems are born joint.

Based on the recommendations of the Joint Defense Capabilities Study—the Aldridge Study—we established the Strategic Planning Council chaired by SECDEF, and composed of the Service Secretaries, the Joint Chiefs, Principal Under Secretaries and the Combatant Commanders. The first meeting was held January 28, 2004. To capture and disseminate this top-down strategic direction, we will produce a new Strategic Planning Guidance document as the mechanism to provide subordinates with this strategic guidance. The first Strategic Planning Guidance document was completed in March 2004.

We are also developing an Enhanced Planning Process that integrates DOD-wide lessons learned, experimentation, concept development, study results, capability gap analysis, and technology development into a collaborative capabilities planning function. The goal is to offer distinct and viable alternatives to senior leadership rather than a consensus driven, single point solution, and implement their decisions into the Joint Programming Guidance document, the first of which will be issued in May 2004.

These three transformational process initiatives—Functional Capability Boards, Joint Capabilities Integration and Development System, and the Enhanced Planning Process—work together improving our planning and programming agility for future joint capabilities. JFCOM is working with the Functional Capability Boards to incorporate lessons learned from OEF and OIF into a list of materiel and non-materiel recommendations to the Joint Requirements Oversight Council to turn lessons learned into identified capabilities needs as quickly as possible.

JFCOM is also coordinating with the Services, Combatant Commands, other U.S. agencies, and coalition partners to ensure experimentation efforts support the warfighter. One of JFCOM's key experimentation initiatives is the Standing Joint Force Headquarters, which will provide Combatant Commanders a rapidly deployable command and control team, along with supporting information systems and reachback capabilities, that will enable us to respond to regional conflicts with smaller and more effective joint operational headquarters. JFCOM is establishing the prototype Standing Joint Force Headquarters this year, and in fiscal year 2005 we will field the communications portion known as the Deployable Joint Command and Control System to CENTCOM and PACOM. EUCOM and SOUTHCOM receive follow on systems in fiscal year 2006 and fiscal year 2007. The Deployable Joint Command and Control System will use state-of-the-art information technology to enhance Joint Force command and control.

Communications systems are a prime target for transformational ideas. The Joint Tactical Radio System is a software programmable radio that will provide seamless, real-time, voice, data and video networked communications for joint forces. It will be scalable allowing additional capacity (bandwidth and channels) to be added, backwards-compatible to communicate with legacy systems, able to communicate with multiple networks, and able to accommodate airborne, maritime and land based systems. It provides the tactical warfighter with net-centric capabilities and connectivity to the Global Information Grid, and is essential to meeting our 21st century joint communications warfighting requirements.

Transformation also means developing multiple, persistent surveillance capabilities that will let us “watch” situations and targets by looking, smelling, feeling, and hearing with a variety of long-dwell sensors from space, air, ground, sea and underwater and integrating these capabilities into a “system of systems.” The exploitation of Measurement and Signature Intelligence (MASINT), holds great promise. MASINT collects information from many diverse sources to detect, characterize and track a target or activity by its distinctive properties, or “signatures” that are very

difficult to conceal or suppress. Last year, DIA created its Directorate for MASINT and Technical Collection to develop new forms of technical collection and integrate MASINT into collection strategies and operations.

Another example of the transformational technologies we have just fielded is the Army's Stryker Brigade, which is centered on a new, fast, and quiet vehicle that can deliver 11 troops to the fight. This effort is far more than simply fielding a new vehicle; it is also a new way to organize a brigade, and link that brigade to a networked command and control system that shares intelligence, surveillance, and reconnaissance information. Our Stryker Brigade Combat Teams (BCTs) are organized and trained to take advantage of this new technology. The first Stryker BCT is already proving its worth in Iraq.

To reduce our vulnerability to weapons of mass destruction, we have made progress on providing missile defenses for our homeland, our deployed forces, and our friends and allies. In the coming year, we plan to deploy six ground-based interceptors in Alaska and four in California to provide an initial capability to defend the United States from ballistic missile attack. The PATRIOT missile defense system and the emerging AEGIS-based SM-3 system will provide short and medium range missile defenses, as well as critical surveillance and tracking essential to our Ballistic Missile Defense System. Coupled with an upgraded launch detection capability provided by the Space Based Infrared (SBIRS) Family of Systems, our ballistic missile defenses will continue to improve significantly over the next few years.

The Global Positioning System (GPS) offers an excellent example of a system that transformed modern warfare. GPS delivers worldwide positioning, navigation and timing data that provide U.S. and allied forces an all-weather, precision engagement capability. Over the last decade, the success of combat operations was largely due to GPS-aided precision-guided munitions. We must continue to modernize GPS, improve capabilities, protect U.S. and allied access to reliable military positioning, navigation and timing information, and deny this information to our adversaries, while minimizing impacts to peaceful civil users. We are engaged with NATO and the European Union to resolve our concerns with the proposed Galileo system, a civil satellite system that puts at risk our programmed military enhancements to GPS. A U.S. interagency team has made significant headway with some tough technical issues over the past year, but continued negotiations are essential to address the remaining technical, and more importantly, the political issues. Once these issues are resolved, we can confidently move forward with our vision of space superiority to support future joint and coalition operations.

As recent military operations have demonstrated, space is a critical dimension of the battlespace. Lessons learned from OEF and OIF highlight our increasing reliance on space communication assets and our demand for bandwidth. Our challenge is meeting future warfighter requirements in the face of an aging satellite constellation. Despite a planned 10-fold increase in capability through Advanced EHF and Wideband Gapfiller Systems, projected capacity may not meet the growing demand. This shortfall will potentially impact our ability to maintain a technological advantage over our adversaries. Work on Transformational Satellite Communications continues, which is designed to improve communications for mobile systems, particularly those that provide intelligence, surveillance, and reconnaissance. Our unmanned aerial vehicles and the Army's Future Combat System place heavy demands on bandwidth, particularly when real-time video feeds are required. The frequency spectrum is critical not only to joint warfighting, but to all federal, state and local agencies to ensure national security and public safety. Military and civilian technology is rapidly moving to a wireless medium. As pressures from commercial sources to free up more federal spectrum mount, we must ensure our long-term spectrum accessibility for our military forces.

These are just a few examples of our ongoing transformation efforts. We are working hard to integrate old systems with new, in innovative ways. Interoperating between our own legacy and transformational systems is a challenge for us, but it is an even greater challenge to our coalition partners, who must participate in key decisions on how transformation will enhance combined operations in the future.

Over the past year, NATO has achieved great success in progressing toward a transformed military organization. The Alliance has developed, approved, and begun implementing a new, more streamlined command structure, which will make it viable in the 21st century global security environment. The catalyst for modernization will be the new Allied Command Transformation, which will maintain a close partnership with JFCOM. Also, on the forefront of transformation, NATO has created the NATO Response Force, a key enabler of NATO's new operational concept. This expeditionary force is designed to be a multinational, deployable, and lethal force intended for employment either within or outside of the European AOR. It will be NATO's first responders, able to react quickly to a crisis anywhere in the world. In

a display of NATO's new focus, on August 11, 2003, NATO assumed command of ISAF in Afghanistan, the first out of area mission in the history of the Alliance. To be an effective joint force in the future, we must ensure that our allies keep pace with our transformation efforts.

CONCLUSION

Responding to today's dynamic threat environment requires our Armed Forces to be innovative, agile, and flexible. With Congress' strong support, our military has made significant progress combating terrorism, improving our joint warfighting capabilities, and transforming our military into a 21st Century fighting force. We appreciate your efforts to help us be responsive to a changing world, and make that world a safer and better place.

Senator STEVENS. Well, thank you very much.

You're right, some of us up here were part of what they called "The Greatest Generation." We now know that we have been replaced. This is the finest bunch of men and women I've ever seen in uniform.

Ladies and gentlemen, I want you to know, because of a change in the Secretary's schedule, we moved this hearing up to 9 o'clock. I do apologize. Some of you may not have gotten that word until late. But we have started off, Senator Inouye and I, with a couple of minutes. I will have a couple of questions, then Senator Inouye, then we'll recognize Senator Byrd, then we're going to go down on each side by the seniority on the committee. That's, I think, the fairest, under the circumstances because of the change in the time.

FISCAL YEAR 2004 FISCAL STATUS

So let me ask just one question. Mr. Secretary, I am concerned about the statements that I have heard of—including, I think, some of yours, General Myers—that you may be some \$4 to \$6 billion short in the fiscal year 2004 operating accounts. Now, if that is the case, you can move money, you can reprogram it back and forth to meet those shortfalls, I hope, in order to prevent us from having a supplemental for 2004. Can you give us an update on your 2004 fiscal status? Do you think that that kind of money will take you into the 2005 fiscal year, so that we can concentrate on the 2005 bill, Mr. Secretary? Maybe Larry could answer that.

SHORTFALL

Secretary RUMSFELD. I'm not familiar with the statement that General Myers may have made. Do you want to respond?

Mr. LANZILLOTTA. Yes, Senator. Mr. Chairman, we're in the process of finishing up our 2004 mid-year review, looking to do exactly what you asked us to do: to move money in between the accounts, because we are trying to move the money to where the bills are right now. Right now, we're in the process. We haven't quite finished it, but there's no indication of a requirement for a 2004 supplemental.

What is a problem, or what will be a stress, is general transfer authority. We have \$2.1 billion worth of general transfer authority, and we have approximately \$500 million left. We need to do our annual omnibus reprogramming just to do exactly as you mentioned, move the money to the accounts. That will be as stress-point for us. Is it a problem yet? We haven't finished. I don't know. I can't give you a number at this time.

Senator STEVENS. Any comment, General Myers?

General MYERS. Senator Stevens, the comment I made was that there is a—in 2004, there's approximately a \$4 billion shortfall, which I think is going to be close to what the shortfall will be. But then I'll defer to the mid-year review and acting Secretary Lanzillotta on how we might cover those bills. I didn't make any comment on that. I didn't say we wouldn't be able to cover them. But I would say that it will take some authorities that we're going to have to get to reprogram some of this money, and that there is likely to be some impact on some parts of our Armed Forces. We just have to hope it's not in the readiness areas and the training areas, the ones we worry about. So that review is ongoing, and it remains to be seen whether we can cover all of that.

Secretary RUMSFELD. From the meetings I've been in, my impression is that the people who have accounts that are being overspent are the ones that express the concern, and those that have accounts that are being underspent are relatively quiet. And so until the process is completed that the Comptroller's Office and the Program Analysis and Evaluation (PA&E) office are engaged in, I think it's awfully hard to know precisely whether or not there will be a shortfall and even to know precisely how much money we will need to reprogram.

Senator STEVENS. We would be pleased to work with the Armed Services Committee to see if we need additional ad hoc transfer authority before the end of this fiscal year. Perhaps we can work that out on an ad hoc single-year basis to get it done without trying to handle a supplemental when we're going to be looking at the reserve account anyway. But I think the reserve account may come too late. We'll have to see.

Senator Inouye, Co-chairman?

Senator INOUE. I wish to yield to Senator Hollings. He has an emergency.

Senator STEVENS. Senator Hollings, you're recognized for 5 minutes.

Senator HOLLINGS. I thank the chairman, and I thank Senator Inouye. I've got a friend who passed. I'm going to try to catch a plane to his funeral—General Harry Cordes, General Myers, who used to command the Strategic Air Command (SAC).

Unfortunately, Mr. Secretary, you've already, in your opening statement, responded to my question. And my question was how in the world we're ever going to get the troops out unless we get more troops in. And you seem Shinseki-shy. You go into all kind of rope-a-dope here about you've got to re-balance the skills, we've got to transform the forces for the future, we've got to not get a bigger barrel, but move the spigot, and all that kind of nonsense.

I'll never forget when I visited General Westmoreland in Vietnam in 1966, and in a country of 16 million he had 535,000 troops in there, and he spent until 2 o'clock in the morning that first night in Saigon saying how he needed 35,000 more. Now, in a country of 25 million, you're trying to secure it with 135,000. And don't put me off with "about 200,000." They're not strong. You've got 200,000, but, as General Abizaid told Chairman Stevens and myself when we were over there just 1 month ago, that they needed far, far more training. So what happens is that we all want to try

to get the United Nations (U.N.) and get the North Atlantic Treaty Organization (NATO). Chairman Stevens and I listened to President Chirac, and he says, "We've got to have Western solidarity, we've got to have solidarity in Iraq," and he says, "When the United Nations passes a resolution, you'll find French troops side by side with you in Iraq," just like we have in Afghanistan, where they are working NATO troops now. Now, he cautioned, he said, about NATO, that the Arab countries weren't part of it, but, "With a U.N. resolution cover," he says, "you can get there." My understanding is you all haven't even asked for the NATO troops, on the one hand, and you go into this long explanation about moving the spigot instead of having a bigger barrel and everything.

You don't have security. In fact, we've bogged down. We're building and destroying. We're trying to win the hearts and minds as we're killing them and torturing them. And at least General Westmoreland didn't have to ask the Viet Cong general to take the town, like we have for Fallujah. We have asked the enemy general to take the town.

We're in a mess there. And we keep hearing from the Pentagon, "Sure, the troops are superb." But the question is, Are we superb back here in Washington?

Secretary RUMSFELD. Senator, you've covered a lot of ground there, and I'd like to try to take a few of the pieces.

IRAQ TROOP LEVELS

With respect to the number of troops, U.S. troops—there are also coalition troops and, as you point out, there are Iraqi forces—the number of U.S. troops that we have in that country is the exact number that General Abizaid requested. Is it possible he's wrong? Sure, it's possible anyone could be wrong. But he talks to his field commanders, the division commanders, every week or two, and asks that question. And every time I ask him, I say, "Look, whatever you need, you will get." General Myers' advice is that the number he has requested is a number that's appropriate.

Now, all I can say is that the division commanders are telling General Abizaid that's the right number. General Abizaid is telling General Myers it's the right number. General Myers is telling Rumsfeld and President Bush it's the right number. You could be right——

Senator HOLLINGS. Well, isn't it the case that——

Secretary RUMSFELD [continuing]. But they all don't think so.

Senator HOLLINGS [continuing]. They're scared to death——

Secretary RUMSFELD. No, they're not. These——

Senator HOLLINGS [continuing]. That they're going to get disciplined——

Secretary RUMSFELD. Does he look scared to death?

Senator HOLLINGS [continuing]. If they ask for more.

Secretary RUMSFELD. No, sir.

Senator HOLLINGS. They're gone if they ask for more.

IRAQ

Secretary RUMSFELD. Absolutely not. And you know that.

General MYERS. In fact, Senator Hollings, let me just say it's not just General Myers; it's the entire Joint Chiefs of Staff. This is

something we review regularly. We were just on the video teleconference with General Abizaid the other day, with the Joint Chiefs, General Abizaid, talking about this very issue and looking at, you know, the pluses and minuses of more versus less. And it's still the wisdom of General Abizaid and his forces that more capability is not—there is no way to militarily lose in Iraq. There's also no way to militarily win in Iraq. This process has to be internationalized. The United Nations has to play the governance role. That's how we're, in my view, eventually going to win.

General Abizaid thinks that handing more of this over to Iraqis, not doing the work for them, is what's key, and that's why yes, is there training that needs to be done for Iraqi forces? Absolutely. Are we slow in getting that going? You bet. Until the Department of Defense got the mission, and General Abizaid got the mission, for training the police and the rest of the security forces, we were way behind. We're moving that up very quickly right now. And their performance, while uneven, is to be expected when the going gets tough, because they just—some of them haven't been trained properly or equipped properly. We're trying to fix that as fast as we can. But that's certainly got to be part of the solution.

But—

Secretary RUMSFELD. I should add that—

General MYERS [continuing]. We don't put anything on General Abizaid's request going to the Secretary, I can tell you that. And if we have a separate view, as the Joint Chiefs, we would offer that, as well.

Secretary RUMSFELD. The idea that the four members of the Joint Chiefs of Staff, four-star generals, and the division commanders, General Abizaid and General Myers and General Pace, are afraid to tell the truth is just plain wrong and unfortunate to even suggest, in my view.

UNITED NATIONS AND NATO

Next, with respect to the United Nations and NATO, we went to the United Nations and got a resolution. The Department of State has been working with the United Nations to try to get another resolution. We want it, the coalition countries in there want it, and, you're exactly right, when we get it we have a crack at getting some additional countries, beyond the 33 countries that are currently there.

Next, you asked that we—said we've not even asked NATO. We asked NATO the first month of the war—went over to Brussels and requested NATO assistance. NATO is assisting in the sense that they have helped with the force generation for the Polish division that's currently deployed there. I think, out of the 26 NATO countries, something like 17 have forces either in Iraq or Afghanistan, or both. NATO has the same problem—you might humor us about the spigot—the problem is that NATO has a worse spigot problem. They've got about 2.4 million people in uniform, and they can—they have trouble sustaining 50,000. We're sustaining—if you take Iraq, Afghanistan, and the entire U.S. Central Command (CENTCOM) area of responsibility—about 250,000 to 275,000 forces on a base of 2.6 million. They've got about 2.4 or 2.5 or 2.6 million, and they're having trouble sustaining 50,000. So the idea

that the United Nations is some sort of a solution to all this problem, or the idea that NATO is the solution to all these problems, I think, misunderstands the force capabilities of those countries.

Once you get a U.N. resolution, however, you do reach beyond the NATO countries, and that's a big opportunity.

Senator HOLLINGS. Thank you very much.

Senator STEVENS. Please give the SAC General's family our condolences. We remember him, too.

Senator Byrd.

Senator BYRD. Secretary Rumsfeld, can you tell the committee how the \$25 billion request will be structured, what appropriation accounts will be receiving increases.

Senator STEVENS. Senator, we do not have that request.

Senator BYRD. I understand that. But do you have any idea how the \$25 billion request will be structured, what appropriation accounts will be receiving increases in your amendment, and what specific activities and programs will be funded? Does the Defense Department intend to seek additional legislative authorities with this request? Do you intend to request additional flexibility in the use of allocation of these funds?

Mr. Secretary?

STRUCTURING THE \$25 BILLION RESERVE

Secretary RUMSFELD. Yes, sir. As I mentioned earlier, the decisions as to how it ought to be structured and what it ought to be called is a matter that's being discussed between the White House, the Office of Management and Budget, and the Congress. They're trying to work out something that makes sense from your schedule and the flow of your legislation in both houses.

The funds would be spent for operational costs and force-protection costs. And I do not believe, at the moment, that anyone anticipates that there would be additional authorities. But it would be for personnel support costs, for combat operations, supplies, force protection, transportation, those types of things.

Senator BYRD. What assurances do we have that these funds will be limited to operations in Iraq and Afghanistan only, and not be diverted into some kind of dual-use activities that could be used to prepare for another war?

Secretary RUMSFELD. The request will specify what they're for. And, as always, the Department will see that the authority that is provided by the Congress is adhered to. And they're currently working out reporting procedures with the Congress that will be, I believe, explicit at that point where the request comes forward.

Senator BYRD. Well, I'm sure that Congress would want to be sure that there's some limitations on these monies and that this will not be a slush fund. I'm also confident that it will not be limited to \$25 billion. It'll probably be twice that amount, or three times that amount, before it's over. I would anticipate that.

STOP-LOSS POLICY

Mr. Secretary, America's military forces are stretched thin throughout the world. Simply put, we have more military commitments than we have the personnel to cover them without taking extreme steps. The Army, for example, is dependent on the stop-

loss policy to retain soldiers and meet its commitments in Iraq and elsewhere. How long has the stop-loss policy been in effect?

Secretary RUMSFELD. It's my understanding that stop-loss has been a policy that's been in effect for years and years and years, and it's been used by all of the services over time, and it has a good military purpose. Possibly General Myers will want to comment on it. But at that point where a unit—everyone in the military, in the Guard, in the Reserve, is a volunteer. Each one volunteered knowing that they were going to go on active duty or they were going to go in the Guard and Reserve and, as needed, they would be called. When a unit is deployed—it has trained together, it's worked together, it's ready to go, and suddenly it has to go—there are always some people in that unit who are due to get out or due to be transferred at any given moment. And so what the stop-loss does is, it assists with unit cohesion. And if people are due to be deployed, and they look at the unit, and they make a judgement at some cutoff point and say, "Anyone who was scheduled to get out, can't." And, therefore, that's the stop-loss.

Senator BYRD. So how many troops are currently affected by the stop-loss order?

Secretary RUMSFELD. I can check with Dr. Chu, behind me, and I'll bet you he knows. About 20,000, he tells me, throughout the entire force.

Senator BYRD. And when would you expect to lift the stop-loss order?

General MYERS. Let me—as the Secretary said, Senator Byrd, this is essentially the way we do business when we deploy units, and it's not just stop-loss, it's also stop-moving, as the Secretary said, if they were moving to another post, camp, or station, or to school. And as units continue to deploy, stop-loss and stop-move will be used in that way.

I would also say that if individuals are stop-loss'd that were planning on getting out of the service, if they—there is a process they can go through where they can appeal and say, "Listen, I had something set up that I've just got to do," and I think, for the most part, very few are turned down. Is that right, Dr. Chu?

Dr. CHU. That's correct.

General MYERS. I mean, there's a—the percentage is very, very high of those appealing on stop-loss if they have something they just have to do. Their case is looked at, and their—

Senator BYRD. General Myers—

Secretary RUMSFELD. It also varies—excuse me—it varies from service to service. For example, at the present time, the Air Force is not using stop-loss; whereas, the Army and the Navy are.

Senator BYRD. Mr. Secretary, do you have any concern that once you lift the stop-loss order, you will see a mass exodus of experienced troops? And do you have any plan to cope with such a contingency?

Senator STEVENS. That would be the Senator's last question, unfortunately, Senator Byrd.

Senator BYRD. All right.

Secretary RUMSFELD. Senator Byrd, I always worry about things, and that's a fair question. At the moment, the way the stop-loss works is, it's unlikely that it would lead to a mass exodus, because

it's sequential, and it doesn't affect large numbers at a specific time point. It may affect, in the total at the present, 20,000 people. But so far the recruiting and retention in all of the services is, for all practical purposes, meeting their targets. So we're not, at the moment, seeing any adverse effect from the stop-loss, nor do people in the service, as I understand it, think of it as unusual, because it's been a policy that's been used for some time.

