

RECORD VERSION

STATEMENT BY

THE HONORABLE JOHN M. MCHUGH
SECRETARY OF THE ARMY

AND

GENERAL RAYMOND T. ODIERNO
CHIEF OF STAFF
UNITED STATES ARMY

BEFORE THE

COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

FIRST SESSION, 113TH CONGRESS

ON THE POSTURE OF THE UNITED STATES ARMY

APRIL 23, 2013

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
COMMITTEE ON ARMED SERVICE

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Introduction

The Army has been in a state of continuous war for the past twelve years, the longest in our Nation's history. More than 168,000 Soldiers are deployed or forward stationed in nearly 150 countries worldwide. The global security environment points to further instability, and the Army remains a key guardian of our national security.

The Army's ability to perform this vital role, and field a ready and capable force that meets mission requirements, has been placed at risk by fiscal challenges in FY13. The combined effects of funding reductions due to sequestration, the fiscal uncertainty of continuing resolutions and emerging shortfalls in Overseas Contingency Operations funding has significantly and rapidly degraded Army readiness, which will translate directly into FY 14 and beyond. This lack of predictability makes it difficult to address the posture of the Army in FY 14 with certainty and specificity. However, this document will address some of the potential long term effects that fiscal uncertainty will have on the Army.

Landpower for the Nation

America's Army is the best-trained, best-equipped and best-led fighting force in the world, providing a credible and capable instrument of national power. Army forces play a fundamental role in all but one of the missions specified by the defense strategic guidance, *Sustaining U.S. Global Leadership: Priorities for 21st Century Defense*. The Army's ability to provide strategic landpower for the Nation makes it uniquely suited to meet these requirements. Army forces are tailorable and scalable to

meet mission requirements. The Army's ability to rapidly deploy task organized forces, from company to corps level over extended distances, sustain them and deliver precise, discriminate results is unmatched. Highly ready, responsive and capable ground forces prevent conflict through deterrence, by shaping Combatant Commanders' operational environment and, when necessary, winning the Nation's wars.

Missions of the U.S. Armed Forces

From *Sustaining U.S. Global Leadership: Priorities for 21st Century Defense*.

In all but one mission – maintain a nuclear deterrent – the Army is a vital contributor to the Joint Force:

- Counter terrorism and irregular warfare.
- Deter and defeat aggression.
- Project power despite anti-access/area denial challenges.
- Counter weapons of mass destruction.
- Operate effectively in cyberspace.
- Operate effectively in space.
- Maintain a safe, secure, and effective nuclear deterrent.
- Defend the homeland and provide support to civil authorities.
- Provide a stabilizing presence.
- Conduct stability and counterinsurgency operations.
- Conduct humanitarian, disaster relief, and other operations.

Fiscal Challenges

The Budget Control Act of 2011 imposed caps on discretionary spending that required a \$487 billion reduction in planned defense spending over 10 years. As a result of these spending cuts and in line with the defense strategic guidance announced in January 2012, we are reducing Active Army end strength from a wartime high of about 570,000 to 490,000, the Army National Guard from 358,200 to 350,000, the Army Reserve from 206,000 to 205,000 and the Civilian workforce from 272,000 to 255,000

all by the end of FY 17. These reductions, which began in FY 12, represent a net loss of 106,000 Soldier and Civilian positions.

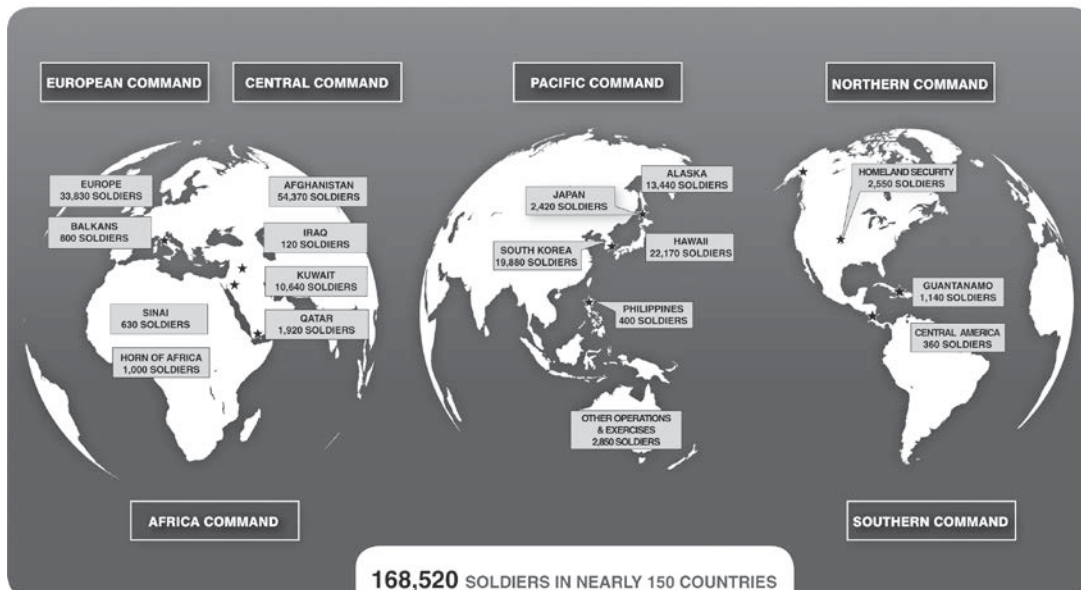
The implementation of sequestration in FY 13 created a significant shortfall in Army funding, estimated at \$7.6 billion for the remaining months of the fiscal year, which includes nearly \$5.5 billion in the Operation and Maintenance account for active and reserve component forces. We also face up to a \$7.8 billion shortfall in Overseas Contingency Operations funding due to increasing costs related to the war in Afghanistan. The sharp decline over a short period of time significantly impacts readiness which will cascade into the next fiscal year and beyond.

The President's Budget includes balanced deficit reduction proposals that allow Congress to replace and repeal the sequester-related reductions required by the Budget Control Act of 2011 through FY 2021. In the absence of such an agreement, the Army may not be able to execute the current defense strategic guidance as planned. This may compel actions that break faith with our Soldiers, Civilians and Families. Full implementation of sequestration and its associated outyear budget cuts will require further force structure reductions that will greatly increase strategic risk. To maintain balance between force structure, readiness and modernization, the Army may have to reduce at least 100,000 additional personnel across the Total Force – the Active Army, the Army National Guard and the Army Reserve. When coupled with previously planned cuts to end strength, the Army could lose up to 200,000 Soldiers over the next ten years. If steep cuts are required in FY 14 and beyond, this will create imbalance and significantly compound risk. It will cause a disproportionate investment across manpower, operations and maintenance, modernization and procurement, challenging our ability to sustain appropriate readiness in the near term in support of our current defense strategy.

To some extent, the impact of spending reductions can be mitigated if funding is timely and predictable, and cuts are back-loaded, enabling the Army to plan, resource and manage the programs that yield a highly trained and ready force. Continued fiscal uncertainty, on the other hand, poses considerable risk to our ability to maintain a ready force. Each continuing resolution prevents new starts for needed programs, limits reprogramming actions, creates inefficiency and often results in wasteful funding for accounts that we no longer want or need. Resource predictability affords the Army the opportunity to plan and shape the Army's force for the future within identified budgetary constraints.

The FY 14 Budget is designed to meet current operational requirements and allows us to build an Army to meet our future needs by balancing force structure, readiness and modernization. It fully supports the Army's central role in the defense strategic guidance. The budget request funds balanced readiness across the Total Force while retaining agility and capacity. It supports reset and replacement of battle-damaged equipment, as well as modernization priorities. A 4 percent reduction from the FY 13 Base Budget request reflects the Army's acceptance of measured risk, accommodating a tightening fiscal environment.