Senator STEVENS. Thank you very much.

Senator Cochran, you're recognized for 5 minutes.

Senator COCHRAN. Mr. Chairman, thank you.

Mr. Secretary, you pointed out, in your opening statement, your interest in restructuring National Guard forces to try to get the most out of the forces that we have who are available to our country in this time of need in Iraq and Afghanistan and elsewhere. I applaud that, and I want to assure you that we'll be happy to work with you to guarantee that the funds are there to help you achieve this goal.

I happened to notice, in my briefing papers here, that, in our State of Mississippi, National Guard and Air National Guard units have been deployed. We have more than 3,000 troops from our State that have been deployed since Operation Iraqi Freedom began. This weekend, we're welcoming home a combat engineer battalion, and that battalion, over 200 soldiers in the group, were sent in right after the Tikrit Airport was taken over. They built a perimeter around that airport, they built structures for the defense of our forces throughout northern Iraq. They haven't taken a single casualty. They're coming home safe and sound. Thirty-two bronze-star medals are being awarded, have been awarded, to the troops in that group. And it makes me very proud of those troops in particular, but others from throughout our State and across the country who have responded to the call, carried out their missions with a tremendous amount of professional skill and courage. And we owe them a great deal. And I know that an effort is going to be made to ensure that they are treated fairly. We have some that have just gotten back from Bosnia, for example, who are now being put on a list for possible deployment to Iraq. We have others who have been to Guantanamo Bay.

So the National Guard and Reserve forces are really being stretched, and I worry a little bit about whether or not we have the incentives and the pay and benefits that are necessary to guarantee that we can retain and continue to recruit members of the Guard and Reserve in the future. There's a TRICARE program, as an example, a health benefit program that Congress has authorized, but it's not yet been implemented for National Guard forces. I bring that to your attention because it may be one example of what we can do to help make sure we're treating those forces fairly.

What is your response to that general problem that we may face and what the Department of Defense is doing to address it?

STRESS ON THE GUARD AND RESERVE

Secretary RUMSFELD. The problem you have mentioned is real. You have units, and we look at their deployments—it may be Bosnia, it may be Guantanamo, it may be Afghanistan or Iraq—and then there are individuals that change in units. And so someone

may be coming back, and go to another unit, and end up being deployed at some point. The planning tools in the Army are imperfect, and they are being refined and improved. And we're doing today, I believe, a vastly better job than we did a year ago in having visibility into the circumstance of individuals, as well as units.

When I sign a deployment order, I look at each unit and the number of individuals, and how long since they've been deployed. You're right, the Guard and Reserve has stepped up and done a magnificent job. You're right, also, that the Guard and Reserve have been stressed. But the fact is, it isn't probably quite right to say the Guard and Reserve have been stressed. Significant portions have. And other portions have not, at all, been used. And that goes to the point you made at the outset, that we've got to find a way to re-balance these skill sets, both within the Guard and Reserve, and also with the Active force.

MOBILITY REQUIREMENT STUDY

Senator COCHRAN. General Myers, one of the units in our State, an Air National Guard unit, has been the first Guard unit to have a C-17 fleet assigned for operation in Jackson, Mississippi, and we're very proud of that honor, and the forces there are working hard to do the training and maintain the facilities that are necessary to carry out their responsibilities. I noticed that a recent Congressional Research Service report concluded that there is a need for strategic lift capacity greater than that which we had earlier expected. Currently, there's a procurement strategy for C-17s of a total of 180 by 2007, and the Air Force is indicating now they may have a requirement for more than 200. I wonder if the aging of the C-17 fleet and the C-5 fleet, are causing you concerns. Do you believe the budget requests that are before the committee are sufficient to deal with the needs that we have for strategic airlift?

General MYERS. Senator Cochran, I believe that the request that you have right now is sufficient for fiscal year 2005. What we need to do, and what we are doing, is looking at our—what we call our mobility requirements study. We do these, as you know, periodically. It looks, not only at airlift, but other modes of transportation. I think, coming out of that and getting ready for the 2006 budget, you will probably see the answer to the question on, Do we need more C-17s beyond what are currently programmed? And I don't want to prejudice the outcome of that. But the concerns you raise are serious concerns, and we need to look at it.

By the way, the C-17 is performing magnificently. You can remember it was, at one time, a maligned program, almost cut. And it has been—it's kind of my primary mode of transportation when I go back and forth to the Middle East, and I've come to know it very well.

Let me just make a comment on the Reserve component. I would like to echo what the Secretary says. You know, we're one Armed Forces. We're the total force. When I go to visit troops, you can't tell who the reservists are, who the Guard's people are, or who the Active duty are. Everybody's in there together, everybody is performing, in my view, magnificently.

We've got to worry as much about Reserve component recruiting and retention as we do the Active piece, because we're a total force.

We could not be doing this without the Reserve component, and they've really answered up.

On medical, there are a couple of things that—I know we need help in medical—that don't break the bank. One is making sure they get TRICARE benefits prior—earlier than they do now when they are mobilized. They need that. They also need it longer on the other end, when they are demobilized. And they need transportability. Right now, if they have a private insurance company, they can go to TRICARE. But TRICARE may require they change providers. And when you have serious medical problems in a family, that's not the thing to do for a year or two, to change providers. We could mandate the same thing we mandate for Medicare; if you take TRICARE, you know, everybody's got to take it. And so there are some—I think, some relatively inexpensive, and things we could do today, to help our Reserve component mightily.

The other thing we ought to do, for sure, is make sure that our Reserve component folks get annual physicals so we know what kind of medical shape they're in, because we've discovered a lot of problems. I mean, this sounds farfetched, but one person was mobilized, needed a liver transplant. Okay? So we ought to keep up with this on a yearly basis so we know what the health of our force is.

Senator STEVENS. Thank you very much, Senator.

Senator Leahy is recognized for 5 minutes.

Senator LEAHY. Thank you, Mr. Chairman.

Mr. Secretary, yesterday in Iraq an American citizen was brutally murdered by al Qaeda. Not long before that we saw the dismembered corpses of brutally murdered Americans left hanging from a bridge by jubilant Iraqis. Each of these brave Americans were there to rebuild that country, and these despicable acts illustrate, once again, the depravity, the determination of the enemy we face.

I think we all agree on that, on this committee and on the other side. The question is how to stop it. Now, you have said you're sorry, and the President said he's sorry, everybody's said they're sorry about the Iraqi prison scandal. It's actually the first time in this long, protracted and rather strange policy I've heard any administration official express regret about any mistake.

So let me tell you a few things I'm sorry about. I'm sorry that someone in the administration "gave currency to a fraud," to quote George Will, by putting, in the President's State of the Union speech, that Iraq was trying to buy uranium in Africa.

I'm sorry that this administration repeatedly, insistently, and unrelentingly justified preemptive war by insisting that Saddam Hussein not only had weapons of mass destruction, but he was hell bent on using them against us and our allies.

And I'm sorry about administration officials, led by the Vice President, repeatedly trying to link Saddam Hussein to 9/11, when there never was any link. None. They were doing it to build support for the war.

And I'm sorry that truth-tellers in the administration, like General Shinseki and Lawrence Lindsey, were hounded out of their job because they had the temerity to suggest realistic numbers both for our troop level and for what this war is going to cost.

I'm sorry there's no real plan, despite a year-long \$5 million effort by the State Department, to stop the looting that greeted our soldiers upon Saddam's fall, that set back reconstruction efforts by months or years, left the gates open to ammunition, weapons, and other things that are used against our brave soldiers today.

I'm sorry that the President taunted Iraqi resistance fighters to "bring it on" while our troops were still in harm's way.

I'm sorry that some of our closest allies and friends, like Mexico and Canada, even the countries that you dismissingly called "Old Europe," were alienated because they disagreed with our strategy of preemptive war, countries whose diplomatic and military help we need desperately today.

And I'm sorry that those that tried to find the truth about allegations of prison abuse in Iraq and in Afghanistan and in Guantanamo were ignored or brushed off for more than 1 year, until all of a sudden the press published the lurid photographs, and then we look at it and we have made apologies through the whole administration.

Now, last October 13, in your memo entitled "Global War on Terrorism," you asked—I'm quoting what you said—"Are we capturing, killing, or dissuading more terrorists every day than the madrasses and radical clerics are recruiting, training, and deploying against us?" Al Qaeda wasn't in Iraq when we started this war. They are there now.

How do you answer the question you posed last October? Your question was, again, "Are we capturing, killing, or dissuading more terrorists every day than the madrasses and radical clerics are recruiting, training, and deploying against us?" How would you answer that today?

Secretary RUMSFELD. Well, first I'd like to, Senator, answer a few of the other comments you made.

Senator LEAHY. Well, could we answer that one first?

Senator STEVENS. Well, he has the full right to answer your question.

Senator LEAHY. I know, but could we answer the question, the specific question I asked? That's the only question I asked. Answer that, and then say all you want to say.

Secretary RUMSFELD. I think it's fair that I be allowed to answer your statement.

Senator LEAHY. Well, I asked a question. You don't want to answer my question?

Secretary RUMSFELD. I'd be happy to answer your question.

Senator LEAHY. Please do.

Secretary RUMSFELD. I will.

IRAQ TROOP LEVELS

Let me start this way. The statement that General Shinseki was hounded out of office is false. He served his entire term. Everyone who knows anything about the military knows that fact.

Second, he had a different view, which is fair for anybody, as to how many forces would be appropriate. To my knowledge, he did not express it—well, I won't even say that. Forget that. That was a private meeting. But the fact of the matter is, every general there—on the ground, in the country, and on the Joint Chiefs cur-

rently—believed that we have the right number. If he disagrees, that's fair. He's a fine, honorable man, and he can have a difference of opinion. But the fact is that the number there is what the military believes is appropriate.

General Myers I'd like to comment on the caches that you say were left unattended.

INVESTIGATING REPORTED ABUSES

And I think your statement that allegations of abuse were "brushed off" is unfair and inaccurate. There have been a lot of fine people——

Senator LEAHY. I'll show you the correspondence that I sent to your office asking about these abuses about 1 month ago that were never answered.

Secretary RUMSFELD. If there was a letter that wasn't answered, I apologize. But the fact of the matter is that we get repeated reports from people, of problems, and they are checked, and they are worked on, and corrections are made, and most of the investigation reports indicate——

Senator LEAHY. Apparently not in Iraq——

Secretary RUMSFELD [continuing]. That——

Senator LEAHY [continuing]. Or Afghanistan, according to the front page of papers this morning.

Secretary RUMSFELD. The fact of the matter is that in Iraq there have been improvements made, and successive investigations have seen that improvements were made, and they were not brushed off. But I think saying that the military chain of command was "brushing off" legitimate comments about procedures being used with the detainees is just simply not consistent. We're trying to find out precisely what happened, and we're going to end up with six investigations going on, and we'll know the extent to which things were or were not brushed off.

Last, I don't know the answer to your question. I wish I did. I posed it because it may be a question that's not answerable except over time. But I do worry about it, which is why I wrote the memo and why I sent it to General Myers. I think that the world is facing a very dangerous threat in international terrorism. They are capable—and, in fact, already have killed tens of thousands of people in various ways in different countries over time—3,000 in this country alone, and attacks in Saudi Arabia, attacks in Turkey, attacks in Indonesia. And we know these madrasa schools—not all madrasses are bad, but a small fraction of them do, in fact, get funded for the specific purpose of training people to go out and kill innocent men, women, and children and to do the kinds of things you've cited in your opening statement. It is inhuman. It is against any law of war. And it's a dangerous thing. And I don't know of any way that one can calculate that. Our folks are doing the best job they can.

MARK BERG

General MYERS. Senator Leahy, let me just—let me talk a little bit about the gruesome murder of Mark Berg. The best we know—and I don't know that we know this for sure—but it looks like the perpetrator, the lead perpetrator, might have been this fellow,

Zarqawi, who, while not al Qaeda, has been al Qaeda-affiliated for a long, long time. Well before the war in Iraq, he was in Iraq from time to time. If that's true, then this is not Iraqis killing Americans, this is a—in fact, he is, I think, a Jordanian citizen. But he's an extremist, most of all. And the Zarqawi letter tells us all we need to know about him. He will do anything to stop the progress in Iraq. He's the one that suggested, "We're losing to the coalition. We have to do something dramatic, and maybe we need to start a civil war between Sunni and Shia." So this act, if it is, in fact, Zarqawi, as some allege, this is a further validation of what his tactics are. I just make that point on the Mark Berg thing.

Senator LEAHY. I appreciate that. Mr. Chairman, we'll be able to submit other questions—

Senator STEVENS. Yes, on appropriations. This is not about Iraq abuse.

Senator LEAHY. We haven't even been given the request yet, and we're having to—

Senator STEVENS. We have the request for—

Senator LEAHY. For \$25 billion?

Senator STEVENS [continuing]. Four hundred and one billion dollars. That's what we're talking about this morning. We haven't received the reserve request, that's true, but that's—you know, I have no cork to put in Senators' mouths or witnesses' mouths, but my hope—

Senator LEAHY. Appreciate that.

Senator STEVENS [continuing]. Is to pursue the information we've gotten so far, on which we still need a lot of information about the \$401 billion.

Senator Domenici is recognized for 5 minutes.

Senator DOMENICI. Mr. Chairman, I will follow your admonition. But I wish I had a few moments to tell this committee what I'm sorry about. I'm sorry about 9/11, when 3,000 Americans were killed by terrorists. I'm sorry that Saddam Hussein took over this country and killed thousands of people and established one of the worst regimes ever. And there's another long list of what we're sorry about, and they're completely different than what Senator Leahy's sorry about.

Now, having said that, we are only 42 days away from turning over this country to the Iraqi leadership, whatever that is. Mr. Secretary and General, I am very worried about how prepared the Iraqis are to take over this responsibility, and, secondly, what we have done to prepare ourselves and them to work together to make this work.

I can envision that this situation will not work, and that we won't have an organizational structure that will do anything other than have Americans fighting and us supplying those fighters with more and more money. Can you describe, as best you can, where we are, what we're going to do, and how confident you are that this turnover is going to be meaningful, in terms of maintaining the peace and moving ahead with America's commitment.

TRANSFER OF AUTHORITY IN IRAQ

Secretary RUMSFELD. Thank you, Senator.

It's a tough question. If you think back to Afghanistan, we didn't know how that was going to work. We went in, the Taliban was removed, the al Qaeda were put on the run, and what was left were a series of warlords with militias, and no government structure. And, lo and behold, out of the blue came something called a loya jirga, and out came agreements that a fellow named Karzai should be selected as interim president. And there he is. And it's been wobbly, and he's worked his way along, and he's made arrangements with other people, and, lo and behold, it's survived. No one in the world could have predicted how that would go. And now they're scheduled to have elections later this year, they're scheduled to endorse their constitution, and it might very well work. I've got confidence that it will work.

Senator DOMENICI. Mr. Secretary—

Secretary RUMSFELD. But it was an Afghan solution.

Senator DOMENICI [continuing]. I have been fair, I think, in my question, and I have been fair with you all, all the time, but I don't want to hear about Afghanistan. It is completely different—

Secretary RUMSFELD. It is.

Senator DOMENICI [continuing]. In my opinion. It has nothing whatsoever to do with Iraq that has people like al Sadr around, gathering up people, that we have cities that we are abandoning to a bunch of thugs, and yet, at the same time, we're saying we're going to form a new government and turn over power to them. I believe that you have to be better prepared for this transition than I have heard. And it may be you can't tell us, but the transition is not something that's going to work unless you have planned it, and the military has planned it, and you're working with Iraqis. And, frankly, I think you ought to tell us.

Secretary RUMSFELD. Well, I'll do my best. The United Nations representative, Brahimi, is—been working with us, with the Coalition Provisional Authority, and with the Iraqi people, the Iraqi Governing Council, and hundreds of others, Iraqis. And he has come up with a formula, which is now being tested in the marketplace there. People are describing it, talking about it, analyzing it, recommending changes. And it may not be exactly what he proposed, but it'll be something like that. My guess is, there'll be a conclave, something like a loya jirga, where governors and city councils and people like that will come together, and they'll end up working out something that is generally acceptable to the bulk of the people—not permanently, but between June 30, when sovereignty is accepted by the Iraqi government, whatever it looks like. The current theory is, there'll be a president, a couple of vice presidents, there'll be ministries, and they will assume that responsibility for a period, and the period would be ended after they have fashioned a constitution, voted on a constitution by the Iraqi people, and then elected other people to succeed that interim group.

Will it happen right on time? I think so. I hope so. Will it be perfect? No. Will it be like Afghanistan? No. You're right. It'll be an Iraqi solution, just like Afghanistan was an Afghanistan solution. Is it possible it won't work? Yes. And is it possible they'll stumble and wobble? Everybody stumbles and wobbles.

RECONSTRUCTING IRAQ INFRASTRUCTURE

Senator DOMENICI. Mr. Secretary, let me just, for instance, raise one question. It would appear to me that for this to work, somebody has to have a plan for serious long-term improvement of the infrastructure of that country. That's not going to fall on our shoulders. Somebody has to put it together. Somebody has to make sure that the monies coming into that country are used to leverage long-term loans of a lot of money, or there's no chance that the Iraqis are going to buy this based on upon "things will work out years from now." They've got to work out from the very beginning. And I wonder who's working on that kind of infrastructure assurance, or are we just expecting it to happen?

Senator STEVENS. That's the Senator's last question. I'm sorry.

Senator DOMENICI. I thank you.

Secretary RUMSFELD. The conviction on the part of the United States and the coalition countries has been that you need to make progress on Iraqis taking over governance of their own country, simultaneously make progress on security, and simultaneously make progress on essential services, the infrastructure, that one can't go ahead of the other. You're not going to get infrastructure to proceed if, in fact, security isn't sufficient to protect it. You're not going to get the governance to go forward if there isn't some progress on infrastructure and essential services. So that understanding is there.

My personal view is that the critical ones are governance and security, and that the infrastructure will be something that will probably lag behind somewhat, and they're going to have to pay for their improvements in their infrastructure. The Congress has voted some money, the international community's given some money. They've got oil revenues. They are going to have to do that. It's going to take them time. There isn't any reason that country can't be as prosperous as its neighboring countries—Kuwait and—but that isn't going to come from us; that's going to come from them. And these are intelligent people, they're industrious people, they've got resources, they've got water, they've got oil revenues, and they're going to have to do that themselves.

What our task is, is to pass governance to them, have them accept it. Will they be good at it at first? No. They're not going to be good at it. They've been living under a dictatorship. They don't know how—they're not going to be instantaneously successful in negotiating, compromising, putting their fate in a piece of paper called the constitution that'll protect the rights of each religious group in there. But they'll get it eventually, just like the Afghans are getting it, it seems to me.

SECURITY FORCES IN IRAQ

With respect to security, it's our job to see, as General Myers said, that we continue to invest in recruiting and training and deploying and developing a chain of command so that the Iraqis are able to take over security for themselves. People can be quite dismissive of the 206,000 Iraqi security forces. But 300 have been killed. They've not been killed because they're sitting in their barracks with their fingers in their ear; they've been killed because they've been out doing the job of helping to provide security in that

country. And, by golly, we can help train 'em, we can help equip 'em, and we can give them more responsibility, and they're going to have to take it over, because the United States has no intention in staying there. We're not going to make a career out of that.

Senator DOMENICI. Thank you very much.

General MYERS. Let me just—

Senator STEVENS. Senator Myers, did you wish to comment?

General MYERS. Yeah, just a—I've got a short comment, Mr. Chairman, thank you.

Senator STEVENS. General Myers. You're not a Senator yet.

General MYERS. Thank you. On the security front, first of all we're going to have 20,000 additional troops in there for some time to come, as I mentioned in my opening statement. We delayed some, and we're going to replace them. So we're going to have in the neighborhood of 135,000 to 136,000 troops there for the foreseeable future to deal with the security issues we think we need to deal with, and that's been General Abizaid's request.

Second, we're going to stand up a brand new headquarters that'll deal, at the strategic level, with our chief of mission, with other chiefs of missions, and, most importantly—most importantly—with Iraqis. We want to go from a coalition in that country to a partnership with Iraq, and this means developing the ministry of interior, the ministry of defense, and have Iraqis part of that whole chain. And we see it as a mentoring program for a while, but eventually, as the Secretary says, you've got to take the hand off the bicycle seat and see how far they get, and if they fall over and bruise themselves and get cut up, then you wipe 'em off, you dry, you put a Band-aid on the knee, and off they go again.

We think an awful lot about how we're going to do that on the security front, and the equip and training of the Iraqi forces I won't go into again. But there's been a lot of thought given to that structure that we're going to. We're going to try to stand up that headquarters as quickly as we can, matter of fact. We've been working that for a couple of months now.

Senator DOMENICI. Thank you, Mr. Chairman.

Senator STEVENS. Thank you.

Senator Harkin, you're recognized for 5 minutes.

Senator HARKIN. Thank you, Mr. Chairman.

Senator STEVENS. Let me inquire anybody wish a station-break? Okay.

You're recognized for 5 minutes.

Senator HARKIN. Thank you, Mr. Chairman.

CONTROL OF PRIVATE MILITARY CONTRACTORS

Mr. Secretary, on May 7, an Associated Press (AP) story came out, that said a year before the Iraq invasion, the then Army Secretary warned his Pentagon bosses that there was inadequate control of private military contractors. Retired Army Chief Thomas White said that, "The recent events show the Pentagon has a long way to go to fix the problems he identified in March 2002. In a sign of continued problems with the tracking of contracts, Pentagon officials, on Thursday, acknowledged they have yet to identify which army entity manages the multimillion dollar contract for interrogators like the one accused in the Iraq prisoner abuse probe. I'm still

reading from the AP release—"Defense Secretary Donald H. Rumsfeld also acknowledged his Department hasn't completed rules to govern the 20,000 or so private security guards watching over U.S. officials, installations, and private workers in Iraq." Now, that's just 20,000 private security guards. How many more, we don't know. This article goes on and says, "No single Pentagon office tracks how many people—Americans, Iraqis, or others—are on the Department's payroll in Iraq."