SOLDIERS DEPLOYED AND FORWARD STATIONED



America's Army Today

Beyond combat operations in Afghanistan, the Army conducts many missions worldwide in support of national security objectives, as well as within the United States in support of civil authorities. The Total Force provides the foundation for Joint operations. Demand for Army forces in Afghanistan will continue to decrease. However, the requirement for strategic landpower capable of worldwide deployment will endure.

Operations Around the World

The Army has nearly 80,000 Soldiers currently committed to operations around the world – in Afghanistan, Kosovo, the Philippines, Horn of Africa, Turkey, Sinai Peninsula and throughout the Middle East. Forward-stationed Army forces, in the Republic of Korea, Japan, Europe and elsewhere, provide Geographic Combatant Commands with an unparalleled capability to prevent conflict, shape the environment and, if necessary, win decisively. About 77,000 Soldiers are postured to support operations and engagements in the Asia-Pacific region. During 2012, these Soldiers participated in security cooperation engagements in 23 countries across the Pacific. Reductions to our force posture in Europe are underway, but a significant Army presence and commitment remains. Army forces in Europe remain a critical source of timely operational and logistical support for operations in other theaters, such as Southwest Asia and Africa. The long-term impacts of sequestration and the associated outyear reductions, particularly to force structure and readiness, threaten the Army's ability to provide trained and ready forces to perform these enduring and vital missions.

Operations in Afghanistan

The approximately 60,000 Soldiers deployed to Afghanistan, in both conventional and special operations units, remain our top priority. The Army provides the corps-level headquarters that form the basic structures for conventional forces in the theater, and provides two division-level headquarters that control the majority of operational activities in the country. The Combined Joint Special Operations Task Force is built on a foundation of an Army Special Forces Group. The majority of combat units in theater are U.S. Army, and some of the most critical enablers such as tactical unmanned aerial vehicles and route clearance units are almost exclusively U.S. Army. The critical transition to Afghan leadership in security is being enabled by thousands of Army NCOs, Officers and Soldiers who have been re-missioned to advise and assist the increasingly capable Afghan National Security Forces. The Army also provides essential logistics capabilities that sustain the land-locked Afghan theater. In fact, only the Army can provide the theater logistics, transportation, medical and communications infrastructure necessary to support operations of this size, complexity and duration. The Army has also begun the challenging task of equipment and materiel retrograde and refit from Afghanistan. It is a daunting task by virtue of the sheer volume of the equipment that must be brought home as well; this challenge is compounded by harsh geography, adverse weather and ongoing combat operations. Funding shortfalls threaten to further extend the timeline and increase overall costs.

Missions as a Member of the Joint Force

The Army provides a wide range of capabilities as an indispensable member of the Joint Force. Every day, the Army maintains deployable contingency forces, employs forward-based capabilities, delivers humanitarian assistance and conducts multilateral exercises with partners and allies. The Army maintains a Global Response Force at constant high readiness providing the Nation its only rapid response, inland forcible entry capability for unforeseen contingencies. Army forces set theaters for the Combatant Commanders maintaining constantly the critical logistical, communications,

intelligence, medical and inland ground transportation infrastructure to support all plans and contingencies. We maintain partner relationships that ensure access to critical regions around the world. Army commanders and headquarters lead Joint Task Forces, plan operations and exercise mission command of units across the full range of military operations. Army units provide space, air and missile defense capabilities for the Joint Force. We build and operate the space and terrestrial communication networks that connect our own units, the Joint community, and interagency and multinational partners. Soldiers provide essential logistics infrastructure, delivering food, fuel, ammunition, materiel and medical support that sustain Joint operations ranging from combat to humanitarian assistance. In addition, the Army collects and analyzes the intelligence that informs our actions and measures our progress, and provides the majority of the forces in U.S. Special Operations Command.

Missions at Home and Support of Civil Authorities

The Total Force is prepared to defend the Homeland and routinely conducts critical Defense Support of Civil Authorities operations. As this past year demonstrated through wildland fires, two major Hurricanes (Isaac and Sandy), floods in the heartland and multiple winter storm emergencies, the Army is always ready to respond to the call of its citizens. The Army does so by performing a wide range of complex tasks in support of civil authorities during natural and man-made disasters, including Chemical, Biological, Radiological, or Nuclear incidents, and for counterdrug operations within each State, as well as along the approaches to the United States. After Hurricane Sandy struck the eastern United States, more than 22,000 active and reserve component Soldiers, which included over 10,000 Army National Guard Soldiers from 19 states, provided immediate and sustained relief. Army Corps of Engineers Soldiers and Civilians pumped more than 475 million gallons of water from the New York City subway system and all tunnels connecting Manhattan.

The Army Vision

The Army is **regionally engaged and globally responsive**; it is an indispensable partner and provider of a full range of capabilities to Combatant Commanders in a Joint, Interagency, Intergovernmental and Multinational environment. As part of the Joint Force and as America's Army, in all that we offer, we guarantee the agility, versatility and depth to Prevent, Shape and Win.

The Army for the Future

The Army for the future will feature regionally aligned and mission-tailored forces designed to respond to combatant commander requirements to prevent conflict, shape the strategic environment and, when necessary, win decisively. Maintaining credible strategic landpower requires the Army to continually assess and refine how we operate, manage our human capital and increase our capabilities, all while mitigating the effects of significant reductions in funding. We must exploit our advantages in some key areas such as leader development; strategic, operational and tactical mobility; command, control, communications, computers and intelligence (C4I) and logistics. As we transition over the next five to ten years, this effort will be underpinned by a strong institutional Army. This institutional Army mans, trains, equips, deploys and ensures the readiness of all Army forces. It generates the concepts and doctrine that guides the way we operate. It runs the professional military education system, that provides our country unparalleled thinkers and leaders at the tactical operational and strategic levels. It recruits our Soldiers and prepares them for military services. It is the foundation upon which readiness is built, enabling the operational Army to provide landpower capability to the combatant commander. The institutional Army takes a deep look at the future strategic environment to formulate concepts and plans for the best mix of capabilities to meet the Nation's land warfare challenge – the right skills, right doctrine, right equipment and the right qualities in our adaptive leaders.

The Army must strike a balance between force structure, readiness and modernization, in a manner that is mindful of fiscal realities yet also provides the Nation with optimized but capable landpower. The decisions we have made in response to FY 13 budget reductions will have far reaching impacts on the Army. Clear priorities guided these decisions. All Soldiers meeting operational requirements – such as those deployed to Afghanistan, Kosovo and the Horn of Africa or forward stationed in the Republic of Korea – will be prepared and ready. We will fund programs related to Wounded Warrior care. Finally, we will determine whether we have sufficient funds to continue training the units that meet our Global Response Force requirements. The rest of the Army, however, will experience significant training and sustainment shortfalls that will impact readiness this year and will be felt for years to come. The Army's ability to perform its missions, as directed in the defense strategic guidance, will inevitably be degraded.

Globally Responsive, Regionally Engaged Strategic Land Forces

Regional alignment will provide Geographic Combatant Commands with mission-trained and regionally focused forces that are responsive to all requirements, including operational missions, bilateral and multilateral military exercises and theater security cooperation activities. Regionally aligned forces are drawn from the Total Force, which includes Active Army, Army National Guard and Army Reserve capabilities. Aligned Corps and Divisions will provide Joint Task Force capability to every Geographic Combatant Command. Through regional alignment, the Army will maintain its warfighting skills and complement these skills with language, regional expertise and cultural training. For example, 2nd Brigade of the 1st Infantry Division, stationed at Fort Riley, Kansas, is aligned with U.S. Africa Command for FY 13. In support of U.S. Africa Command objectives, the brigade will conduct engagement activities in 34 African nations over the coming year.