I just find this disturbing that we don't know how many people are on the payroll, or who they are. This says to me, we might have a bunch of Rambos over there running around, and no one's got control over them.

In a March 2002 memo, White complained to three Pentagon Under Secretaries that, quote, "Credible information on contract labor does not exist internal to the Army Department." The Army could not get rid of, quote, "unnecessary, costly, or unsuitable contracted work," closed quotes, without full details of all the contracts, White wrote.

Secretary RUMSFELD. Is this referring to Iraq or Afghanistan, or what? Or just generally?

Senator HARKIN. The article is on Iraq. This is just basically on Iraq.

Senator STEVENS. Senator, did you—

Senator HARKIN. But then—

Senator STEVENS [continuing]. What source are you quoting?

Senator HARKIN. I've quoted from this AP article. It's an AP article that came out on May 7. That's all I'm quoting.

So my question, again has to do with appropriations. How much money is going to private contractors? We can't seem to get an answer to that. In Iraq. How many people are we talking about under these private contractors? Who screens them? Who approves their contracts? I guess my bottom line is, Who's responsible? Who's responsible for all these people?

Secretary RUMSFELD. The Coalition Provisional Authority in Iraq, headed up by Ambassador Bremer, tracks these people. We track DOD people that are there, but they've reported to Congress. The Army, the United States Army, is the executive agent for contracting for the Coalition Provisional Authority (CPA). And the CPA's—the Coalition Provisional Authority's Program Management Office works for the United States Army.

Senator HARKIN. So the Army's in charge.

Secretary RUMSFELD. The Army is the—

Senator HARKIN. Contracting—

Secretary RUMSFELD [continuing]. Program Management Office and executive agent. I would not say that the Army would be the one making the decisions as to what contracts ought to be let for what purposes. That would be the Coalition Provisional Authority. But then they delegate to an existing institution, the United States Army, to manage the contracting of it. In some cases, it's been the Corps of Engineers; in some cases, it's been the Agency for International Development (AID); in some cases—the way our Government is organized is that those responsibilities flow down different roads, and that's the way the executive branch of the Federal Government's organized, that's the way the Congress is organized. And

there is not a single person, I wouldn't think. Because if—AID reports up in the Department of State area. Just a second here.

Senator HARKIN. Could we know, Mr. Secretary, what's under your jurisdiction? I mean, what is under—in terms of private contractors and the jobs that are being done over there—

Secretary RUMSFELD. You bet. We can give you—

Senator HARKIN [continuing]. I'd like to—

Secretary RUMSFELD [continuing]. A complete report of it.

Senator HARKIN. Huh?

Secretary RUMSFELD. We could give you a complete report of who handles what types of contracts. Corps of Engineers handles a whole series of contracts. And military intelligence, when they hire contractors, for example—I think you mentioned this—for the purpose of interrogation or for the purpose of linguists to do translation, that would be through military intelligence. It depends on what it is that's needed at any given time.

Senator HARKIN. Well, again, I'm just quoting from the article, because I don't—

Secretary RUMSFELD. I haven't seen the article, so—

Senator HARKIN. It says—

Secretary RUMSFELD [continuing]. I apologize.

Senator HARKIN [continuing]. No single Pentagon office tracks how many people are on the Department's payroll in Iraq, the Department of Defense payroll. How many civilians are on your payroll over there? And I would be greatly—

Secretary RUMSFELD. We could certainly give you—

Senator HARKIN [continuing]. Disturbed if this article is true.

Secretary RUMSFELD. The reference—it wasn't a quote, but it was a comment about—allegedly indicating something I had said. I've never heard of that, what you've said the article said I said. But we'd be happy to tell you how many there are, and who they are hired by, and for what purposes.

Senator STEVENS. Senator—

Senator HARKIN. If you could provide for this committee how much—

Senator STEVENS [continuing]. Mr. Lanzillotta wished to answer that question, I think.

REPORTING ON CONTRACTS

Mr. LANZILLOTTA. Senator, I may be able to help a bit. We submit a quarterly report—it's called a 2708 report—that has a lot of that information in there. As far as contracts go, for the funding and the number of people, we track that on a weekly basis. I get that information through CPA. It comes in an obligation report of how much has been apportioned, how much has been committed, how much has been obligated. And I see all the funding documents that go through—on every contract, with the number of people—that go through there, and I personally sign off on those.

Senator HARKIN. So you can provide to this committee how much money goes through the Department of Defense to private contractors, one. You could provide how many civilian people are working under those contracts in Iraq at this time, and you can provide also, to this committee, the chain of command who is responsible for overseeing those contractors. You can provide all that?

Mr. LANZILLOTTA. I can—let me clarify your last——

Senator HARKIN. Well, I'm just——

Mr. LANZILLOTTA [continuing]. The chain of command——

Senator HARKIN [continuing]. Citing, again, from this article; I don't know if it's true—no single Pentagon office, according to this writer, tracks how many people—Americans, Iraqis, or other civilians—are on the Department's payroll in Iraq.

Mr. LANZILLOTTA. If you're asking who let the contract——

Senator HARKIN. Who tracks how many people there are there?

Mr. LANZILLOTTA. I can give you, and we'll provide for the record, the obligation data, as of this hearing date, the number of people that we have in the various categories, working. And I will provide which office did the contract.

[The information follows:]

According to the CENTCOM Combatant Commander, on or about May 12, 2004 there were approximately 12,900 U.S. contract employees hired under DOD sponsored prime contracts in the CENTCOM Area of Responsibility. Approximately 7,050 of these contractors are deployed in Iraq. Please note that due to the nature of the contract—DOD contracts for a service to be performed—it is up to the contractor to provide the appropriate number of people to perform the work. Therefore, the numbers that are provided above are estimates of the number of people that process through military entry points. This number changes daily.

Secretary RUMSFELD. Let me put it this way also.

Senator HARKIN. Fine.

Secretary RUMSFELD. We can provide that data. You keep going back to the point, which is a fair point, Is there a single office? And the answer is, no. For one, the way the Congress is organized and the way the statutes that the Congress has passed has organized the Department of Defense, we've got Department of Army, Department of Navy—they do things there, Air Force does things there. Each of the services do—the Marines do, and other elements. So the only place that information gets aggregated, the way the Congress has organized the Department under Goldwater-Nichols, is through the Comptroller's shop, where they take all of the things that happen in the Department and try to pull them up, I think is the answer to your question.

Senator HARKIN. So there's no coordination?

Secretary RUMSFELD. Of course there's coordination. You didn't ask that. You asked, Is there a single office? The coordination takes place in the Comptroller's shop.

Mr. LANZILLOTTA. We coordinate—when a contract comes through, we coordinate with all affected offices, to include the general counsel, to ensure that there are no objections and it is a legitimate contract.

CONTRACTORS

Senator HARKIN. Mr. Chairman, I know my time is up, but my point is that we don't know how many civilian people are contracted. We don't know how much they're being paid. And it just seems that there's no real handle on all these civilians over there. I just don't know. We can't seem to get a handle on it.

Senator STEVENS. Senator, I think that—we had a suggestion from Mr. Lanzillotta they'll provide us with some information. I think the problem is that I don't think it's all in one place at any one time.

General Myers, did you wish to comment?

General MYERS. Well, I have numbers, but I think I'll defer to—

Mr. LANZILLOTTA. Well, I can—

General MYERS [continuing]. Mr. Lanzillotta. But I have the number of U.S. contractors, the number of—you remember it was in the 1990s when we started downsizing. We cut our military by one-third, roughly. And the cry then was, from many people, and from people in the business sector, How about outsourcing a lot of your work? So we did that, and you remember that. We saved money, because we don't need a lot of folks to do dining halls if we only need to do that during crisis. And so that's the situation we are in now. We are contracting out a lot because of previous decisions we made, encouraged, I think, for the right reasons at the time. And one of the things I've asked one of our staff entities to do is, let's take a look at contracting out and see if those decisions we've made in the last 10, 15 years are still right for this security environment, because of the contractor issues we're finding on the battlefield.

But I've got the numbers. I can give you down to the number of host nation—Iraqi laborers. There's 17,834 that are—

Senator STEVENS. General, if we may—Mr. Lanzillotta's going to provide—

Mr. LANZILLOTTA. Yeah, I have it—

Senator STEVENS [continuing]. That for the record.

General MYERS. We'll provide it for the record, but I'm just saying—

Senator STEVENS. We'll review that and then have comments later—

General MYERS [continuing]. That I've got some pretty good detail here.

Senator STEVENS [continuing]. If that's agreeable with the Senator.

Senator HARKIN. That would be fine.

Senator STEVENS. Thank you.

[The information follows:]

The Department of Defense (DOD) policy is to rely on the most effective mix of the Total Force, cost and other factors considered, including active, reserve, DOD civilian, host country and contract resources to fulfill peacetime and wartime missions. One of the reasons contracts are attractive is their flexibility and agility in meeting government requirements. The government is also relieved of the cost of maintaining permanent force structure while maintaining contract oversight after contract award.

Generally, there are two types of DOD contractors currently operating in OIF; those supporting DOD military efforts and those supporting the Coalition Provisional Authority (CPA) efforts. There is no single office responsible for contractor visibility. Instead, each individual government organization with a requirement that can be satisfied by contract is responsible for providing a contract statement of work/objectives; funding; appropriate contract clauses, terms and conditions; legal review at various stages of the acquisition process; and contract oversight after award. This process provides flexibility and an adequate level of review while also meeting government requirements.

The U.S. citizen contractor personnel for DOD are accounted for in basically the same manner as military personnel. The military Services account for U.S. citizen contractor personnel and report aggregate contractor personnel numbers monthly to the Joint Staff and Office of the Secretary of Defense using the Joint Staff Personnel Status Report (JPERSTAT). Per the JPERSTAT, there are 14,371 DOD U.S. citizen contractor personnel (as of May 25, 2004) operating in the Central Command area

of responsibility. Approximately 7,386 of these contractor personnel are operating in Iraq. The JPERSTAT only captures U.S. citizen contractor personnel that process through DOD entry points or are assigned to military units in theater. The JPERSTAT does not capture all contractor personnel in the theater. It does not capture contractor personnel hired under non-DOD federal government contracts (e.g., CPA, Central Intelligence Agency, State Department, United States Agency of International Development). It also does not capture foreign national contractor personnel or contractor personnel hired under sub-contracts since it is the responsibility of each prime contractor to determine the level and nature of manning required to meet contract requirements (e.g., the prime contractor may choose to outsource a portion of the effort through various tiers of subcontracting relationships with other U.S. civilians, third country nationals (TCN), or host country (HC) personnel).

Although the JPERSTAT does not provide visibility of foreign national or sub-contractor personnel, the Army's Logistics Civil Augmentation Program (LOGCAP) contract, which is one of the largest contracts in theater, does offer some visibility on the magnitude of DOD contractor personnel outside of the JPERSTAT process. The LOGCAP contract currently has approximately 1,166 TCN, 2,039 HC, and 20,462 sub-contractor personnel (includes a combination of TCN, HC and U.S. personnel).

Contractors in support of the CPA provide reconstruction and other support in Iraq and protection of CPA facilities and personnel. Contractors under CPA contracts have no specific reporting requirement to account for contractor personnel thereby providing greater flexibility as they organize as necessary to perform the contract. However, through the process for obtaining weapons permits, CPA reports that approximately 60 private security companies consisting of about 20,000 personnel are currently providing security in Iraq.

There are also private enterprise personnel operating outside of the DOD and CPA contract efforts pursuing commerce opportunities. As the theater evolves from a contingency operation through stability operations to normal Iraqi commerce, the role of private enterprise personnel will increase. Like other mature countries, the accountability and visibility of these private enterprise U.S. citizen contractor personnel in the future will reside with the U.S. Department of State working in coordination with the appropriate Iraqi ministry through the visa process.

Senator STEVENS. I'll now recognize Senator Bond.

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

First, I commend the Secretary and the chairman for your great work. I think these have been very difficult times. The leadership that you are providing is absolutely essential to support our troops and the private contractors who are engaged in a very important mission, and we are grateful for that.

I will have a lengthy statement for the record that somebody may wish to read, but I will feel better for having submitted it, because I have some strong views that I will include in it.

[The statement follows:]

PREPARED STATEMENT OF SENATOR CHRISTOPHER S. BOND

Secretary Rumsfeld, General Meyers, Mr. Lanzillotta, thank you for appearing before the committee this morning. We meet under challenging circumstances by any measure. Military operations in Iraq and Afghanistan coupled with the nation's ongoing global war on terror demand our constant attention and focus.

The Abu Ghraib prison investigation that has demanded much attention recently has only added to the workload unfortunately. I have read Major General Antonia Taguba's report and concur with statements made by Major General Taguba; that the abuses at Abu Ghraib represented a total breakdown in supervision, training, discipline and leadership and were exacerbated by a shortage of trained personnel. The abuses at Abu Ghraib that have been documented so vividly are not reflective of the United States military that American's have come to revere and respect.

As was viciously portrayed by yesterday's Al Qaeda video showing the beheading of an American civilian and non-combatant, Nick Berg; our enemy is the terrorist who targets innocent civilians and the terror organizations and regimes who support terror as a legitimate political tool. The beheading of Nick Berg is another wake-up call for all of us. I am getting this sense, particularly in the wake of the Berg killing, that we should be careful to manage the prison issue, and not overdo it. Berg's murder demonstrated the stark contrast between the wrongdoings at Abu

Ghraib and the evil evident in the beheading of a non-combatant civilian. We are once again reminded of the true nature of the enemy and why we are fighting them. Unfortunately I fear the continued political rhetoric here at home will have a detrimental impact on troop moral. We need to focus our energies on the war on terror, which we cannot afford to lose.

Recently, I received the United States Department of State's annual report, Patterns of Global Terrorism for 2003. The report reveals that the year 2003 saw the lowest annual level of terrorist attacks since 1969 which indicates that much progress has been made in combating terrorism. Almost 70 percent of the senior al-Qaeda leadership, and more than 3,400 operatives or associates, have been detained or killed in over 100 countries. The global war on terror is not over, nor will it be anytime soon. That is why we must focus our energies on winning this battle. As was stated so clearly by a DefenseNews article, Repercussions of Failure, April 19, 2004,

"A successful campaign by insurgents to drive coalition forces from Iraq would constitute a shattering blow to the U.S.-led global war on terrorism and jeopardize governments that have cast their lot with Washington, according to U.S. officials and Arab analysts. 'The price of failure in Iraq would be catastrophic,' one senior U.S. State Department official said. 'Anything that defeats the expression of U.S. and allied power against terrorism will create the impression of weakness that terrorists worldwide will exploit.'"

The Administration has indicated that it will forward a \$25 billion supplemental request for the incremental costs associated with ongoing operations in Iraq and Afghanistan. I understand the defense appropriations subcommittee will hold a separate hearing on the supplemental. I look forward to reviewing the administration's request, and will work with Chairman Stevens and Senator Inouye in providing whatever funds and resources are necessary to support our warfighters and the global war on terror.

The reliance on our National Guard and Reserve forces to prosecute the war on terror is increasing. I understand Secretary Rumsfeld is working with Lieutenant General Blum, Chief of the National Guard Bureau and the Reserve Chiefs, to improve the predictability of mobilizations for our nation's Reservists while re-balancing the active duty-reserve force mix so as to improve the overall capabilities of our military. As a co-chair of the Senate National Guard Caucus, along with my colleague Senator Patrick Leahy, I am committed to working with the Department of Defense to improve the capabilities of the National Guard and its ability to support the nation's military strategy. Were it not for congressional increases in accounts such as the National Guard and Reserve Equipment Account I am certain that the gap in capabilities between the active component and the Reserve component would widen.

Additionally I am concerned about the rising cost of modern weapons systems as exemplified by aviation programs. Unconstrained cost growth in the F/A-22 has limited the number of platforms available to fully equip our aviation units under the current congressionally mandated cost caps. The troubling cost growth in the F-35 so early in the program threatens to duplicate the lesson of the F/A-22. The Army's decision to cancel the Comanche light attack helicopter program further illustrates what awaits a program that is unable to control costs. We should not be held captive to rising and unconstrained development costs. This is why I support a competitive industrial base through the continued production of a limited number of F-15 aircraft so that the warfighter, and the taxpayer, will have an alternative should the desires of the U.S. Air Force not be met because of limited resources.

The need to transform the force while executing the global war on terror is not an enviable task. It has been acknowledged that the Department of Defense has an inordinate tail to tooth logistical load. Unless we reverse this, our ability to field an efficient fighting force will suffer. If segments of the bureaucracy within the Department of Defense are not responsive to the needs of the warfighter then they should be replaced, disbanded or its functions transferred to the civilian sector. In my effort to improve military mail operations and Voting Assistance Programs I have come to understand how a sluggish and unresponsive bureaucracy can impact negatively support to our forces. That is why I recently wrote to Secretary Rumsfeld to ascertain why the recommendations of the Military Postal Service Task Force to out-source some, or all, of MPS functions were not carried out.

Secretary Rumsfeld, General Meyers, our forces rely on your leadership for their welfare and on the Congress for the resources necessary to sustain a vibrant and effective fighting force. This is a partnership that must flourish if our forces are to have the optimum tools necessary to carry out their mission. We have the best fight-

ing force in the world. Our military forces deserve leaders and policy makers who will put their welfare ahead of political or personal gain.

REBALANCING ACTIVE AND RESERVES FORCES

Senator BOND. Senator Cochran has already asked about the OPTEMPO and increasing reliance on the Guard. As co-chairman of the Guard Caucus, I'm very proud of the what the National Guard is doing in answering the call to duty.

And I'd like to ask your comments on, How is the review on rebalancing the forces, adjusting the mission and the force structure—how is that progressing? And what is necessary from this committee and this Congress to support our troops—not just Guard and Reserve, but all of our troops—in seeing that they can win a war which, once again, yesterday, we were horribly reminded is a war against the forces that would destroy civilization, that depend upon and act with pure evil intent?

Secretary RUMSFELD. Senator, I would characterize broadly the process of re-balancing the Guard and Reserve and the Active components with the Reserve components as progressing quite well. In fact, I've been quite impressed with the speed that the—particularly the Department of the Army has demonstrated in addressing it. And, of course, the Army is the biggest place that this needs to be done. And they've been addressing it with a good deal of, I thought, excellent work, and the process is underway. They're doing that, simultaneously with the task of increasing their combat capability from 33 brigades to 43 brigades, and moving to a more modular approach, and all of that takes time.

We've overused military police. We have overused certain civil affairs Reserves and Guard because of the way the total force was structured. That's being shifted, and it'll take, I'm going to guess—oh, goodness, it'll probably take 2, 3 years, 4 years, to get it done. David Chu, is that about right?

Dr. CHU. Yes, sir.

Secretary RUMSFELD. But we've got a good start on it.

Senator BOND. One of the things that pundits are raising is the problems that they see coming down the line with recruitment and retention. I've heard, anecdotally, some very good news on those subjects. What do you see, from the Department level, about recruiting and retention?

Secretary RUMSFELD. Well, I look out there, and it's foggy, it's blurred. I'm worried. On the other hand, the data we get is very positive. We are clearly retaining and recruiting the skill sets we need in the Armed forces. And that is enormously encouraging. I have no idea how fast that could drop off. And we have to constantly try to refine our ability to look out there and to take steps in advance.

For example, when we had to extend some Guard and Reserve people beyond the 365 days in Iraq to another 90 days because of the situation on the ground, we didn't want to do it. But General Abizaid said he needed an additional 20,000 forces. We said, "Fair enough. What's the best way to do it?" And that was the best way to do it. But we immediately stepped in and provided some compensation for those individuals, who served various portions of 3 months.

MAIL SERVICE

Senator BOND. Mr. Secretary, I appreciate that. I know you wouldn't be satisfied if I didn't raise one issue that I brought to your attention before. It has to go to morale. It is the question of military mail delivery. We've discussed this on many occasions. I know you have many other issues of great importance, like protecting lives, feeding our troops and providing munitions. But I understand this is a very real concern to the men and women over there. And having some personal interest in that, as well, to which I confess, I wonder if you had looked at outsourcing some of the mail-clerk functions in working with the U.S. Postal Service to assure the mail delivery is improved.

Secretary RUMSFELD. I have not looked at that. I know that the subject of mail delivery is, as you point out, an enormously important one, and that the services and the Central Command have all been working on it. I know they've even particularly looked at it from the standpoint of the difficulties they had with respect to all the elections that are taking place this year. And coming over in the car, David Chu briefed me that they have been working the—Department of Defense has been working with the Postal Service to try to find ways to improve that, and believe they've made progress.

General MYERS. The reports I've seen, Senator Bond—and I've seen—I get reports from time to time—shows that it's getting better. I don't think it's where it needs to be yet, and we have to continue to find ways to—but, you know, when I was commander of U.S. forces in Japan, a fairly mature theater, in the mid-1990s, we still had problems over there because of just handling procedures, where all the mail would go into Narita, and then it had to be brought to Yokota, and then it had to be—and so it was—we were constantly working that problem. It's obviously a worse situation in Iraq, and we've got to find ways to work around that. And it's critical to morale. We understand that.

Secretary RUMSFELD. They also have tried to find locations where they could put phones and computers for e-mail access, which is a part of the problem, and that's been working well.

Senator BOND. Thank you.

Senator STEVENS. You should revive the V-mail. We used to get V-mail. It would all go to one place, and then be sent by telegram, and then they'd package it up on the other end. Isn't that right, Dan?

Our next—

Senator LEAHY. It's called the Internet now, Ted.

Senator STEVENS. Senator Durbin.

No, it—e-mail is something different, because they would take your letter that your mother wrote you, and they'd put it into a telegram and send it over, and they kept the mother's letter. It was a different thing.

Senator DURBIN.

By the way, you're not that old, anyway.

We're going by seniority, then, Senator Feinstein, you're first, if you'd wish to yield to her, Senator Durbin.

Senator Feinstein.

Senator FEINSTEIN. That's very generous. Thank you.

Thank you very much, Mr. Chairman.

I have just one quick question on Abu Ghraib for General Myers, if I might, because I think it needs to be cleared up. General Taguba testified yesterday, and let me just quote, "Failure in leadership from the brigade commander on down, lack of discipline, no training whatsoever, and no supervision were the root of the problem." My question to you is, What have you done to remedy this problem? If you could specifically speak to each of those—lack of discipline, no training, no supervision.

General MYERS. On the discipline issue, quite frankly, what was done was to replace the unit and put a unit in there that was a better unit. And I hate to get into more specifics, because it then starts to prejudice any action you may want to take against any of the—

Senator FEINSTEIN. I'm not asking you for that. I'm asking you for the remedy.

General MYERS. The remedy was another—the immediate remedy was another unit, to put another unit in charge. This was, as the Taguba report—now everybody has read it—this was a unit that had issues with just adhering to the Army's standards. Their uniform—they didn't have standardized uniforms, they were allowed to carry guns in their civilian clothes when they were off duty, they had things written on their cap, they didn't particularly want to salute. This was a unit that had those exact—so the first thing you do is, you replace the leadership of the unit. They have done that.

Now, the Army Reserve and the Active Army, there are other investigations and looks going on. General Helmly, the Chief of the Army Reserve, is looking at other Reserve units to work the training issues and the discipline issues to make sure everybody's compliant with Army standards. So that process is underway. We have not seen that review. We should get a midcourse report on that here fairly shortly, and we'll be happy to share that, because that's part of it. And that will deal with both the training and the discipline part.

And then the last part you said was—you had—

Senator FEINSTEIN. Supervision.

ABUSE

General MYERS. Supervision, right. And there are a couple of things going on in that regard. I think the General Helmly Report will help. There's also the General Fay look at the role that military intelligence played in this whole business, and in detainee affairs. General Fay is looking at that. He's been in Iraq. He's now in Germany. Part of the issue is that the folks that he wants to talk to are now scattered. They're no longer in Iraq. They're either in Germany or they're back in the United States, or perhaps other places. So it'll take him some time to go through that. We'll be getting an interim report from him, as well. I'm sure the Secretary will make that available if required. But that's what we're doing to remedy those problems.

Senator FEINSTEIN. And do you personally look at autopsy reports of detainees who die in custody?

General MYERS. No, I do not. What I look at is—I am—I look at the allegations of abuse, and I look at what is being done to investigate and correct the situation. I do do that.

Senator FEINSTEIN. Just a suggestion, it might be a good idea.

General MYERS. Well, I do—I see—I mean, I see the reports. I wouldn't call them autopsy reports. I see the allegations of abuse. Usually in there is a description of the abuse. I wouldn't call them autopsy reports, but I see the words that talk about the type of abuse and the effect it had on the individual.

Senator FEINSTEIN. Right. I'd like to ask you—because we've talked about this privately—I'd like to ask you a question about the heroin—or the opium poppy production in Afghanistan. And you've been very kind, you've reported back to me, and I appreciate that. But I want to indicate my very deep concern about the fact that tens or even hundreds of millions of dollars have flowed from illegal heroin trade directly into the hands of terrorist organizations, like al Qaeda. And today Afghanistan is producing more poppy than ever. About 75 percent of all of the heroin sold in the world is being produced today in Afghanistan, \$2.3 billion. It's my understanding that an early harvest has produced as much as a 50 to 100 percent increase in production from the 2003 estimates.

Now, here's my question. Are we protecting warlords in Afghanistan who are growing poppy or producing heroin? Are we holding back on eradicating crops for political reasons? So what is the reason for the absence of military force to eradicate the opium poppy in Afghanistan?

General MYERS. Senator Feinstein, as we've discussed, and I think you're focused on a very important issue—and I traveled to Afghanistan—and now it's about 3 weeks ago, I guess. When I talked to our Ambassador there, Ambassador Khalilzad, and our military personnel, and the Ambassador's staff, they described this issue as one of the big strategic issues for the future of Afghanistan. As you know, the United Kingdom has the lead, and—overall, for the international community, to deal with this. The State Department has the U.S. Government lead for this. I think what needs to be done is, we need to hear from the Ambassador what kind of plan he would put in place to deal with this effectively, and then we have to resource it. It's going to require additional resources to what we have in Afghanistan today. And I'm not talking now just with military resources, but my understanding is we're going to need a lot more of the type of resources that deal with drug issues, Drug Enforcement Administration (DEA) and others. And I think we'll be hearing from the Ambassador on that, if they haven't already, because we had a long talk about that when I was there, based partly on our conversations, because that was—it is a critical issue.

On the issue of warlords, I don't know that you can say one way or the other. You'd have to guess, though, that probably a lot of the warlords, or some of the people they support, are involved in this. And that's why it's going to take more resources to work this issue and come up with policies to work this issue. That's a guess on my part. I have not—I'd have to go back and research the intelligence. I'm sure there are some that have to be involved. That's a way of life for some of them, and you just have to assume it is.

Senator FEINSTEIN. Thank you.

Mr. Secretary, could I ask you a quick question? Last——

Senator STEVENS. This will be the Senator's last question.

ROBUST NUCLEAR EARTH PENETRATOR

Senator FEINSTEIN. Is my time—last question, I'll be fast. Last year, I asked you, at this hearing, about the robust nuclear earth penetrator, and you told me it was just a study. Since that time, it's changed rather dramatically. The Congressional Research Service (CRS) reports that the administration's budget calls for spending \$485 million over the next 5 years just on the robust nuclear earth penetrator. And the report says, and I quote, "The study is examining feasibility and cost, yet the 2005 request seems to cast serious doubt on assertions that the robust nuclear earth penetrator is only a study," end quote.

In light of this, are you still going to say to us that this is just a study, or is the administration intent on the development of a nuclear earth penetrator?

Secretary RUMSFELD. A decision to go forward with a earth penetrator has not been made. A decision to determine whether it's possible to have one that could help solve some potential problems has been made. So that work is going forward, and the money has been requested of Congress.

I don't—what I can do is—I don't believe the studies have produced the kind of information that would enable one to say, at this stage, that the development should go forward. But, clearly, with the amount of underground activity that exists in the world—and it's pervasive in country after country, that people have tunneled underground—North Korea is a perfect example, certainly Iran is, we have found this in country after country. And the question is, If that is a problem, what might be done about it? Your first choice would be to find some obviously conventional way to do it. They've looked and looked and looked, and this additional way is, at least in my view, worth studying. And at that point where it migrates over into a program, clearly the Congress would know and would have to make a decision on it.

Senator FEINSTEIN. Would you permit me just one quick comment? Since we got into this, I've done my own study and talked with physicists, and what they tell me is, there is no known casing that can get a device deep enough—which would have to be between 800 and 1,000 feet—to prevent huge nuclear fallout. I'll just leave you with that.

Secretary RUMSFELD. Maybe we ought to hire them.

Senator FEINSTEIN. Sidney Drell, physicist, Stanford University.

Secretary RUMSFELD. Right, I know who he is. Right.

General MYERS. Mr. Chairman, Senator Feinstein, if I may, just one more comment. There is a lot more that Central Command—I talked about the general problem—there's a lot more that Central Command is doing, in terms of funding and in instructions to the troops in Afghanistan that I'd like to provide you for the record, if I may.

Senator FEINSTEIN. I would appreciate that.

[The information follows:]

[Deleted].

Senator STEVENS. Thank you very much, General.

I'm going to go out of order and recognize Senator Hutchison. I understand she has a problem.

Senator Hutchison, you're recognized for 5 minutes.

Senator HUTCHISON. Oh, thank you, Mr. Chairman.

Mr. Chairman, I want to add a story to the one that General Myers told at the beginning of this hearing, and it is one about which I know personally.

Senator STEVENS. Pull your mic up, please, Senator. Just pull it toward you.

Senator HUTCHISON. Okay.

Senator STEVENS. They're all live.

Senator HUTCHISON. I want to—

Senator STEVENS. All these mics are live.

Senator HUTCHISON. Okay. I want to add to your story, General Myers. I went to college with a friend who was a great football star at the University of Texas. He had one son. We all thought he would follow his father's footsteps to the University of Texas. But he only had one dream. The son wanted to go to the U.S. Naval Academy. And because he was so qualified, I was proud to give him my appointment.

That young man, a marine, participated in the march to Baghdad, came home. He is now back in Iraq, somewhere around the Fallujah area, doing his job, and wrote me a note saying, "Thank you, Senator, for giving me the opportunity to do this." So I do hope that we can put those and the stories of Pat Tillman out there when we are going through this very hard and difficult time.

The second thing I want to point out, that has been stated in the media and by others, there continue to be questions about whether al Qaeda and the war on terrorism are really connected to Iraq. Well, I think we found out yesterday—and something you added to today, General Myer—that an al Qaeda-connected animal perpetrated a heinous crime on videotape in Baghdad, because the body was found there, unfortunately. Similar atrocity in Pakistan to a journalist named Danny Pearl, videotaped. That reporter was reporting on al Qaeda at the time.

So I think if anyone is going to question whether the war in Iraq or Afghanistan, either one, are connected to the war on terrorism and all these loosely affiliated organizations, that they're answering that question for us as we speak.

I wanted to ask a question, and Senator Feinstein made several of these points, but there was one other, and that is regarding the prisons. One of the other reasons, or allegations made, was that there weren't enough guards to guard the number of people who were in those prisons. You, Secretary Rumsfeld and General Myers, and others in this administration, started looking at this situation apparently the very day you heard, which I think you should be commended for doing. So you have had the investigations, which started in January. Have you determined that there are enough guards now? Has that situation changed in any way? Or if that's not appropriate to answer whether it's changed, do you feel that you have the funding or the facilities and the number of guards needed to meet our standards in the treatment of prisoners in Iraq, Afghanistan, Guantanamo Bay, or anywhere else that we may be

needing to hire—to watch, guard, and interrogate, properly, prisoners?

TROOPS IN ABU GHRAIB

General MYERS. To go back to the beginning, we were in a closed hearing yesterday in front of the House Appropriations Committee, Subcommittee on Defense, and General Taguba was with us, and the question was asked, Did the—you know, how many troops did we have in Abu Ghraib, at that time, providing security in detainee operations? And he said, “Well, they didn’t have enough at the time, but the brigade could have reallocated some of their forces to that situation, which was not done.”

From what I know today—and I’ll probably have to get you an answer for the record—but from what I know today, that situation has been corrected. We have made a lot of corrections over time, over the last couple of months, to ensure that the folks that are responsible for detention operations have the people they need to do the job. But I’ll double-check, and I’ll give you an answer for the record on that.

[The information follows:]

As of May 28, the number of MP guards vice detainees in Abu Ghraib prison was 450 to 4,561 or approximately a 1:10 guard to detainee ration.

As of June 22, the number of MP guards remains the same with 450 guards, but the number of detainees is now 2,262 or approximately a 1:5 guard to detainee ratio.

MANAGING DETAINEES IN IRAQ

Senator HUTCHISON. And do you have the facilities that you need at this time for the number of prisoners we have——

General MYERS. I think——

Senator HUTCHISON [continuing]. And the number of guards?

General MYERS [continuing]. I think, for the most part, we do. Now, we have—I think—yes, ma’am, we do. We have—right now. But, you know, these are—this is a continuing issue, where we get reports from the International Committee of the Red Cross, of our own commanders looking at the situation, so it’s a matter of continuing improvement, which is appropriate, and would have to change over time. But the situation that was described in the Taguba report that he saw in the January/February timeframe, those have been corrected.

Secretary RUMSFELD. May I just add that over the period of time in Iraq, some 43,600 people have been captured and detained for some period of time. Of those, 31,800 have been released. And the remainder currently detained is about 11,800. That is not a fixed population. It’s constantly changing. There isn’t a week that goes by that our forces don’t scoop up, you know, 4, 5, 6, 8, 10 a day and move them into one of the detention centers. And, simultaneously, there’s a process, as you can imagine—if we’ve already released 31,800 out of 43,000—our goal is to get as many out of there as fast as we can, as soon as we believe that’s the appropriate thing to do. There’s no one in the United States Government who wants to be a jailer and hold people that we don’t need to hold.

So there’s constantly a group coming in, and constantly a group going out. And currently the population is about 11,000.

Senator HUTCHISON. Thank you.

Thank you, Mr. Chairman, for—

Senator STEVENS. Thank you very much.

Senator Dorgan is recognized for 5 minutes.

Senator DORGAN. Mr. Chairman, thank you very much.

I regret I was not here at the first part of this hearing. But I welcome the Secretary and General.

FISCAL YEAR 2005 RESERVE FUND

Let me ask a question, if I might, about the \$25 billion. And I understand that you've been asked some questions about that. There was a piece in the newspaper today, here on the Hill, that said that the Senate majority leader's senior staff was saying that there's a school of thought that Congress should double the administration's request to amend its 2005 budget request by \$25 billion, and so talking about increasing it from \$25 to \$50 billion. I understand the request has not even yet been made. So what I'm trying to understand a bit here is, the \$25 billion that has been discussed that I think the chairman will ultimately hold a hearing on, is that money that relates to this current fiscal year, or is that a reserve fund for the next fiscal year?

Secretary RUMSFELD. The answer, sir, is that the White House, the Office of Management and Budget, the leadership in Congress in the House and Senate, and in the Appropriations Committees are currently debating that. What they're doing is, they're, at the moment, calling it a reserve, and the number is—that the President proposed was \$25 billion. And that was a judgement that that would be appropriate to move us until such time as a full 2005 supplemental could be passed by Congress sometime next year, after Congress gets back, reorganizes, and acts on it, probably sometime in the April period.

You want to say—I can't read your writing, I'm sorry.

Mr. LANZILLOTTA. Yes, Senator. It was based on what we thought to alleviate the risk, or reduce the risk, in cash-flowing the service operation and maintenance (O&M) accounts for that period of time that the Secretary talked about.

Senator DORGAN. For what period of time, now?

Mr. LANZILLOTTA. Well, from the period of time from October 1 until the Congress could act on a supplemental request. So we looked at our spend rates, decided that this reserve account would help us reduce our risk of cash-flowing those accounts, to have the services avoid reducing training or other type activities.

Senator DORGAN. If I might ask, the \$60 billion that we previously appropriated was expected to last until a request would come in next January, so that would have been money that would have been available through this fiscal year, into the next fiscal year, is that correct?

Mr. LANZILLOTTA. No, Senator. The money—the \$65 billion that was appropriated, that was for fiscal year 2004. That money was never intended to last past October 1.

Senator DORGAN. So money for the costs of the prosecution of the war in Iraq, and also activities in Afghanistan, would have come from the regular Pentagon budget from October 1 until some subsequent date, when the Congress would pass another emergency supplemental, is that the case?

Mr. LANZILLOTTA. What the intent was—that we would cash flow the accounts and put a supplement request in to cover those costs.

Secretary RUMSFELD. The way I think of it is this, that we were, in effect, asked by the Congress not to try to guess what the war would cost and put it in the regular budget, which, of course, the regular budget for 2005 was prepared last year, and then submitted to the President in December, and then to the Congress in February, and now we're into May, and it's for the period starting October 1 for a whole 'nother year. So there's no way to look into that future well, or precisely. And so the judgement was made not to budget for it, but to come in with a supplemental.

From a management standpoint, it is very tough on the Department of Defense. When the world changes, as it has, we have the higher level of forces there, it's a more difficult situation, and, therefore, the amount of cash flowing that would have to take, taking money out of money account, sticking it into another account, has grown. And we looked at it, and the President did not want to go up and ask for a \$25 billion reserve, but I went to him, as I have to, and told him the truth, and the truth is, we need the money if we want to reduce the amount of cash flow, robbing Peter to pay Paul and then trying to correct it at the end.

BUDGETING FOR CONTINUING OPERATIONS

Senator DORGAN. Well, I would expect everyone on this committee would feel that we don't want to withhold \$1 that is necessary for the safety of the troops that we've put in harm's way. Whatever is necessary to protect them and provide for them, that which we think is important for them, we want to provide. But you indicated that you felt that the Congress had asked that you not include these funds in the regular appropriations request. I mean, my own feeling is, it's been a bit frustrating, because we get the budget, and the budget for the Department of Defense has zero in its request for Iraq and Afghanistan. We know that there are ramped-up, continued operations that—

Secretary RUMSFELD. Right.

Senator DORGAN [continuing]. Will be there for some long while. And I understand there is a need, and will be a need, for emergency supplementals, but I would—I think it would make more sense, at least in the regular budget process, as well, to recognize we're at a different level here, and these routine and—not routine; I shouldn't say—the continuing operations in Iraq and Afghanistan ought to be at least accounted for, in some measure, in the regular budget process.

Secretary RUMSFELD. It's a fair comment. And I felt that way, as well, 2 years ago, and tried to do it. And we were in Afghanistan at that time, and it was clear that it was going to cost some money, so we proposed \$10 billion, and the Congress rejected it all, 100 percent of it, and said—now, here's the tension, the dilemma. The earlier you ask for the supplemental, the less you know, and the less precise you can be. And, properly, Senators that have the responsibility for managing the taxpayers' money look at it and say, "Well, it's not very precise." And that's true. And the later you wait for a supplemental, the greater knowledge you have, the more precise it is, but the longer you've passed the time when you have to

begin doing this cash flowing and taking money out of here and putting it in there. So the cycle is so long—the budget cycle—when we have to prepare this last year, get it to the President, get it up here, for a year that doesn't start until October 1, it's just a difficult problem.

Senator DORGAN. Well——

Secretary RUMSFELD. I could do it either way, myself.

Senator DORGAN. Yeah, at least speaking for myself, I would prefer that we try to recognize we're ramping up to a different level and it's going to be continuing for some while, and see at least a part of that, to the best extent we can estimate it, in the regular process.

Just one final question. Do I have time for an additional question, Mr. Chairman?

Senator STEVENS. No, you don't. Sorry.

Senator DORGAN. Okay, thank you.

Senator STEVENS. Our next Senator is Senator Specter, by seniority.

Senator SPECTER. Thank you, Mr. Chairman.

ASSASSINATION OF NICHOLAS BERG

Mr. Secretary, Mr. Nicholas Berg, who was the victim of a brutal assassination, as we all know, was a Pennsylvanian. And in talking to his lawyer yesterday, I tried to get some of the particulars about what happened to him when he was held in detention—reportedly initially by Iraqis, and then later by U.S. military—and a lawsuit was filed in the Federal court in Philadelphia; and shortly thereafter, Mr. Nicholas Berg was released. I would appreciate it if you would give your personal attention to assist in answering some of the questions which the family is now posing as to exactly what happened to him during the detention period, why he was detained, and the circumstances of his release. The case was never litigated, but it was filed.

Secretary RUMSFELD. Senator, we will be happy to ask someone in the Department of the Army probably, and, if not, the General Counsel's Office, to focus in on this and be in touch with you.

[The information follows:]

Due to the fact that a number of different entities, including the Iraqi police, had contact with Mr. Berg during his detention in Mosul, it is not possible to provide a definitive account of his detention and release. Nonetheless, the following is a summary of the facts as we now understand them.

On March 25, the Iraqi police in Mosul detained Mr. Berg for "suspicious activity" and for his personal safety. He was taken to a police office and placed in a spare break room typically used for eating and resting, rather than a jail cell. He was placed in this room because it was private and cleaner than the cells and because he had expressed concern about being in a cell with Arab inmates and guards due to the fact that he was Jewish. This break room is located in the same building as the Iraqi police office, which is connected to the Digala Police Station. Coalition forces, who were present in the Iraqi police office to provide assistance to the police, provided Mr. Berg with a cot, blanket, and food. The FBI interviewed him later that day and took his fingerprints. The FBI interviewed him again on March 26.

On March 28, Mr. Berg was moved to a cell in Digala Police Station, one that the Iraqi police had cleared specifically for him, because it was no longer practical to keep him in the spare break room. After he was moved to Digala, the Coalition forces' involvement with Mr. Berg was minimal, although they did interpret directives to Mr. Berg.

On April 1, an officer of the Coalition Provisional Authority (CPA) informed the U.S. Consular Officer in Baghdad that Mr. Berg was being detained by the U.S.

military. We note that this information, which the U.S. Consular Officer provided to Mr. Berg's family at that time, appears now to have been incorrect; it is our understanding that Mr. Berg was, in fact, being detained by the Iraqi police. The U.S. Consular Officer in Baghdad also notified Mr. Berg's parents that all questions about Mr. Berg should be directed to the FBI.

On April 3, the FBI interviewed Mr. Berg for a third time. In addition, the Iraqi police obtained his possessions from his hotel room at his request, paid his hotel bill with his money, and stored his possessions at the police station.

By April 4, the Iraqi police were prepared to release Mr. Berg, and the FBI had finished interviewing him. FBI, U.S. military, and CPA personnel were concerned, however, for his safety in Iraq if he were to be released and remain there. On April 6, a CPA officer in Mosul, along with a Public Administration Officer of the 416th Civil Affairs Battalion posted with CPA-Mosul, met with Mr. Berg and did the following:

- offered to provide him with financial assistance (which he refused);
- asked him to sign a Privacy Act Waiver so that the CPA could respond to his parents and his Member of Congress (he refused);
- counseled him to leave Iraq for his own safety and offered him transportation assistance (he said he would go to Baghdad in a few days because he wanted to spend more time in Mosul, and the assistance we offered would have taken him out of Mosul on the next MILAIR [military] flight and then to Jordan in the next few days);
- asked him to check in with the U.S. Consular Officer in Baghdad (he agreed);
- watched him inventory his possessions, taking account of his concern that some money was missing; and
- had him sign a paper confirming that he received the above information.

At that point, Mr. Berg was released from Iraqi police custody. Mr. Berg indicated that he would not be leaving Iraq right away because the road to Amman had been closed indefinitely.