Regionally aligned, mission tailored forces play an essential role in the defense strategic guidance, which rebalances to the Asia-Pacific region while maintaining our commitment to partners in and around the Middle East. Lessening demand for forces in Afghanistan allows our aligned units in the Asia-Pacific theater to refocus on supporting U.S. Pacific Command's objectives. In addition, U.S. Army Pacific will be elevated to a four-star headquarters in 2013. I Corps, stationed at Joint Base Lewis-McChord, Washington, is developing Joint Task Force command capability, which will provide a deployable headquarters that can meet contingencies across the full range of military operations. These initiatives will enhance the capability and responsiveness of our forces. However, the training shortfalls and readiness impacts of sequestration places the Army's ability to provide these critical capabilities at risk.

Training for Operational Adaptability

In recent years the Army has deliberately focused training on counterinsurgency and stability operations to support requirements in Iraq and Afghanistan. We will build upon that expertise while transitioning to a more versatile Army, with operationally adaptable land forces that will take on a broader range of missions in support of the national defense strategy. Innovative training methods produce ready and responsive forces while optimizing our resources. Army units train at Combat Training Centers, while deployed and at home station. Live, virtual and constructive training enables Army commanders to conduct multi-echelon events in a complex environment at home station. The Army's Decisive Action Training Environment (DATE), which has been incorporated by each of our three maneuver Combat Training Centers, creates a realistic training environment that includes Joint, Interagency, Intergovernmental and Multinational partners against a wide range of opportunistic threats.

Sequestration has had an immediate impact on the Army's ability to train at every level – individual Soldier, Brigade Combat Team and deployable headquarters. We were forced to cancel FY 13 Initial Entry Training (IET) for more than 2,300 Military

Intelligence Soldiers, and we may have to cancel up to 10 Field Artillery IET classes, which would affect over 200 Soldiers. We may also be forced to cancel all but 2 of the remaining FY13 brigade-level Decisive Action rotations at our Maneuver Combat Training Centers unless additional funds become available. Training in FY14 and beyond remains at risk as well. With sequestration, the Army will not be able to fully train our Soldiers, whether through professional military education or collective unit training, in a way that enables them to operate successfully in a complex environment across the full range of military operations. The long-term readiness impacts of the resulting deficit in trained forces will jeopardize the Army's ability to meet war plan requirements.

People

The Soldiers of our all-volunteer force are the Army's greatest strategic asset. These professional men and women provide depth and versatility throughout the Total Force – the Active Army, the Army National Guard and the Army Reserve. As the Army gets smaller, it becomes even more important that we retain and recruit only the highest quality Soldiers. With the support of Congress, we will maintain a military pay and benefits package – to include affordable, high-quality health care – that acknowledges the burdens and sacrifice of service while understanding our future fiscal environment. During 2012, 96 percent of the Army's recruits were high school graduates, exceeding the goal of 90 percent. The FY 12 active component recruiting effort produced the highest quality enlisted recruits in our history, based on test scores and waivers issued. We are also on track to sustain the high retention rate of the past 3 years. While the Army draws down, it is important that we do so at a pace that will allow us to continue to recruit and retain these high quality Soldiers. A precipitous drawdown, which may be necessary if sequestration and associated reductions in budgetary caps are fully implemented over the coming years, will have lasting impacts on the quality of the force.

The Army is committed to ensuring that female Soldiers are provided career opportunities that enable them to reach their highest potential while enhancing overall Army readiness. Over the last year, the Army opened more than 13,000 positions to women. In January 2013, the Department of Defense rescinded the Direct Ground Combat Definition and Assignment Rule, thus enabling the elimination of unnecessary gender-based restrictions for assignment. The Army is currently developing, reviewing and validating occupational standards, with the aim of fully integrating women into occupational fields to the maximum extent possible. We are proceeding in a deliberate, measured and responsible way that preserves unit readiness, cohesion and morale.

Ready and Resilient

Caring for the Army means doing our best to prepare Soldiers, Civilians and Families for the rigors of Army life. The Army remains committed to providing Soldiers and Families with a quality of life commensurate with their service. We continue to review our investments and eliminate redundant and poor performing programs. The Army will make every effort to protect essential Army Family Programs, but they will be unavoidably affected by workforce reductions, cuts to base sustainment funding and the elimination of contracts.