At some point between April 8 and April 10, the U.S. Consular Officer spoke by telephone with Mr. Berg and offered to assist him in obtaining a seat on a chartered Royal Jordanian Airlines flight from Iraq to Jordan. We understand that he declined that offer and stated that he would be traveling to Kuwait with a convoy of journalists. The U.S. Consular Officer reminded him of the security risks of traveling in Iraq and asked him to call his mother upon arrival in Kuwait. We believe that this was the last contact the U.S. Consular Officer had with Mr. Berg.

Senator SPECTER. I would appreciate it. And there's one other request which the family has made. Mr. Berg's body is being returned to Dover, and the family would like to meet the body on arrival, and they have made a request to be with their deceased son. But they are not permitted to come onto the base, as I am told, unless there is a waiver. And I would appreciate it if you'd take a look at that and see if we couldn't accommodate their request.

General MYERS. You bet.

Secretary RUMSFELD. Be happy to.

ASSISTANCE TO IRAQ: GRANT OR LOAN?

Senator SPECTER. Mr. Secretary, on the issue of the funding in Iraq, when the \$87 billion was requested some time ago an issue arose as to whether some \$10 billion ought to be in the form of a loan to Iraq, on the consideration that Iraq has enormous oil reserves and enormous potential resources. And it is obviously a difficult matter to draw the line on what would be appropriate for Iraq to pay for—rebuilding the country, for example, or rebuilding their infrastructure. Where we have costs of the military operation, that is something different. But I think it would be very useful to this committee and the Congress if we had an idea, with some particularization, as to what money is being spent, and for what purpose, so that we could try to make a judgment as to what would be appropriate to have paid for by Iraqi resources which are obtained at some later date, sort of on the analogy of a trustee in

bankruptcy. We're a trustee, and there are international aspects of it with the United Nations and the World Bank and the International Monetary Fund. So it would not be something that we would make a judgment on, but at least if we knew what the accounts were, we would then be in a position to try to make some determination as to where we would like to see some of the money in a loan form.

The President was very insistent on having it in the form of a grant, and he met with a number of us, and ultimately we made a decision—I did, personally—to honor what the President wanted to do, to try to get it done faster in a critical period, trying to get other countries to make loans. But as the matter progresses and evolves, I think it is something we ought to revisit.

Can you see any of those expenditures at this moment which you think ought to be paid for by Iraq, as opposed to the American taxpayers? We're getting a lot of comment as we—the taxpayers are concerned, as we face a very tight domestic budget—as to why those expenses are not being borne by Iraqi resources.

Secretary RUMSFELD. Senator, I recall the debate, and it was a perfectly appropriate thing to debate and discuss and weigh. The President concluded that "an amount" ought to be a grant, as opposed to a loan. There were complications, as you'll recall, with debt forgiveness and other debts and reparation requests from Kuwait for the 1991 war, and the like. And he felt that it would be appropriate to take a single amount, make it a grant, and use that to help jumpstart Iraq on a path towards democracy and recovery.

No one believes that any additional money should go from United States to Iraq for that purpose. For security, yes, for the other things that we're doing, to be sure—governance, assistance, and so forth. The United States also went out and tin-cupped the world and raised additional funds to try to assist the Iraqi people, and other countries have been giving money, as well as assistance, humanitarian assistance, to Iraq.

The situation, I'm told—why don't you do it, Larry? Just chime in.

USE OF IRAQI ASSETS

Mr. LANZILLOTTA. If I may, Senator, on Iraqi money, we have an account that's called the Developmental Fund for Iraq. It was \$18.2 billion that's been in that account so far, basically from oil revenues. And we've taken out \$8 billion, so far, to pay for Iraqi needs. And so that leaves a balance of \$10 billion that will be continued to be used to pay for those type of expenses.

Secretary RUMSFELD. But Iraqi oil revenues are paying for a part of what's being spent today. Frozen assets that were found around the world from the Saddam Hussein regime have been retrieved, in some measure, and they are being used. Assets that were discovered in the country, caches of money—there were hundreds of thousands of dollars with Saddam Hussein when he was pulled out of the hole—in that neighborhood, I should say. So all of that is going toward this problem.

Senator SPECTER. Mr. Chairman, if I may, I want to submit, for the record, questions on the Comanche helicopter, the base closing

issues, as they affect Pennsylvania, the V-22, future combat systems, Bradleys, and the M1A1 tank.

Senator STEVENS. We welcome those questions. We do not welcome questions——

Senator SPECTER. I thank you, Mr. Secretary——

Senator STEVENS [continuing]. Concerning other than——

Senator SPECTER [continuing]. And I thank you——

Senator STEVENS [continuing]. Appropriations.

Senator SPECTER [continuing]. Mr. Chairman.

Senator STEVENS. Senator Durbin, you're recognized for 5 minutes.

Senator DURBIN. Thank you, Mr. Chairman.

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

It is unfortunate that a million acts of kindness and goodwill and bravery by our troops have been overshadowed by the shameful acts at the prison in Iraq.

I'd like to read to you an excerpt from an e-mail. This comes from a career officer in Iraq, and it was received yesterday. He wrote, "I think that any soldier over here with any moral clarity is appalled and ashamed by what has occurred. Personally, I'm also ashamed of those that attempt to mitigate what's happened by saying, 'It's not as bad as what others have done.' If we're not better than that, then I simply want no part in what we're doing. Take away the Weapons of Mass Destruction (WMD), the links to al Qaeda, and the singular reason for being here was the prospect of disposing of a ruthless dictator and bringing democracy to Iraq. And now we are all left to simply wonder: At what cost? It seems to become clearer every day that this is simply the beginning of the end to any chance we may have had to achieve anything of substance. June 30 looms, and most of us can see no achievable goal in sight. Two-thirds of the Iraqis simply want us to leave as of yesterday, and every battlefield success appears to be nothing more than a Pyrrhic victory. Nobody wants to compare this to Vietnam, but it's starting to feel that way on the ground. Everybody just wants to finish their year, get the hell out, and forget they were ever here. Finally, I would just simply say that the issue here really is moral clarity. As soldiers in the Army, it just seems a little implausible to a lot of us that 7 to 12 people simply perpetrated unthinkable and unconscionable acts over a period of several months without knowledge of their superiors. These people will likely be punished, and rightfully so. But the question is, Did they let us down, or did the Army and their leaders let them down? Because everyone knows that the entire chain of command, to the very top, holds some level of responsibility for what has occurred."

Mr. Secretary, I voted against this war believing that we needed a broader coalition and better preparation. The decision was made to move forward and move quickly without the United Nations' support, without giving time for inspection, without, I'm afraid, the necessary calculation of the real cost of this war. We are now being asked to consider a supplemental at a later time here. We have appropriated some \$90 billion for the execution of this war. And I am told—at least you've testified, or General Myers has testified—that force protection will be one of the highest priorities.

But as we look back to the last 14 months, on the issue of force protection, there are some very, very unsettling facts. Nine months after our invasion, in December of last year, nearly 1 year after the forces were deployed to the region, more than one-third of our forces still lacked interceptor body armor. A friend of mine with a son in a military police (MP) unit, he and his wife went out and bought the appropriate armor to send to their son to protect him. When we lost a Chinook helicopter last year from the Illinois/Iowa Guard Unit, I came to learn that the helicopters were deployed in Iraq without necessary defensive equipment. And now we learn that perhaps 3 or 4 months from now, when they're supposed to be returning home, they will finally be equipped as they should be.

And I suppose the worst part of it was the armoring of Humvees. It's been estimated that one-fourth of the American lives lost were lost because of lack of armor for these Humvees, and we still are uncertain as to whether an adequate number will be protected in the near future.

My question is this. Having appropriated all of this money, and myself having voted for every penny of it, how can we explain that we didn't meet the most basic requirement when it came to body armor, helicopter equipment, and armored Humvees to protect our troops?

DETAINEE ABUSE IN IRAQ

Secretary RUMSFELD. Let me comment, first, Senator, on the statement you made, and then General Myers will discuss the force protection issues, because they're very important.

With respect to what took place at Abu Ghraib, we will get to the bottom of it. There are six or seven investigations taking place, criminal prosecutions taking place, and people will be punished at every level, I can assure you. I know there's a—the Uniform Code of Military Justice works, and it's operating, and I am confident that the facts will become known, and people who did things that were illegal will be dealt with, and those that—in the administrative chain that did things that were seen to be inappropriate will also be dealt with in non-criminal administrative ways.

Second, the e-mail you read is—I guess it's disturbing, but it's not surprising, that an individual feels that way.

Senator DURBIN. A career officer.

Secretary RUMSFELD. I understand. An individual. Doesn't matter to me whether he's an officer or an enlisted person, but he feels that way. And I can understand that. And we all go through strong emotions when something like this occurs. We see it, and we're shocked, and we're stunned, and we're disgusted, and we know, in our hearts, we're better than that, and yet that is what's being seen in the world as representing our country. I know it doesn't represent our country. That isn't America. We've got—we're a lot better than that. And it's been true over many decades, and it'll be true over decades ahead. And the conclusion that that young person came to, that we're at the beginning of the end, I submit, will prove to be wrong. And, the good Lord willing, I'll be right, and his understandable concern and comment and emotional reaction, I hope and pray, will be wrong.

Senator DURBIN. Will you address the force protection issues?

General MYERS. You bet. I want to start with interceptor body armor. The small arms protective insert (SAPI) plates were relatively new technology. The Army had decided, earlier in this century, in 2001/2002, to provide only to dismounted infantry. As we got into 2002, it was clear that was not sufficient, so they started to ramp up the production from 1600 sets per month to now 25,000 sets per month. Currently, everybody in theater—military, civilian, contractors, anybody who needs that kind of vest with the SAPI plates—has been provided that.

Senator DURBIN. General, excuse me.

General MYERS. Yeah.

Senator DURBIN. Fourteen months after the invasions?

Senator STEVENS. The Senator's time for asking questions is expired, but we permit General Myers—

HUMVEES

General MYERS. Well, I'm just saying that it was new technology, so it took time to ramp it up. I mean, we just—we couldn't—as much as we wanted to wish it true and have it ready immediately, that just wasn't technically or from a manufacturing standpoint feasible. What we're looking at now—

Senator DURBIN. But you weren't prepared, General.

General MYERS. What we're looking—

Senator STEVENS. General—

General MYERS [continuing]. What we're looking at now is, the SAPI plates are good, and you know they fit front and back. We're looking for other protection now, on the sides and the armpits, because there is technology there, and we're starting to produce that, to provide those vests, as well.

Up-armored Humvees, that requirement was set by Central Command and by the field commanders. It has consistently gone up. We've tried to meet that with lots of different things and ways. Currently, they need 4,454 up-armored Humvees. They're currently on hand, 3,134. We're producing—we're ramping up to—production rate up to 300—in fact, I think we're, this month, at 220 to 225 per month. We've gathered all the up-armored Humvees from all the services around the world, pushing them into theater, only saving a few back here for the nuclear security mission, and I mean just a handful. And we also have some bolt-on armor that we've made for that, those Humvees and the trucks, as well.

So we've tried to stay up with the demand as the requirements come in from the field, and I think we're doing a reasonably good job. I would like to have done all of that, certainly, if we could have; if it had been physically possible to do it all faster, we would have. I will say this, that the support we got from the Congress on the funding has not been an issue. The funding has been there when we've needed it.

Senator STEVENS. I apologize to the Senator. We still have several Senators to go on the first round.

Senator McConnell is next. You're recognized for 5 minutes.

General MYERS. If I could just follow up that, you also asked about helos. The information you provided on the helicopters does not correlate with the information I've been given on those helicopters—to include, you know, the helicopter that was shot down

where we lost so many people. My information was that it did have countermeasures onboard, and that nobody——

Senator DURBIN. That one helicopter was properly equipped, but the Army acknowledged that there is a new level ALE-47 that was needed. Only five of the 13 helicopters in the unit are currently equipped with it. It is said that they will receive the equipment in 4 months, which is the time when they're supposed to be leaving the country.

ACTIVE AND RESERVE

General MYERS. It was—but it's true of Active duty and Reserve helicopters, because there was a move at that time, and I'll just make sure. I'll check my records, the facts here. But, as I recall, that the Army was in the middle of upgrading all that Active and Reserve, and that's what they were in the middle of, so there are some units that have the newer technology, or some that have the older technology.

Senator STEVENS. Okay, Senator.

Senator McConnell is recognized for 5 minutes.

Senator McCONNELL. Thank you, Mr. Chairman.

After the prisoner abuse revelations over the last few weeks, it's easy to lose perspective, and I'd like to begin by congratulating you, Mr. Secretary and General Myers and your entire operation, for the liberation of 50 million people over the last 2½ years and for extraordinary success in the war on terrorism.

It is no accident that we have not been successfully attacked again here at home since 9/11. The reason for that is clearly that we've been on offense, at the President's direction. And you and the people that you command have done an extraordinary job, and it's important to remember that when things do go wrong, as they do occasionally in any complicated, difficult task.

PAYING WAR COSTS

Now, we're going to have, Mr. Secretary, the Defense authorization bill on the floor next week, and one of the things I fear is that an awful lot of amendments are going to be offered to try to take money away from arguably very important tasks that you need to carry out, and direct them to Iraq.

For example, we expect numerous amendments to cut important programs such as missile defense in that bill. Over the last decade, proliferators such as Iran and North Korea have made dramatic and unexpected progress in their nuclear programs. If we do not improve our ability to defend America and our troops against ballistic missiles, and deter rogue regimes from using them against us, by modernizing our weapons systems to hold their deeply-buried nuclear or command and control facilities at risk, we're likely to face a far greater danger than that which reared its head on September 11. So I have a couple of questions in that regard.

Would it be appropriate to reduce funding for important programs in your fiscal year 2005 bill in order to pay for operations and maintenance costs that the Department plans to fund in an upcoming request for a contingency reserve fund?

Secretary RUMSFELD. We've made a judgment, Senator, that the cash flowing for a long period is a bad management practice, and

that to the extent the amount is large it becomes a very bad management practice.

In terms of the separate—therefore, we came up—despite the fact the President didn't want to—when I went in and told him I believed we needed \$25 billion, he has made that proposal as a reserve to reduce the damage, reduce the difficulties, the management difficulties, that otherwise would have occurred.

The second question, as to whether we should simply take money from one important account and put it in another and change our priorities, my strong recommendation is that the Congress not do that. The idea that we were asked not to fund for the war in the budget, we allocated the budget, we're now at a point where we believe that the priorities that have been established in that budget are sound, they enable our country to address the global war on terror, to see that the Armed Forces of the United States are the most capable and most deployable and best equipped on the face of the Earth, and I don't think we ought to try to fund the war out of the priorities that help rearrange our military for the 21st century.

Senator MCCONNELL. When I was in Iraq in October, I was meeting, it won't surprise you to know, with General Petraeus in 101st, since they're headquartered in my home State. And he indicated that the reconstruction funds, which you and, I think, Senator Specter were talking about earlier, were extremely important to the success. And one of the things I fear next week is that we may have amendments transferring money out of the reconstruction fund, which we fought very hard to make sure was a grant and not a loan, to help pay for the military side of this. Do you share my view that the reconstruction is extremely important in allowing us to ultimately exit the country?

Secretary RUMSFELD. I do.

TRAINING IRAQI SECURITY FORCES

Senator MCCONNELL. And, also, I'm curious—I know you've sent General Petraeus back to be in charge of the upgrading of the Iraqi military. I want to commend you for that decision. I don't think you could have picked a better person to do it. But I would like to kind of get a report on how that's going and this whole challenge of getting the Iraqi military up to speed, which we all know is the best way to ensure our exit at some time in the future.

Secretary RUMSFELD. Indeed. From the beginning, we've focused on strengthening the Iraqi security forces. They, for all practical purpose, had dissipated and didn't exist. The police that were there were not the kind of police we have in our country; they're the kind of people that went and arrested people at night and threw them into prison. The military was a mixture of some, I don't know, how many thousand generals, mostly Sunni generals, and the large mass of Shia conscripts, that just dissipated into the villages and towns of the country. So we had to start pretty much from scratch.

We're up to about 206,000. You see reports in the press that, in some cases, they didn't do a great job. They, some of them, didn't engage the enemy in certain circumstances. Well, my goodness, if a group of people had been trained for a few weeks, and they're poorly equipped, and they're going up against people with AK-47s

and rocket-propelled grenades, they're smart not to. And they're doing pretty darn well. And General Petraeus is the right person to go in there and work this problem.

And we're going to go from 206,000 to 265,000, we're going to continue to improve their equipment, we're going to continue to improve their training and their chain of command, and that is, as you say, who we have to pass off security responsibility for that country too. We've got to make that work, and then we've got to pass it off, and we don't have to stay and do that job for the Iraqis. The Iraqis have to do that job.

General MYERS. If I may, Senator? Let me just—

Senator MCCONNELL. Yeah. General?

General MYERS [continuing]. Just add something. When I was in Iraq 3 weeks ago, approximately, I looked at the line items of the types of equipment needed by Iraqi security forces. I think it's the first time that we've had specifically the types of equipment needed, on contract, starting to deliver—this month, matter of fact—to make up for that equipment problem that we talked about, that, for a variety of reasons, to include challenged contracts and, in fact, people just not writing down the requirement, that is fixed, and we should see these Iraqi security forces, from the police to the new Iraqi army now, begin to receive the type of equipment that will allow the things that the Secretary said needs to happen, happen.

And, if I may, let me go back to your previous question, where you talked about using other accounts to pay for the operations and maintenance. As you know better than anybody, one of our traditions—and all of us—I'd put all of us in this group—is that we raid procurement accounts when we're short on operations and maintenance, and readiness, and so forth. We have had procurement holidays. We do not need to do that. We have a chance to transform our military, and the thought of raiding particularly the procurement accounts to make up for maybe shortfalls in other places, I would think, would be a very, very bad idea for the future of our Armed Forces.

Senator MCCONNELL. One final question, if I have time, Mr. Chairman.

Senator STEVENS. You don't have the time, Senator. I'm sorry.

Senator MCCONNELL. Okay, I don't have time. Thank you.

Senator STEVENS. Senator Shelby.

Senator SHELBY. Thank you.

First of all, Mr. Secretary, I want to thank you, as others have, for your service, and also General Myers, for your leadership. And I want you to continue doing that, and I believe you will. I have confidence in you.

I've got a couple of questions, and I'd like to get into dealing with the budget.

I believe, first of all, Mr. Secretary, that the Army is underfunded, given the overwhelming role that they're playing in Iraq and Afghanistan. The issue that causes me some concern here today is reset. The Army is struggling to sustain and maintain its equipment. The 2005 budget, according to the Army's own documents, only includes 72 percent of the regular depot maintenance funding requirement. The 2005 shortfall is compounded by the se-

vere toll that Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF) are taking on the Army's equipment.

Mr. Secretary, first to you, and then to General Myers, Do you support the Army's reset plan, and do you believe it's properly resourced?

RESTRUCTURING THE ARMY

Secretary RUMSFELD. We're told by the Army that they believe it is properly resourced. What it will require is that, over the supplementals this year and next year and possibly 1 year into the future, the funds need to be made available to allow the Army to have a higher level of forces so that they can rearrange it and pull division capabilities down into the brigades, so that they can multiply the number of brigades from 33 to 43, and that they can develop this greater modularity. And it's, I think, a very innovative approach, it's exactly the right thing to do. That, coupled with balancing the active force with the Guard and Reserve, I think, will make us have a vastly improved Army.

EQUIPMENT

General MYERS. There is no doubt the Army is using their equipment up at a very, very fast rate, whether it's tracks on Bradleys or helicopter blades or parts. This is a very serious issue for the Army.

Senator SHELBY. Tanks, too.

General MYERS. Tanks, the whole thing. I mean, it's every piece of gear they have, they are using up at a much faster rate than anticipated. In my view, this should be dealt with in the supplemental as we look at a—

Senator SHELBY. Okay.

General MYERS [continuing]. A possible 2005 supplemental. We just need to make sure that this kind of money is in there to make them well. And, otherwise, we're going to have a problem out there in the not-too-distant future if we don't make them well.

Senator SHELBY. Reset's important, isn't it?

General MYERS. Reset is extremely important.

Senator SHELBY. Thank you.

PERFORMANCE OF STRYKER VEHICLES

Mr. Secretary, would you comment on the Stryker vehicle performance in Iraq? Have you spoken with the troops about the Stryker performance during your visits? And what are they reporting? We've been hearing a lot of good things, but I'd like to hear your comments, and then General Myers.

Secretary RUMSFELD. I've heard a lot more good than not good.

Senator SHELBY. Yeah.

Secretary RUMSFELD. There are those not in those Stryker units that raise questions.

Senator SHELBY. Sure.

Secretary RUMSFELD. But—and it's early.

Senator SHELBY. Well, we've always—

Secretary RUMSFELD. This is the first deployment.

Senator SHELBY. Sure.

Secretary RUMSFELD. It's the first deployment. But my sense is, net, that they're valuable, they provide mobility, they provide—nothing provides the kind of armored protection that—even a tank, they—you've seen pictures of tanks smoldering, with their turrets off. I mean, there's no way to prevent something from being badly damaged. But as a midrange leading edge of what may very well evolve as the future combat systems, I think this Stryker is doing well.

Senator SHELBY. They've got a lot of fire power, too, haven't they?

General MYERS. They've got fire power, and they have good battlespace awareness when they get there because they can be connected to all sorts of other information sources, which is powerful.

One thing, when I was—again, when I was in Iraq not too long ago, a couple of weeks ago, one of the things that I heard that I had not thought of, even though I've been around Stryker and I've driven a Stryker and spent some time at Fort Lewis looking them over, is that it's quiet. And quiet's important, because they can arrive on the scene without a lot of notice, and sometimes take adversaries by surprise. And they said that happened on more than one occasion. So I think the report card on the Stryker, so far, is A-plus.

Senator SHELBY. Mr. Chairman, thank you.

Senator STEVENS. Thank you very much.

Senator Burns, you're recognized for 5 minutes.

Senator BURNS. Thank you, Mr. Chairman. And I want to thank the Secretary and the Chairman of the Joint Chiefs for this appearance today.

I want to bring up a couple of things. Back in 1993 and 1994, it was obvious to me that, with the new plans of the military, the force structure, and how it would appear, the military complex was in for change. And knowing that, we've seen more of our responsibilities moved into the Reserve and the National Guard sectors. And I looked at the infrastructure in my State of Montana, and we began rebuilding the infrastructure there to train and to prepare our people for an enemy and a mission that was quite different than anything they had ever faced before. We were operating out of old World War II structures, as you well know, using outdated material to train for an enemy that had passed.

And I would suggest to my colleagues that we attend to our facilities and infrastructure, and also how we train our citizen soldiers, marines, sailors, and airmen for an enemy that is consistent with what we are seeing now, and the needs that they're going to have in distance learning and electronics and everything that we can gather to prepare our people for a possible call up.

The Army has begun converting some Reserve component artillery forces to military police, for instance. This has been done to meet the high demand for MPs, which I think we can expect to increase in the future.

CONVERSION OF FORCES

Can you give me an idea as to the number to be converted to this type of duty? And do you have adequate resources to continue this

process and provide necessary training and equipment that will meet this need, considering we might be working with personnel who lack this type of training experience.

Secretary RUMSFELD. It's an important question, and it's one that has to be reviewed continuously as circumstances change. But, at the moment, we believe that, with the budget and the additional requests that have been made, and with the restructuring that's taking place, that, at least for the foreseeable future, we're on the right track.

Senator BURNS. Well, we have started our rebuilding in Montana, and now we have the ability to retrain a four of five State area. They're bringing them into Helena, Montana. Fort Harrison now, for training on these new missions. General Myers, we have something else to offer in Montana right now, in terms of training and research and that's airspace. And we're running out of airspace in which to train our pilots and even some of our ground forces. And I would like to visit with you on that someday, about our capabilities up there. We've got two Air Force Bases now that are doing little, but could offer a lot more, as far as our training's concerned.

And my next question is, the weapons caches that you've discovered in Iraq, are we finding them, are we securing them, and are we destroying their holdings?

WEAPONS CACHES

General MYERS. Senator Burns, all the information I get says yes to those questions on weapons caches. We continue to find them. We find—we're up over 8,700 now, and tens are found every week, so we keep adding to that number. The last number I saw, none are unsecured. Some of the sites are secured 24 hours a day, 7 days a week, continuously, when they have the sorts of things that are being used by the bomb-makers for the improvised explosive devices, or if they have the man-portable surface-to-air missiles, or if they have mortars and grenades and those sorts of—and small arms. Others, which have—can be secured by bulldozing dirt up against bunkers that have 1,000-pound bombs in them that have not been pilfered are maybe not 24 and 7, but secured with locks, with berms, with patrols.

I'm not satisfied. We know—I mean, this is a country that we estimate has 660 shore tons of weapons in it. We've destroyed under 130 shore tons. We've got 6,000 people, to include contractors and Armed Forces personnel, on this all the time, trying to do away with these arms caches. I'm not sure that—I mean, I can't sit here and say that we know of every one. But as we find them, we try to deal with them. And it's a personal thing of mine to—because I get asked this question a lot. Again, from what I'm told, we deal with them just like I described. I think we need to be very curious about that and continue to probe.

Senator BURNS. Well, I'm concerned about that, because we know that's the base of making these—

General MYERS. You bet.

Senator BURNS [continuing]. Individual weapons—

General MYERS. You bet.

Senator BURNS [continuing]. Used in roadside—

General MYERS. The soldiers know that, you bet.

Senator BURNS. And the quicker we eliminate that supply, I think, the safer we will be in our—

General MYERS. It's going to be—yes, sir—it'll be a long-term job, but we've got to be at it with as much capability as we need to put against it.

Senator BURNS. Mr. Chairman, I have more questions, but I will submit them in private, and thank you very much.

Senator STEVENS. Thank you very much.

We'll now—Senator Inouye has not asked questions in the first round, so, Senator Inouye, do you have any questions?

Senator INOUE. Yes.

AIR FORCE TANKER LEASE

Mr. Secretary, we were advised that last week the Defense Science Board was supposed to release a report on the Air Force tanker lease deal. Has that been released?

Secretary RUMSFELD. I have been briefed, and I'm sure we can brief you. Whether they have formally released it, I just don't know.

Senator INOUE. Can you provide us with—

Secretary RUMSFELD. In fact, here it is, they're briefing staff directors here on your committee today.

Senator INOUE. Thank you very much.

RECRUITING AND RETENTION

Second, has the events of the past 2 weeks had any impact upon recruiting and retention of Active, Reserve, and National Guard?

Secretary RUMSFELD. Senator, I'm afraid that the systems we use to track recruiting and retention may not be sophisticated enough to give us good data that fast. Last month's worth that I heard about, we were doing fine in both recruiting and retention. What it'll be when the next data comes out remains to be seen.

QUANTITY OF MILITARY INVESTIGATIONS

Senator INOUE. Last week on talk shows and at the hearing, I believe three witnesses, including you, Mr. Secretary, mentioned 18,000 military crimes being processed. And I believe you indicated that about 3,000 resulted in court-martial. Can you provide us—not at this moment, but—the nature and the severity of these crimes, where they occurred and in what services? We've tried to get some information, but no one seems to know 18,000. So—

Secretary RUMSFELD. Of course, this kind of information is not centralized in the Department. Each service manages itself. The data I have is, as you suggested, that there were something in—it's 17,000-plus criminal investigations opened. There were about 72,000 non-judicial punishments that took place. In terms of Article 32, we don't have the information from the Army—it's not tracked—but the other services have about 400. In terms of total court-martials, as you said, it's about 3,000. And in terms of general court-martials, it's about 1,100. And that was all 2003 data. So you can imagine the scope of that all across the services. There's always—with the number of people we have, there's always going to be these types of things that occur, I'm afraid.

Senator INOUE. Of that number, about how many occurred in Iraq?

Secretary RUMSFELD. Oh, I have—am not able to provide that answer.

Senator INOUE. Can you provide us with those?

Secretary RUMSFELD. We certainly will. Yes, sir.
[The information follows:]

SERVICES INVESTIGATIONS DATA

	Criminal Investigations Opened World- wide Fiscal Year 2003	Criminal In- vestigations Opened Fiscal Year 2003 Iraq	Criminal In- vestigations Opened Fiscal Year 2003 Af- ghanistan	Total Inves- tigations Opened in Iraq Since March 2003	Total Inves- tigations Opened in Af- ghanistan Since Sep- tember 2001
Army	¹ 10,915	969	216	1,362	² 59
Navy	³ 4,260	35		56	1
Air Force	⁴ 2,531			16	

¹ CID ROI only.

² Estimate.

³ NCIS only.

⁴ OSI only.

SERVICES JUSTICE DATA FISCAL YEAR 2003

	General Courts-martial	Total Courts- martial (GCM and SPCM)	Article 32s Held	Nonjudicial Punishment	Criminal In- vestigations Opened
Army	688	1,329	(¹)	43,084	² 10,915
Navy	183	835	173	19,770	³ 4,260
Air Force	351	935	248	9,164	⁴ 2,531

¹ Unknown. Information is not tracked.

² CID ROI only.

³ NIS only.

⁴ OSI only.

Senator INOUE. Following up Senator Domenici's question, in 7 weeks, when we have this transition, when do you consider would be the time when we may be able to consider a Status of Forces Agreement? When can we count upon the new government to take over the water and sewer responsibilities?

Secretary RUMSFELD. The which responsibilities?

Senator INOUE. Water and sewer.

Secretary RUMSFELD. Ah.

STATUS OF FORCES AGREEMENT

Senator INOUE. And I'd like to know when you think would be appropriate for them to take over the prison system.

Secretary RUMSFELD. First on the Status of Forces and our arrangement with the current government, the lawyers for the United States have concluded that the U.N. resolution that exists already provides appropriate protection for U.S. forces—coalition forces, I should say—between the time—certainly now, and the time, going forward, between June 30, when the sovereignty responsibilities are assumed by the Iraqis, and the next government takes over. There are people who debate that and discuss it, but my guess is that the Iraqis are going to have to decide whether or not they want the interim government or the permanent government to make those arrangements. The permanent government, of course, would only result after elections some time next year, in

2005. We, needless to say, have to have confidence that our forces are—have the right kinds of protections in that country. And I believe that the current conviction is that we do and we will, and that those detailed discussions were probably not appropriate for the Iraqi Governing Council to engage in, nor would they necessarily have been viewed as sufficient or final for the other governments, so that that task is going to be left for the government to come, which is after June 30, or after the final Iraqi government is elected next year.

RESPONSIBILITY FOR PRISONS IN IRAQ

General MYERS. On the prison system, the——

Secretary RUMSFELD. Oh, yes, I'm sorry.

General MYERS [continuing]. Iraqis are currently responsible for those picked up on criminal charges, so, at Abu Ghraib, the Iraqis maintain the criminals in their part of that prison. The U.S. forces have what we call our security detainees, folks that are picked up that either have shot at the Coalition or are involved in other operations that we think are security related. So the Iraqis are in charge of their operation. I would think, as times goes on, and as we become more of a partnership, you can see this—more and more, this burden probably shifting to the Iraqis, but it'll be over time.

Senator INOUE. So this prison, Abu Ghraib, was jointly operated?

General MYERS. Yes. Yes, sir. That's the information I have.

Senator STEVENS. We now approach the second round, and I am told that the Secretary needs to be through with us, or we'd be through with him, at noon. So what I propose to do is to ask two questions I want to ask, primarily for the record, and then we will recognize the balance of the five of you over the 25 minutes that's left.

Mr. Secretary, I've got to say that I—and General—I had to—I didn't have to, but I did apologize to Senator Feinstein because last year she raised a question of those munition dumps, and I sort of downplayed it, because I said that that had been taken care of. We later found, as we went over there, that not only—they're still being found, which is an interesting comment. In April, I was told there were—munitions that we recovered were—is that on tons? In shore tons, 154,000-plus recovered, 124,000 destroyed. They found 8,756 caches, cleared 8,684. The remaining were either secured or partially secured. I'm really concerned about the partially secured.

So what I would like to ask you, for the record, if you could update that chart that was given us on April 1 and to assure Senator Feinstein we will pursue making sure that you have adequate money to deal with those munitions, because one of the contractors told me that when they wanted equipment just to protect their convoy, they just went to one of those dumps and picked them up—handheld weapons, et cetera. So if they can pick' em up, anyone can pick' em up.

[The information follows:]

WEAPONS CACHE UPDATE

Purpose

To provide information on Weapon Caches in Iraq.

Bottom Line

Since September 11, 2003, (current as of June 18, 2004).
 Short Tons destroyed—195,141.
 Short Tons on-hand at depots—149,861.
 Caches found—9,693.
 Caches cleared—9,631.
 Caches remaining—62.
 Caches secured (24-hour presence)—21 of 62.
 Caches partially secured (Periodic patrols, reconnaissance, surveillance)—41 of 62.
 Caches unsecured (No security)—0.

Background

There are over 6,000 soldiers and contractors dedicated to securing, transporting, guarding, and destroying captured enemy munitions.

The captured enemy ammunitions are evaluated to determine the best disposal methods or reutilization potential.

The most dangerous munitions, such as rocket-propelled grenades, mortar and artillery rounds (for IED making materials) and surface-to-air missiles, are transported to six depots for safe, secure storage and eventual destruction. There is one depot per divisional sector.

Partially secured sites contain ammunition that would be extremely difficult to remove quickly, such as aircraft ordnance and large caliber ammunition or missiles.

Senator STEVENS. Second, I would like to ask a question about—for the record—concerning the F-22. According to the current plans, current—the procurement funding will increase by 50 percent from fiscal year 2005 to 2009. That's required for full-rate production of the F-22, and the continued development of the Joint Strike Fighter fielding a future combat system. We have additional commitments in Defense to space surveillance and access. I worry about whether we can afford these programs. Could you give us a projection out to that same number, 2009, for all of the systems that are going to be competing with the money here starting in 2006? We know what the competition is in 2005—this is just for the record, now.

[The information follows:]

There will be several procurement requirements competing for valuable resources within the Air Force as we approach 2009. The larger programs include the Joint Strike Fighter, C-17, C-130J, KC-135 Tanker Replacement, and Airborne Laser. All of these programs, as well as the F/A-22, are currently covered within the Air Force topline. In addition, funding is provided for modification upgrades to the C-5, E-3, F-16, Predator and Global Hawk aircraft.

IRAQ

Senator STEVENS. And, based on that, I will call on Senator Byrd for the second round for 5 minutes.

Senator BYRD. Thank you, Mr. Chairman.

General Myers, earlier you stated that there is no way that we can militarily win or lose in Iraq. Does that mean that there's no military solution possible?

General MYERS. Senator Byrd, what I was saying is the same thing the Secretary has said, that we need to win on the security front, which has a strong military component; but not just U.S. military. Iraqis have to be part of that, the international community has to be part of that. We have to win on the political or governance front. That has to go hand in hand. And we have to win

on the economic front. And the sub-tick under that would be the infrastructure. So, I mean, we could flood the country with U.S. Armed Forces and have a soldier next to every house and every Iraqi, but we wouldn't achieve our end objective, which is a free and democratic Iraq. So these other pieces have to go with it.

Senator BYRD. Well, do we have an exit strategy?

General MYERS. Senator Byrd, I believe we do, and it's bound up in the things the Secretary has already talked about. We've got the United Nations, and they're working the governance piece, and that first piece, we should see here on June 30. That is only a temporary piece until we get to elections, in December or January—January 2005. And then there's a further piece after that for the constitution. Then there's further elections and a government. We've got our security piece pretty well figured out. If we get—we're working hard on a United Nations Security Council resolution, and if that is successful, I think more of the international community will be willing to be part of this.

I was just in NATO. I can tell you, at least among most of my NATO military colleagues, that they feel there is a role for NATO in Iraq. Whether there's political will in NATO, we won't know yet, but we do have the Istanbul summit coming up, and I'm sure that'll be one of the issues that's discussed. As the Secretary said, there is already big NATO involvement, just not a NATO mission. The NATO involvement is supporting the Polish-led division with forces and equipment.

Senator BYRD. When do you think we can see the end of the tunnel and our troops can come home?

General MYERS. I think the next time we'll have a pretty good picture will be in—and this is something I've talked to General Abizaid about—is sometime this fall, maybe even early winter, but after Iraqis are in charge, after June 30, see what traction the political process gets, see if, in fact, it has the effect of, for those that are opposed to progress in Iraq, saying, "Okay, it looks like we might as well join the team." And I think we can make that judgment this fall, and look at the way forward. I think that's the next place where we'll have a pretty good lens into what the way forward is.

Senator BYRD. This fall?

SOVEREIGNTY

General MYERS. This fall. I think through elections—I mean, we've provided testimony before—General Abizaid's, I think, provided testimony on this subject—that certainly through the transfer of sovereignty here on June 30, it's going to get—it's going to get worse before it gets better, and we're seeing that. After June 30, it remains to be seen.

Senator BYRD. Mr. Secretary, you said that the, quote, "Congress," close quote, asked you not to request the Iraq supplemental in the President's February budget. I don't know who, quote, "the Congress" is.

Senator STEVENS. Senator, I can confess.

Senator BYRD. I beg your pardon?

Senator STEVENS. I will confess. I made that request because of the delay that's caused by the loss of 2, almost 3, weeks for conven-

tions, and I said we did not have time to do 13 bills and a supplemental before September 30 of this year.

Senator BYRD. Well, when the Senate passed the fiscal year 2004 appropriations bill last summer, we approved an amendment—I believe it was my amendment—with over 80 votes expressing the sense of the Senate that you should budget for the war—that you should budget for the war in Iraq in the President’s request for the annual budget. Let me read the exact language. Section 8139, “It is the sense of the Senate that, one, any request for funds for a fiscal year for an ongoing overseas military operation, including operations in Afghanistan and Iraq, should be included in the annual budget of the President for such fiscal year as submitted to Congress under section 1105(a) of title 31, United States Code; and, two, any funds provided for such fiscal year for such a military operation should be provided in appropriations acts for such fiscal year through appropriations to specific accounts set forth in such acts.”

So we’ve asked that that be done, and I hope it will be done. That was my amendment. Do I have time for any further—

Senator STEVENS. I’m sorry, Senator, your time’s expired.

Senator BYRD. I thank the chairman. I thank the Secretary.

Senator STEVENS. Senator Domenici is recognized for 5 minutes.

Senator DOMENICI. What was the time?

Senator STEVENS. Five—well, 4 minutes.

Senator DOMENICI. All right.

First, let me say, Mr. Secretary and General Myers, in my first round of questions, typically I got excited and I didn’t tell you both that I congratulate you. I do.

IRAQI DEBT AND OIL FOR FOOD PROGRAM

Mr. Secretary, there’s been a series of questions, not as much as I would have hoped, about how we’re going to reconstruct the country, and whether we had a plan, and I want to thank you both for at least telling the American people that you have the plan. And in particular, General Myers, I think what you described, in terms of the merging, the command structure, of the Iraqi military with ours is tremendous. I hope you proceed with dispatch.

General MYERS. Yes, sir, we will.

Senator DOMENICI. I have also determined that there is not very much Iraqi oil money that is currently available for the payment of infrastructure. The reason is that Iraq owes a huge amount of money to countries that they borrowed from, led by Russia, France, and others. Now, Mr. Secretary, we have asked Jim Baker to go around and see what can be done to minimize the payment of those so we can get on with reconstruction. Is that not correct?

Secretary RUMSFELD. It is correct.

Senator DOMENICI. Now, second, we know that France and Russia, two of the biggest creditors, have cheated immensely with hundreds of millions, if not billions, of dollars in the Oil for Food Program. Now, frankly, it disturbs me that we’re working on making sure that their debt is paid, when, as a matter of fact, they’ve taken money from the Oil for Food Program and allocated it to themselves in what might be a giant fraud. Now, I ask you, who is responsible for seeing that something’s done about that? Is that

Jim Baker's job, or is that the Secretary of State's job, or is that your job? Because I think we ought not to be recognizing those debts if, in fact, we have reason to believe that that program was pilfered the way we understand it. Mr. Secretary and General, either one of you.

Secretary RUMSFELD. Senator, there are several investigations—at least two that I know of—of the Oil for Food Program, and a lot of charges have been made. The investigations are not complete.

With respect to the responsibility for dealing with Iraqi debt, the President asked former Secretary of State Baker, as you pointed out, to address that, and those are matters that are being handled by the Department of State—the United States Department of State, by the United States Department of Treasury, not by the Department of Defense.

Senator DOMENICI. I thank you.

I have four or five questions that are more parochial and don't fit this meeting, but I will submit them.

And, General, there's one—and that is on the border of the United States, we have a very serious problem of the infiltration of potential terrorists. Those borders have been guarded by Reserve and National Guard people, and I am concerned that—in our desire to solve Iraq, that we don't minimize the protection of our borders by our military to prevent terrorists. Can you just either address it now or address it later?

General MYERS. I'll say a couple of things. One is that the stand-up of Northern Command was exactly the right thing to do, because they, along with Department of Homeland Security, worry very much about that. So I think it's good that we have a military command that worries about that, as well, and works with our neighbors to the north and to the south to help stem that flow.

I am not aware, right now, of military augmentees that other than on—occasionally we have reconnaissance forces that help, but not like we did right after 9/11, where we had military people, generally from the National Guard, augmenting some of our border organizations.

Senator STEVENS. General, I've got to—if I'm going to let you go, I've got to—

Senator DOMENICI. Thank you.

Senator STEVENS [continuing]. Stop you right there.

General MYERS. Stop it.

Senator STEVENS. Senator Leahy, you're recognized for 4 minutes.

Senator LEAHY. Thank you, Mr. Chairman.

I was going to raise a question on the ammo dumps, but—following up Senator Feinstein—but I appreciate what you said, and I'll wait to see what we hear from that.

I was glad to hear the comment made about the value of TRICARE for the National Guard. When I and several other Senators on both sides of the aisle were trying to push through TRICARE last year, we received a letter from the Secretary saying the President would veto a bill that might have TRICARE in it. So I'm glad that you have come around to our side, and I compliment you on that.

So that Secretary Rumsfeld does not have to spend a great deal of time checking his databanks, I want to make sure you understand what I was saying earlier about the letters I have written to you. I was not saying I didn't get an answer. I meant a letter came back. The answer was questionable. For example, one on June 25 of last year regarding treatment of the Baghram Air Base; and, after what's been reported there, Abu Ghraib, and Guantánamo, I suspected the answer was incomplete. I will give you compliments, however. The Central Intelligence Agency (CIA), when we asked them such questions, they never responded. And, of course, as he usually does, Attorney General Ashcroft didn't respond to my letters, or letters from Republican Senators, or others. I was going to bring up, and I will submit it for the record, some of the specific funding questions.

PRISONER ABUSES IN IRAQ

But just because of some of the things said here today about the concern that the prison abuses in Iraq are just the work of a few bad apples, I look at this report that we have had——

Secretary RUMSFELD. Who were you quoting that said "they're just the work of a few bad apples"? Certainly not me.

Senator LEAHY. No, I'm not quoting you. I said for those who have said this—suggested this at the hearing today. But if I might get on with my point——

Secretary RUMSFELD. I didn't hear anyone say that.

Senator LEAHY. Fine. Your recollection will be yours; mine's mine.

If I might, let me go back—to those who have suggested it's only a few people involved that were, sort of, out of the chain of command, I have a copy of a March 2004 report by Human Rights Watch—has corroborated such things as interrogation techniques employed by U.S. personnel—sleep deprivation, prisoners stripped naked and kept in freezing cells, humiliating taunts by women, hoods placed over detainees' heads during interrogations, forced standing/kneeling for hours, and so on. Incidentally, Mr. Secretary, the reason I even raise this, and to refute some who have suggested that it's only a few, is that this report, of course, is about Afghanistan, not about Iraq. But it appears to be exactly the same techniques used in Afghanistan as were used in Iraq. Now, I don't think they're getting techniques over the Internet. There is obviously some systematic training.

And so I would suggest, especially about the report by Major General Ryder, that we find out whether there is a coordination between all of these so that nobody will have the assumption that it may be just a few bad apples. Because I know that the vast majority of our American men and women follow orders, do it very professionally, and make every single Member of the United States Senate proud, as they do you and General Myers.

Secretary RUMSFELD. Senator Leahy, first on the ammunition dumps, we are discovering more every day. The country is filled with them. Any number we give you—and we'll give you weekly reports if you want—changes because of the number that are found and the numbers we deal with.

Second, I know I don't know the extent of the abuse problem. We've got, I believe, six investigations underway. I am absolutely certain that there are more revelations to come. The question as to whether or not there is something systemic, as I believe you said is obvious, is not obvious to me. I'm anxious to learn whether that's true. And the investigations that are taking place, we hope and pray, will tell us whether there is that.

TAGUBA REPORT

I do not recall, General Myers, anything in the Taguba report that said that there is obviously systematic training to do those things. Indeed, I am reasonably confident there isn't anything in General Taguba's report that suggests that there was training to do those things. Is that your—

General MYERS. I think that's—

Secretary RUMSFELD [continuing]. Recollection?

General MYERS [continuing]. That's my recollection.

Secretary RUMSFELD. But the—

Senator LEAHY. I think I was talking about General Ryder's report, but that's okay.

Secretary RUMSFELD. I see.

Senator STEVENS. Senator, could we move on to the other two Senators—

Senator LEAHY. Sure.

Senator STEVENS [continuing]. So we can—we have—matter of fact, we have three Senators. Do we?

Senator LEAHY. Thank you, Mr. Chairman.

Incidentally, Mr. Chairman, you have run this hearing very, very fairly, as you always do, and I appreciate that.

Senator STEVENS. I'm trying.

Senator Durbin, you're recognized for 4 minutes.

Senator DURBIN. I'd like to ask two questions, if I can briefly. And the first follows up on this whole question of the interrogation techniques. We have, I understand, one soldier who has been captured—is it—a soldier, last name Maupin, if I'm not mistaken—

General MYERS. Right, Maupin.

Senator DURBIN [continuing]. And we're uncertain of his whereabouts.

General MYERS. That's correct.

FOLLOWING THE GENEVA CONVENTIONS

Senator DURBIN. And we certainly hope he is safe. I'd like to ask, Mr. Secretary, wouldn't it help if there was clarity from you and from this administration that we would abide by the Geneva Conventions when it comes to civilian and military detainees, unequivocally? Wouldn't that help to put to rest concerns about our interrogation techniques in Guantanamo, at Baghram, in Iraq? And wouldn't it also serve to protect any Americans who become prisoners?

As I look at the interrogation rules of engagement, which have been issued, there are, frankly, many of those which are violative of the Geneva Convention standard, and these are rules which have been issued by our Government. Wouldn't it be good for us, at this moment in time, to clearly and unequivocally state that we

will follow the Geneva Convention with civilian and military detainees?

Secretary RUMSFELD. Senator, that is a question that's being discussed widely in the press and editorial comment in newspapers, and certainly that's a fair thing. Regrettably, the discussion and the dialog and the editorials tend to be, in many instances, inaccurate.

There is no ambiguity about whether or not the Geneva Conventions apply in Iraq. There never has been any ambiguity. From the outset, Iraq is a country, the United States is a country. The Geneva Conventions apply to parties, nations. They don't apply to terrorist networks. They do apply to nations. Iraq's a nation, the United States is a nation. The Geneva Conventions applied. They have applied every single day, from the outset.

Now, where the confusion comes in—and it's understandable to some extent—is this. And I'm very glad you raised it, because it's something that's concerned me, and I have been disappointed to see the lack of research that's taken place on this subject. The Geneva Conventions apply to conflicts between states, parties to the conventions. In the case of Afghanistan, it is a state; and, therefore, the Geneva Convention applied to Afghanistan as a state. It did not apply to the al Qaeda that was using that state.

And a judgment was made by the President of the United States, very simply, that to protect the Geneva Conventions and to protect U.S. Armed Forces, it would be wrong to state that the Taliban were—merited the benefits of the Geneva Conventions; the reason being, that the Geneva Conventions apply to people, and they get prisoner of war (POW) status only if they satisfy certain criteria: Do they operate in the chain of command? Do they wear uniforms? Do they carry arms openly? Do they comply with the laws of war?

Terrorists don't comply with the laws of war. They go around killing innocent men, women, and children.

Senator DURBIN. Mr. Secretary, I—

Secretary RUMSFELD. Just a minute. Just a minute, Senator.

Senator DURBIN. I want to have—

Secretary RUMSFELD. I'll stay late.

Senator DURBIN [continuing]. A chance to follow up.

Secretary RUMSFELD. I'll stay. Listen, I'd like a chance to follow up.

The situation is that the President not only said it should not apply—the Geneva Conventions—under the law, to the Taliban or the al Qaeda, although it does to Afghanistan, and it always has to Iraq; but he said, notwithstanding that fact, they would be treated as though those conventions applied.

Now, that's not a decision we made. That's a decision the President made. In my view, the conventions are there to protect people who obey the laws of war. To have—to do what you're suggesting, simply regardless of what the convention says, apply the conventions to anybody—terrorist, Taliban, you name it—doesn't strengthen the Geneva Conventions, it weakens them.

DOD INSTRUCTIONS CONSISTENT WITH GENEVA CONVENTIONS

Senator DURBIN. Let me go specifically to Iraq, and let me talk about the detainees that were held at Abu Ghraib and other pris-

ons. And let me tell you, your interrogation rules of engagement, the ones that are published, go far beyond the Geneva Convention. The things that we allow, with CJ's approval here—stress positions, sleep management, dietary manipulation—all of these things go far beyond a standard which says, "There will be no physical or mental torture, nor any other form of coercion or that the people involved will be exposed to unpleasant or disadvantageous treatment of any kind." That's the Geneva Convention. These rules of engagement for interrogation issued by your Department are inconsistent with those. And I'm not talking about the terrorists, al Qaeda or the Taliban. We're talking about Iraq.

Secretary RUMSFELD. General Myers, correct me if I'm wrong, but my recollection is that any instructions that have been issued, or anything that's been authorized by the Department, was checked by the lawyers in your shop, in the Department, in the Office of the Secretary of Defense, and deemed to be consistent with the Geneva Conventions.

General MYERS. Absolutely. And you could read any one of those—stress positions—you could read any of those—stress positions for an excessive amount of time, or that would hurt somebody, is not approved. I don't know if you—I don't have that with me; I had it for the last hearing—I think, at the bottom, it says, "In all cases, they will be treated humanely." I don't know if it's on that chart. Is it at the bottom? What's it say at the bottom?

Senator STEVENS. Well, gentlemen, this is a very interesting conversation—

General MYERS. We'll be happy to come brief you on this, but that is not illegal according to the Geneva Convention or the ways they were applied. Every time we have an interrogation, we have an interrogation plan. Those are appropriate, and that's what we're told by legal authorities and by anybody that believes in humane treatment.

Senator DURBIN. I will just conclude by saying I don't believe what you have issued is consistent with the Geneva Convention. And I think, now more than ever, in light of what happened in that prison, in light of the fact that an American serviceman is being held, we should be clear and unequivocal—

Senator STEVENS. Senator, we've got to terminate this sometime. I'm late for appointments myself.

Now, we have two other members who have 4 minutes each. One of them is Senator Dorgan, for 4 minutes.

Senator DORGAN. Mr. Chairman, thank you very much.

CAPTURING OSAMA BIN LADEN

It seems to me that one of the major goals with respect to our security here in this country is the apprehension of Osama bin Laden. I'd like to ask you about that briefly. It has been 2½ years since Osama bin Laden perpetrated the attack against our country. He communicates to us and to the world through videotapes sent to al Jazeera and other outlets. It seems to me, I'm sure in your mind and in the mind of all Americans, that it is urgent that we find Osama bin Laden and apprehend him. I'd like to know what is happening on that front. What can you say publicly about it? What is new? What should we understand about any progress that

might or might not be being made with respect to finding Osama bin Laden?

Secretary RUMSFELD. The Department of Justice, the Federal Bureau of Investigation (FBI), Department of State, working with other countries, the Department of Defense, with military intelligence, spends an enormous amount of time attempting to develop information, frequently from detainees, that can lead to information that conceivably might produce actionable intelligence to capture him. We have not been successful. It's the kind of thing where people ask me, "Well, are you close?" There is no "close" in this business. Either you have him or you don't. And they are well financed, they're clever, they go to school on us and watch what we do. And, thus far, we have been successful in capturing a large number of the top al Qaeda, we've been successful in capturing a large number of Taliban, we have been successful in capturing a number—many of the top 55 in Iraq, including Saddam Hussein, and attacking his sons, but we haven't got Osama bin Laden.

Senator DORGAN. But, Mr. Secretary, you know, I understand you and General Myers and others, all of us, have our hands full with Iraq. We pray that that gets resolved. But would you agree that another significant goal must be the apprehension of Osama bin Laden? My expectation is if there is a terrorist event, God forbid, in this country in the future, it—

Secretary RUMSFELD. I think that's a good—

Senator DORGAN [continuing]. Will be directed by—

Secretary RUMSFELD [continuing]. Reasonable—

Senator DORGAN [continuing]. Osama bin Laden.

Secretary RUMSFELD. That's a reasonable expectation. We see threats to that effect consistently, for this country and for other countries. And they're not just by Osama bin Laden. I mean, as General Myers pointed out, Zawahiri is—he hasn't sworn allegiance to Osama bin Laden, but he's running his own network—but he's the next best thing. He's as close to Osama bin Laden as you can get without having decided that he wants to give up his own independence and swear allegiance to him.

General MYERS. Zarqawi.

Secretary RUMSFELD. I mean Zarqawi. And—

General MYERS. We have—this is something that we review all the time, and let me just assure you that we have a great deal of capability and resources put to this problem, and we're trying to do it the best we can. I mean, we are—there is no lack of resources. Nobody's asking for anything we don't have. We're trying to, in a very difficult part of the world, where the terrain is not only tough, but the people's allegiances to any government are essentially nonexistent, that it's a very tough place to operate. And there are other considerations, as well, we can go into in a classified session. But we certainly are putting a lot of resources to this issue.

Senator DORGAN. So you're saying, "We're on the hunt, on the move, we have resources directed." I know that, at one point, substantial resources were directed to that goal. Is that not—

General MYERS. I would say we have substantial resources directed to that goal. I would say it's correct.

Senator DORGAN. There were others who predicted that—within this year, for example—we were getting close enough to expect that within this year, that Osama bin Laden would be apprehended.

Secretary RUMSFELD. I think predictions like that are difficult. It's like predicting what a war's going to cost, or how long it's going to last, or how many people are going to be killed. Anyone who does that ends up being embarrassed.

Senator DORGAN. All right. I'd just, finally, say, whatever resources you need to do that job, I think this committee is very interested in making those resources available if the resources aren't, at this point, sufficient.

General MYERS. You bet, sir.

Secretary RUMSFELD. Thank you.

Senator STEVENS. Yes, Senator Feinstein.

Senator FEINSTEIN. Thanks very much.

DETAINEES AND GENEVA CONVENTIONS

If I may, Mr. Secretary, I just want to venture an opinion on the Geneva Convention. I think we always have to apply the Geneva Convention, because, with our Nation, regardless of whether it is state or non-state, we have a certain moral imperative that we cannot escape, and that's everything that a just nation believes in, and there's no escape from it. And so my very strong view is that this nation should always observe the protocols of the Geneva Conventions.

Now, a question, if I might.

Secretary RUMSFELD. May I comment on that?

Senator FEINSTEIN. Surely.

Secretary RUMSFELD. That sounds so plausible and so reasonable, and I'm told, by people who study these things, that there's a danger to doing that. And the danger is that the Geneva Conventions were put in place to try to protect innocent civilians. And to the extent people behave in a way that's inconsistent with the conventions, that is to say they attack innocent civilians, they operate—they don't wear uniforms, they don't carry arms openly, they carry them in concealed basis, they mix themselves among civilian populations, putting civilian populations at risk, as we see happening in Iraq today, putting people in front of them, children and the like—to the extent you say, "That's okay. Let's give everybody the benefits of Geneva Convention," then the worry was, when the convention was developed—and I'm not expert on this, but I'm told this—the worry was that it would lead people to put more innocent people in jeopardy.

Do you want comment on that?

General MYERS. Well, I think that's exactly right. And I think the next point is, then, having said that, that the Geneva Convention—that we will apply it in all cases, and we have, faithfully, and, I think, to include our interrogation techniques.

Senator FEINSTEIN. Let me make my point. A large number of detainees are innocent. They're in the wrong place at the wrong time.

Secretary RUMSFELD. Sure.

Senator FEINSTEIN. You just acknowledged, earlier, that 31,000 detainees were released, presumably because they were innocent.

And, you know, and you also said, General, a very profound thing this morning. You said, "There is no way we can lose this war militarily, and there is no way we can win it militarily," which I think makes the exact point of why this nation's adherence to the Geneva Conventions, protocols—the fourth, the fifth, and others—are so very important.

Now, let me just ask one other question. You also said that your hope would be that, within a few months after the transition, we would be able to withdraw. And we talked about planning ahead——

Secretary RUMSFELD. I didn't say that.

Senator FEINSTEIN. The General, I think——

General MYERS. No, I said that we would—that the next time we'd have a lens on what the requirement would be. We'd have to see how the political track—that was what I hoped to——

Secretary RUMSFELD. Absolutely not. That would be a terrible——

General MYERS. Right.

Secretary RUMSFELD [continuing]. Misunderstanding.

Senator FEINSTEIN. All right——

Secretary RUMSFELD. There's no one I know who believes that.

Senator FEINSTEIN. So you're saying the next time to view that would be within——

General MYERS. Senator, because now—between now and June 30, we know it's going to get worse. We've said that for months. And then we're going to have to see afterwards how the Iraqi citizens behave once they have a government. And so sometime this fall, I think, General Abizaid will feel comfortable to say, "Okay, here's the track we're on now."

Senator FEINSTEIN. Could I ask for your assessment, both of your assessment, if I might, on another subject? What is your assessment of the probability of civil war following a transition, largely Sunni/Shi'ite?

PROBABILITY OF CIVIL WAR IN IRAQ

Secretary RUMSFELD. It's been a problem we've worried about from day one. It's a problem we worried about on entering the country, that it could happen. It hasn't happened. We do know that terrorists and foreign people and former regime elements and some other elements in the country have consciously developed a plan to try to incite that and to attack various elements and lead people to believe it was another element in the country, in the hope that that could create anarchy and chaos and cause the Coalition to leave. So it's a risk. It's a risk.

The goal would be for us to stay there as long as we have to, to have the Iraqi security forces sufficiently developed that they would be able to deal with the overwhelming majority of the kinds of problems that could occur—normal law enforcement and the like.

Our role, one would think, would diminish as the government stands up next year—this year and next year, in some way, as soon as it's possible, but to, for a good period of time, be available to be of assistance in the event it's necessary. And the last thing in the world anyone wants to see is a civil war in that country.

Senator STEVENS. Thank you very much.

Senator FEINSTEIN. I thank you both very much.

Thank you, Mr. Chairman.

Senator STEVENS. Mr. Secretary, I think—I'm not sure about history, but I know you've served this Department of Defense as Secretary before, and I certainly congratulate you for the way you're handling these terrible days right now. And, General Myers, we have worked with a number of chairmen of the Joint Chiefs of Staff, and you're the finest, and I really believe we are very fortunate to have you where you are. We appreciate your testimony today.

Secretary RUMSFELD. Could I make one last comment?

Senator STEVENS. Yes, sir.

CLOSING COMMENTS

Secretary RUMSFELD. Mr. Chairman and members, these events—these abuses, have been a body blow for the country. I've heard a lot of comments today, and one citation that it's the beginning of the end, and that kind of a feeling. I must say, I don't believe that. I think that these abuses that took place are terrible, they're inhumane, and they're inexcusable, and they'll be punished, but they don't represent America. They certainly don't represent Americans or the American military.

Iraq has made enormous progress, and it's getting ignored. The schools are open, the hospitals are open, the oil is pumping, they've got a new currency, the ministries have been formed, there are governing councils for the provinces, there are city councils for the cities, 80 to 90 percent of the people in that country are being governed by local councils over them. And all we hear about are the problems. And there are problems.

And I've got to tell you, there are going to be more revelations of abuse that'll come out in the days and weeks ahead, because we've got six investigations looking into all of this. And they will not come out because of the media being so wonderful and investigating everything; they'll come out because the United States military investigations will let them out, and they'll announce them, and that's a good thing, and that tells a whale of a lot about our country.

I've kind of stopped reading the press, frankly. I'm sure you can understand why. I've been reading a book about the Civil War and Ulysses Grant, and I think about the—and I'm not going to compare the two, don't get me wrong, and don't somebody rush off and say, "He doesn't get the difference between Iraq and the Civil War"—the fact of the matter is that casualties were high, the same kinds of concerns that were expressed here were expressed then. They weren't in e-mails, they weren't in digital cameras; they were in diaries and letters. They were by families, they were by soldiers, politicians. And they were all across the spectrum. They were despairing, they were hopeful, they were concerned, they were combative. And, in the end, they were losing 1,000, 1,500, 2,000 casualties in a 3-day war. The carnage was horrendous. And it was worth it.

And I understand concern. By golly, I've got it. But I look at Afghanistan, 25 million people liberated, women voting, able to go to

a doctor. And I look at Iraq, and I—all I can say is, I hope it comes out well. And I believe it will. And we're going to keep at it.

Thank you.

Senator STEVENS. Well, thank you very much, and we appreciate your comments. And, God willing, we hope you're right. We certainly pray you're right, as a matter of fact.

This hearing concludes our planned hearings on the fiscal year 2005 Defense budget. I have stated that the subcommittee will schedule a hearing on the forthcoming request when more details are available. We will have to do that before we mark-up.

ADDITIONAL COMMITTEE QUESTIONS

We thank you all for what you've done for us. We do have a series of questions that have been submitted for the record, as you heard. We appreciate if you'd submit those. We're in no rush. We actually won't close this record until sometime the end of the month.

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

QUESTIONS SUBMITTED TO HON. DONALD H. RUMSFELD

QUESTIONS SUBMITTED BY SENATOR TED STEVENS

PROCUREMENT BOW WAVE

Question. The Department projects that military personnel costs will grow from \$104.8 to \$120.4 billion during the same period absent an increase in end strength. That may be optimistic given that basic pay increased 29 percent from fiscal year 2000 to 2004. None of the projected costs described above capture funding for on-going operations in Iraq and Afghanistan.

According to current plans, procurement funding will increase by fifty percent from fiscal year 2005 to 2009. This level of funding is required if the nation is to fund full rate production of the F-22, continued development of the Joint Strike Fighter, fielding of the Future Combat System, our commitment to space surveillance and access, and meet minimum levels of investment in the shipbuilding industrial base. I worry that we can afford all of these programs while fighting a war in Iraq and manning the force. Do you consider this level of investment to be sustainable?

Answer. Yes, I believe the defense investment projected in the President's budget for fiscal year 2005–09 is sustainable. Total defense funding for these years includes only moderate real growth—about 2.5 percent per year. Admittedly, we do not know the future costs of possible military operations in Iraq and Afghanistan, or for other contingency operations. But we would not want to allow those possible costs keep us from prudent investments in the future—especially investments to develop and field new capabilities most suited to 21st century threats, most notably terrorism.

CAPTURED ENEMY AMMUNITION IN IRAQ

Question. The Committee provided an additional \$165 million in the fiscal year 2004 supplemental for the disposal effort. In total, the Defense Department has awarded \$285 million in fiscal year 2004 contracts for the demilitarization of captured enemy ammunition in Iraq.

On my recent trip to Iraq, I was shocked to learn about the number and size of munitions dumps in the country. I am especially concerned about the sites that are partially secured. Could you please give us an update on efforts to secure these sites and dispose of captured enemy ammunition?

Answer. There are an estimated 600,000 short tons (ST) of munitions from the Saddam era in Iraq. We have over 6,000 soldiers and contractors dedicated to securing, transporting, guarding, and destroying captured enemy munitions. As of June 18, we have located 9,693 weapons caches. Of those, 9,631 weapons caches have been cleared and 195,141 ST of munitions have been destroyed. There are an additional 149,861 ST on hand being evaluated to determine the best disposal methods

or their reutilization potential. There are 62 weapons caches remaining to be cleared, of those 21 are classified as secured and the remaining 41 are classified as partially secured. Secured caches have 24 hour coverage by armed guards. Partially secured sites contain ammunition that is extremely difficult to remove quickly, such as aircraft ordnance and large caliber ammunition or missiles and are monitored by periodic patrols, reconnaissance and surveillance.

QUESTIONS SUBMITTED BY SENATOR PETE V. DOMENICI

RDT&E BUDGET

Question. I believe superior technologies can be applied to better protect our forces.

To what extent does this budget fund high-energy laser solutions to problems such as artillery and rocket attack?

Answer. As part of the on-going evaluation of high energy laser technology for a range of potential missions, the Department of Defense supports efforts to establish the technical feasibility and demonstrate the military effectiveness of high energy laser systems in tactical applications. Specific to the threat posed by artillery and rocket attack, these efforts include both focused programs and more general tactical high energy laser technology investigations that are also relevant to this threat.

The Army continues to support field testing and evaluation of the ground-based Tactical High Energy Laser (THEL), which is a deuterium fluoride chemical laser-based high energy laser system jointly developed and funded with Israel. The THEL system is located at the High Energy Laser Systems Test Facility at White Sands Missile Range, NM, and continues to be useful in assessing potential benefits of high-energy laser systems on the tactical battlefield. Most recently, the laser successfully detected, acquired, tracked, engaged and destroyed 155mm artillery rounds fired from a howitzer.

On May 29, 2001, Israel requested the Department of Defense to support the development of a complete Mobile Tactical High Energy Laser (MTHEL) prototype by fiscal year 2007. The Army has committed \$340.4 million in fiscal year 2004–09 to support the combined MTHEL prototype development and testing effort. Israel is expected to match the United States' research and development investment for the laser. The program objective is to design, develop, fabricate, and test a working prototype weapon system by fiscal year 2007 based on demonstrated high energy deuterium fluoride (DF) chemical laser technology. MTHEL will be the first mobile, integrated Directed Energy Weapon (DEW) system capable of acquiring, tracking, engaging and destroying rocket, artillery, and mortar (RAM) projectiles, unmanned aerial vehicles (UAVs), cruise missiles, and theater ballistic missiles. No fielded capability currently exists to counter the RAM threat. This prototype, as the HEL pathfinder system, will enable the Army to develop an operational understanding of the tactics, techniques and procedures (TTPs) necessary to effectively employ this new weapon class. Results of the prototype testing in fiscal year 2008 and fiscal year 2009 will be used to develop the pathway for future HEL weapon systems' evolution into the Army's emerging Enhanced Area Air Defense System (EAADS).

Army, Air Force, and HEL Joint Technology Office S&T funding supports the development and demonstration of enabling technologies to provide options for improved performance, better efficiency, lighter weight, lower costs, and improved operational suitability for future tactical HEL systems. A significant initiative (\$39.4 million in fiscal year 2004–05) is the on-going Joint High Power Solid-State Laser Program (jointly funded by the HEL Joint Technology Office, the Air Force, and the Army), which has a goal to demonstrate laser power scaling to 25 kW for three different technical approaches within the next year and longer-term scaling to the 100 kW level. Development and demonstration efforts are also addressing critical technologies for tactical beam control, HEL optical components, and tactical target effects and vulnerability assessment.

Question. What resources does this budget provide for new technologies to help detect improvised explosive devices that have killed and maimed too many of our troops?

Answer. Most of our efforts to date in developing technologies to detect improvised explosive devices (IEDs) have resulted from internal reprogramming actions and requests for supplemental funding. To date we have invested about \$10 million in technologies intended for IED detection, with most of the efforts targeted to detecting changes in the ground where IEDs are buried or in detecting concealed weapons such as suicide bombers or vehicle-borne explosives. Specific project details are classified and have been presented in closed forums. Organizationally, the Force Protec-

tion Working Group and the Combating Terrorism Technology Task Force are working directly with representatives from the Central Command and Special Operations Command to examine technology alternatives to address immediate operational needs to support the Global War on Terrorism.

Within the Military Services, the Army's Rapid Equipment Force (REP) and Army IED Task Force are helping focus Army investments in detecting IEDs. Specifically, the IED Task Force focuses on counter IED Tactics, Techniques, and Procedures, and compiles and disseminates "Blue" counter-IED TTPs and corresponding "Red" TTPs through their cell at the Center For Army Lessons Learned. This TF maintains an extensive classified website of TTPs and has recently produced an IED training module. In addition, the Army continues to investigate improved methods for Airborne IED/Mine Detection, with funding to improve change detection software, cueing algorithms, and identification of sensors that provide high resolution imagery at typical aircraft (manned and unmanned) altitudes.

In deploying the 1MEF to Iraq, the Navy and Marine Corps are currently re-programming funds to deal with detection and defeat of IEDs. In addition, the Navy is initiating a network-centric effort to provide forces the means to detect, classify, and locate IEDs and other tactical threats; and an initiative to exploit the properties of the terahertz band for detection of IEDs. The goal is to achieve sufficient precision, low false-alarm rate, and stand-off distance to permit deployment of tactically useful countermeasures to IEDs and related threats.

The Counter Bomb/Counter Bomber (CB²) Advanced Concept Technology Demonstration (ACTD) program will develop and assesses technologies that can be deployed in a layered system of countermeasures that assess, detect, identify, and mitigate the terrorist threat from an IED. The threat operations of interest for this ACTD include human-carried, vehicle-delivered, and leave-behind explosives.

Question. Finally, the urban environment of Iraq exposes our personnel to the danger of snipers. Do you agree that new anti-sniper systems that take advantage of high-energy laser and other cutting-edge technologies should be a high priority?

Answer. There are a number of counter-sniper technologies being assessed within the Department, including acoustic, infrared (IR), and laser capabilities. Experience indicates the effectiveness of these systems is driven by terrain and environmental conditions, with fielding options based on operational scenarios. For example:

- The Naval Research Laboratory VIPER system detects the unique IR signature of a muzzle blast and permits the precision location of the source of gunfire. The gun may be fired on or off axis with respect to the sensor. Gun firings within closed structures having windows and in partially obscured environments can also be detected. Detection and location is limited to line of sight. A directed video sensor permits zooming in on the firing location.
- The Overwatch Advanced Concept Technology Demonstration will demonstrate an operational sensor and targeting system's capability to detect, classify and accurately locate direct fire weapons in real-time and transmit that information to a command and control element in support of ground forces operating in urban and complex terrain. The sensor targeting system will provide a capability to ground forces to improve target acquisition, detect multiple types of weapons firing, locate snipers in real time, and decrease counterfire reaction time.
- The Air Force Research Laboratory's Battlefield Optical Surveillance System, or BOSS, is a grouping of lasers, optics, sensors and communications equipment mounted on a High Mobility Multi-purpose Wheeled Vehicle. While initially envisioned as a mobile counter sniper platform, BOSS has evolved into a working concept of a covert surveillance/detection system with the ability to visibly—or invisibly—designate a battlefield threat. BOSS utilizes forward looking infrared, an IR camera illuminator to light up an area of interest, a visible laser to designate a threatening individual, and a microwave relay to transmit data to a command post.
- The Joint Non-Lethal Weapons Directorate is developing a new concept that uses pulsed electromagnetic energy in the optical spectrum to distract, deter and dissuade an adversary from extended range. The object of the Pulsed Energy Projectile (PEP) program is to develop and demonstrate the technology necessary to produce a crew served, counter personnel non-lethal directed energy weapon providing controllable bio-effects to deter, disable, and distract individuals. The device directs an invisible induced plasma pulse at a target that will create a flash-bang near the intended target.

STATUS OF FORCES AGREEMENT

Question. Questions remain about the role of U.S. military forces that will still be in Iraq after the transfer of sovereignty.

Can you describe status of forces agreement that will dictate how our troops will be able to operate in Iraq after June 30th?

Answer. During the period of the Iraqi Interim Government (June 30, 2004 until the election of a Transitional National Assembly no later than January 31, 2005), U.S. forces will operate under current authorities, i.e., U.N. Security Council Resolution 1511 and Coalition Provisional Authority Order 17. After the election of the Assembly, we expect to negotiate the role and status of United States and other multinational forces with the Iraqi Transitional Government that will be formed by the Assembly.

In addition to these authorities, the new Interim Government has already stated its understanding that multinational forces must remain in Iraq until Iraqi security forces can assume their full responsibilities.

Question. Does the agreement provide adequate protections for our service personnel should disputes arise over the propriety of their actions?

Answer. The current authorities, under which United States and other multinational forces will operate until early 2005, provide adequate protection. We will require the same level of protection in the agreement we will negotiate with the Iraqi Transitional Government.

CHEMICAL DEMILITARIZATION

Question. I believe the Department must increase the top-line funding for chemical demilitarization in order to keep its commitment to the citizens who reside near America's chemical weapons stockpiles. Neither my constituents nor I will tolerate continued mismanagement and under funding of the efforts to get rid of these chemical stockpiles.

Please explain why the Department of Defense cut funding for chemical demilitarization despite the Department's directive, signed by Under Secretary of Defense for Acquisition, Logistics and Technology Pete Aldridge, for acceleration of demilitarization of chemical weapons. Is the Aldridge directive in effect, and where does the Department stand on maintaining its schedule for destruction of chemical stockpiles?

Answer. The Department realigned funds in its fiscal year 2005 request to help ensure we meet the Chemical Weapons Convention extended 45 percent destruction deadline of December 2007. When the previous Under Secretary of Defense for Acquisition, Technology and Logistics, USD (AT&L), directed the Program Manager for Assembled Chemical Weapons Alternatives (PM ACWA) to accelerate the destruction of the Pueblo, Colorado, chemical weapons stockpile, this was based on PM ACWA pursuing four recommended acceleration options: (1) an accelerated contract award; (2) an expedited permitting approach; (3) enhanced reconfiguration of the assembled chemical munitions; and (4) offsite treatment of secondary wastes. The first two acceleration options were fully implemented and have reduced time and generated a cost avoidance during this phase of the project. However, Colorado state regulators indicated they require a separate permit for enhanced reconfiguration, therefore eliminating the acceleration benefits of option (3). Additionally, the Colorado Citizens Advisory Committee, in its capacity as the voice for the Pueblo community, for the most part rejected option (4). PM ACWA is therefore no longer pursuing these two acceleration options. Regardless, the USD (AT&L) direction remains in effect. Other acceleration options are always welcome for consideration; however any option which requires additional resources, such as major design changes, must also be validated by the Department. The Department will continue to make every effort to comply with the Chemical Weapons Convention destruction deadline requirements.

Question. The Department's cuts to the ACWA program have the potential to slow demilitarization at certain sites by roughly a year. How can the Department claim to support accelerate clean up while at the same time cannibalizing the ACWA budget to pay for mismanagement and cost overruns at incineration sites?

Answer. The Department realigned funds in its fiscal year 2005 request to help ensure we meet the Chemical Weapons Convention extended 45 percent destruction deadline of December 2007. Meanwhile, the full effects of this internal realignment on the Pueblo Chemical Agent-Destruction Pilot Plant (PCAPP) project have yet to be quantified. While design and construction of the process building may be delayed, efforts are underway to begin construction of the support buildings. Additionally, a recent analysis has found there are viable design concept options less costly than

the current design concept that can complete destruction of the Pueblo chemical weapons stockpile by the same time.

Question. Please explain why the Department cut the budget for chemical demilitarization between the fiscal year 2005 estimate and the submission of the fiscal year 2005 budget to Congress.

Answer. The Department did not cut the fiscal year 2005 budget. The Chemical Demilitarization Program fiscal year 2005 estimate was \$1,456,876,000, and the overall fiscal year 2005 submission was \$1,453,876,000. Due to the concerns of the House and Senate Authorization Committees that all funds for the Chemical Demilitarization Program should be appropriated in a Defense-wide account, the Department realigned the Military Construction request to a separate DOD-wide account. Accordingly, \$81.9 million was submitted in the Chem Demil Construction, Defense account. Also, \$3 million was decremented in the fiscal year 2005 submission due to non-pay inflation adjustments. Therefore, the difference between the two submissions was \$3 million.

Question. Please explain why the department transferred \$147 million in funding from the ACWA program to fund cost overruns at the Office of Elimination of Chemical Weapons' incineration sites?

Answer. While preparing the fiscal year 2005 President's Budget, the Department moved \$147 million of unexecutable funds from the ACWA Program research and development budget activity to cover shortfalls in other areas of the Chemical Demilitarization Program to help ensure we meet the Chemical Weapons Convention extended 45 percent destruction deadline of December 2007. This was not a punitive action and not intended or expected to slow down our demilitarization actions at Pueblo. Sufficient funds will be available in fiscal year 2005 to proceed with the Pueblo effort, to include \$45 million for Military Construction projects.

Question. One of the great successes of the ACWA program has been the robust involvement of the local community. ACWA's efforts to reach out to local leaders and citizens have invested them in the project at BGAD and help to build an unprecedented amount of trust in the Chemical Demilitarization program. Why, then, am I hearing talk of cutting funding to the citizen involvement programs underway at stockpile communities such as the Chemical Destruction Community Advisory Board in Kentucky?

Answer. The Department has no intention of cutting funding to the Citizens Advisory Commissions (CACs) in any of the eight states possessing chemical weapons stockpiles. The Department is required to provide this funding under section 172(g) of Public law 102-484, and fully intends to continue to comply.

QUESTIONS SUBMITTED BY SENATOR CONRAD BURNS

Question. It is more important now than ever that Iraqis see other Iraqis in military positions and other areas of law enforcement. Would you provide this subcommittee with an update on progress in training the Iraqi Police Force, the Iraqi Civil Defense Corps and the Iraqi Army? Are you finding that you have adequate facilities, equipment and resources to precede with this training and then transition them into operational forces?

Answer. The Multi-National Security Transition Command-Iraq (MNSTC-I), commanded by LTG Dave Petraeus, in coordination with the Iraqi MOI and MOD, is responsible for manning, training, equipping, mentoring and certifying the Iraqi Security Forces. Training, equipping and mentoring programs are being aggressively implemented to develop internal and external Iraqi security force capability.

As of July 25, 2004, the Iraq Security Forces (ISF) is gradually and steadily developing increased capability to assume internal security responsibility. Forces under the Minister of Interior include the Iraqi Police Service (IPS) and the Department of Border Enforcement (DBE). Thirty percent of the 89,000 man IPS have completed either an 8 week basic course for new recruits, at the Jordan International Police Training Center or the Baghdad Police Service Academy, or the three week Transition Integration Program (TIP) for veteran officers, accomplished in provincial training facilities. Advanced training being accomplished at the IPS Adnon Training Facility in Baghdad includes Leadership and Criminal Investigation as well as specialty courses for the Emergency Response Unit and Counter-Terrorism Unit. Equipment, including weapons, body armor, communications and vehicles is being delivered at a steady pace.

The Department of Border Enforcement is manned at 85 percent of the desired end state. Equipment and training similar to the IPS programs is being provided to the Iraqi Border Patrol (IBP) of the DBE. Infrastructure improvements to border

forts are also progressing with contracts let to rebuild Class A and B entry and denial points along the Syrian, Saudi and Iranian borders.

Under the current plan, 100 percent of the training required to man the MOI forces will be completed by June 2005. Equipment deliveries should be completed by April 2005.

Under the Ministry of Defense (MOD), the Iraqi Civil Defense Force has been renamed as the Iraqi National Guard (ING). There are 45 ING Battalions operational, with 40 manned at over 75 percent of personnel requirements. As with the MOI forces, ING equipment is flowing steadily. All 45 Battalions will be fully operational by December 2005.

Five of 27 Brigades of the Iraqi Army (IA) are operational or in training, including the 1st Brigade of the Iraqi Intervention Force (IIF) currently operating in Baghdad. The IIF was created to conduct internal security tasking after the events of April and May 2004 in Fallujah and the Center South. Equipment is delivered to the IA battalions as they complete training. Under the current schedule, 27 Battalions of the IA will be operational by February 2005.

The Iraqi Coastal Defense Force (ICDF) has recruited 71 percent of the required manning and is equipped with 5 patrol boats and 10 Rigid Hull Inflatable Boats (RHIBs). They are currently conducting supervised daytime operations. They are on track for full operational capability by October 2005.

The Iraqi Air Force will consist of a reconnaissance squadron, a C-130 transport squadron and a UH-1 Huey helicopter squadron. Training is underway or completed for 23 percent of the pilots and mechanics. Two Seeker reconnaissance aircraft have been purchased and will be operational by September 2004.

MNSTC-I is aggressively ensuring that Iraqis take responsibility for developing the capability of their own forces. MNSTC-I, in coordination with the Chief of Mission, provides mentoring to the staffs of the Iraqi Joint Headquarters (JHQ), the MOD and the MOI to develop command and control capability and implement Iraqi policy for employment of the ISF. As C² capability grows, combined with the ongoing ISF training and equipping programs, the Interim Iraqi Government (IIG) will be able to assume control of security responsibilities at the local, then provincial, then national level supported in the background by the Coalition. Finally, NATO has agreed to provide additional training resources to the IIG. MNFI is coordinating with NATO to determine the breadth and scope of that assistance.

Question. Last year, the Air Force proposed a \$21 billion lease of 100 Boeing 767's, which would be converted to KC-767 tankers. The Air Force and conference reached a compromise last year, included in the Fiscal Year 2004 Defense Authorization Act, allowing the Air Force to lease 20 tankers from Boeing and buy 80 under a traditional procurement program. However, negotiations for a final contract were put on hold at the end of 2003, pending the outcome of the DOD Inspector General investigation. Exactly where are we now in respect to the KC-767 tanker issue and what is the plan moving forward?

Answer. In response to the tasking of the Deputy Secretary of Defense, and associated with the hold on the proposed 767 Tanker Lease/Buy, the results of three studies have been provided to the Department. The studies are: The Aerial Refueling Defense Science Board (DSB) Task Force Study; the Analysis of Lessons Learned from the United States Air Force Tanker Lease Program (TLP)-Industrial College of the Armed Forces/National Defense University (ICAF/NDU); and the DOD Inspector General Audit Report, "Acquisition of the Boeing KC-767A Tanker Aircraft." All three studies recommended that the Department readdress how it implements and controls innovative acquisition processes, including leasing. In light of this, the Acting USD(AT&L) directed the President, DAU chair a working group to formulate recommendations based on the results of these three studies that will result in changes to the DOD 5000 Series, Federal Acquisition Regulation (FAR)/Defense Federal Acquisition Regulation (DFAR), and other acquisition related documents. Recommendations are due to USD(AT&L) not later than September 1, 2004. In addition, an Analysis of Alternatives for Tanker Recapitalization and the ongoing Mobility Capabilities Study have been accelerated. The overall goal of these efforts is to more fully understand the tanker requirements and options for meeting those requirements, before recapitalizing the tanker fleet.

Question. This year, eight active duty, eight Air Force Reserve, and 18 Air National Guard units provided 1,300 tanker sorties offloading more than 32 million pounds of fuel for missions related to Operation Noble Eagle (ONE). Last year, the Air Force brought personnel and materiel into Iraq and Afghanistan via 7,410 sorties. Over 4,100 passengers and 487 tons of cargo were moved by airmen operating at various Tanker Airlift Control elements in and around Afghanistan. Are you finding that you're tactical and strategic airlift capabilities adequate? Are tactical and strategic airlift funded adequately in the fiscal year 2005 budget?

Answer. Tactical airlift capabilities as a whole are adequate to prosecute the national defense strategy. Moderate areas of concern still exist such as aircraft survivability in current and future dynamic environments. However, fleet capability is currently adequate.

Strategic airlift capabilities present a different picture. The Air Force can provide enough capability to meet the limited requirements mentioned in your question, but lacks the capacity to fully prosecute the national defense strategy. Given fiscal realities, the fiscal year 2005 budget adequately addresses the capability shortfall and a roadmap is in place to improve. Finally, the Mobility Capabilities Study (MCS) due for release in fiscal year 2005 will update the airlift requirements.

Question. Can you give me an idea of when the Strategic Capabilities Assessment (SCA) will be completed?

Answer. The term "Strategic Capabilities Assessment" refers to a planned, periodic review of progress in implementing the findings of the December 2001 Nuclear Posture Review. The first of the planned reviews was completed earlier this spring. The draft results are still being reviewed by senior DOD officials.

QUESTIONS SUBMITTED TO GENERAL RICHARD B. MYERS

QUESTION SUBMITTED BY SENATOR TED STEVENS

CAPTURED ENEMY AMMUNITION IN IRAQ

Question. Over 770,000 short tons of enemy ammunition have been discovered in Iraq. Continued finds could increase the total number to over 1 million short tons.

The captured ammunition is stored at 72 sites throughout the country. Of these sites, there are 23 secured sites and 49 partially secured sites. A secured site is defined as having a 24/7 Coalition presence. Partially secured is defined as periodic patrolling/surveillance and either fenced or bermed.

It has been reported and confirmed that weapons, ammunition and explosives at many partially secured ammo dumps are easily available to enemy combatants that has the means to load and transport them.

The Army Corps of Engineers is responsible for processing and demilitarizing captured ammunition in Iraq. Security is their top priority. They plan to have all ammo secured by the end of September. The Corps of Engineers is safely disposing of approximately 600 tons per day. Under the best case scenario, it will take three years to complete the disposal process.

The Committee provided an additional \$165 million in the fiscal year 2004 supplemental for the disposal effort. In total, the Defense Department has awarded \$285 million in fiscal year 2004 contracts for the demilitarization of captured enemy ammunition in Iraq.

Soldiers and Marines are uncovering new weapons caches on almost a daily basis. How are you securing and disposing of these recently captured munitions?

Answer. Since January 1, 2004, we have found 2,281 weapons caches. Those weapons caches are evaluated based on the type and quantity of munitions. The most dangerous munitions, such as rocket-propelled grenades, mortar and artillery rounds (used for making improvised explosive devices) and surface to air missiles are transported to six depots for safe secure storage and eventual destruction. There is one depot per divisional sector. Munitions that are deemed unsafe or potentially booby trapped are destroyed at the site of discovery.

QUESTIONS SUBMITTED BY SENATOR PETE V. DOMENICI

HOMELAND SECURITY

Question. Since the attacks of September 11, 2001, the National Guard and Reserves have played an integral role in securing the homeland. This has been particularly important to border states like New Mexico where terrorist infiltration is a constant concern.

General Myers, do you expect that the National Guard will maintain significant border protection responsibilities?

Answer. No. Our National Guard troops were only used in the aftermath of the 9/11 attacks as a stopgap measure. There is no long-term plan to engage them in border security operations. Border security is not the primary responsibility of the military.

Question. What new roles and missions (such as UAV operations) will they be assuming to enhance border protection?

Answer. The National Guard will not be engaged in border protection operations.

CONCLUSION OF HEARINGS

Senator STEVENS. We appreciate your concern. And, again, we generally thank you. I mean, you've taken a lot of time with us today. Did you know that every member of this subcommittee was here and asked questions of you? And that's probably a record for this subcommittee on these wrap-up hearings that we have.

Yes, as Senator Inouye says, it's the first time they all came for the wrap-up.

Thank you very much.

General MYERS. Thank you, Chairman. Thank you, Senator Inouye.

Secretary RUMSFELD. Thank you very much.

[Whereupon, at 12:20 p.m., Wednesday, May 12, the hearings were concluded, and the subcommittee was recessed, to reconvene subject to the call of the Chair.]