The Army's Ready and Resilient Campaign enhances readiness for the Total Force by tailoring prevention and response measures to promote physical and mental fitness, emotional stability, personal growth and dignity and respect for all. An integral part of this campaign is the Comprehensive Soldier and Family Fitness Program, which strengthens Soldiers, Family members and Army Civilians by addressing physical, emotional, family, spiritual and social fitness collectively. Healthy Soldiers, Families and Civilians perform better, are more resilient and improve unit readiness.

The challenges associated with suicide directly affect the force. It is a complex phenomenon that reflects broader societal problems and defies easy solutions. To better understand psychological health issues, the Army has partnered with a number of agencies to assess mental health risk and help commanders effectively address this persistent problem. In collaboration with the National Institute of Mental Health, the Army is examining risk and resilience factors among Soldiers in the largest behavioral health study of its kind ever undertaken. The study will develop data-driven methods to reduce or prevent suicide behaviors and improve Soldiers' overall mental health. The objective is to identify the most important risk and protective factors, and then act on them. Programs that improve Soldier and Family access to care, while reducing stigma, are essential to our efforts. The Embedded Behavioral Health program, which is being established for all operational units in the Active Army, is a leading example of how we are redesigning behavioral health services to improve the care that our Soldiers receive.

The Army is committed to providing quality care for our wounded, ill and injured Soldiers and their Families. During 2012, six new warrior transition complexes were completed, which consist of barracks, administrative facilities and a Soldier and Family Assistance Center. Medical innovation and groundbreaking research in areas such as traumatic brain injury and post-traumatic stress disorder are helping us improve the care we provide our wounded Soldiers. Our command climate must foster an environment in which Soldiers can seek assistance without stigma.

Sexual Harassment / Assault Response and Prevention Program

The Army continues to employ the Sexual Harassment / Assault Response and Prevention Program (SHARP) to eliminate sexual assault and harassment within our ranks. Active and engaged leadership is central to helping the Army community understand that a climate that respects and grants dignity to every member of the Army family increases our combat readiness. The Army will reinforce a culture in our basic training units, our officer training courses and our operational units in which sexual

harassment, sexual assault and hazing are not tolerated, and if they occur are dealt with rapidly and justly. We are adding 829 full-time military and civilian sexual assault response coordinators and victim advocates at the brigade level as well as 73 trainers, certifying those personnel, and executing more frequent command climate surveys in units. We have begun the hiring process for the 446 civilian positions.

The Army has increased emphasis on investigations, prosecutions and laboratory resources needed to effectively build cases in order to ensure each alleged incident is adequately investigated, and if found credible, prosecuted to the full extent of the law. All unrestricted sexual assault allegations are referred to the Criminal Investigation Division, where we have added four highly qualified expert criminal investigators and six expert military attorneys and 20 specially trained agents who pursue their investigations independent of the command. We have also hired 30 additional Lab Examiners. Our 20 Special Victim Prosecutors educate and support the victim and provide advice and counsel to the criminal investigators as well as commanders. Sequestration and associated Civilian furloughs are likely to degrade aspects of our SHARP efforts, from slowing hiring actions, to delaying lab results which hinders our ability to provide resolution for victims.

Develop Adaptive Leaders

One of our greatest advantages is our officers and non-commissioned officers, and the Army's ability to provide strategic landpower depends on the quality of these leaders. While we can recruit and train Soldiers in relatively short order, the Army cannot build leaders in a similar timeframe. Army leaders must be innovative, possess a willingness to accept prudent risk in unfamiliar, highly complex and dangerous environments and display an ability to adjust based on continuous assessment. As we face an uncertain future with an uncertain level of resources, we must prudently commit to the one certain, high-payoff investment – our leaders. Training, education and experience are the pillars of our leader development strategy, and we have many

initiatives underway to ensure we cultivate, manage and optimize the talent of our leaders. We are instituting a program to match personal history and informal skills to duty assignments. We are implementing and improving our 360-degree assessment programs for officers and are making 360-degree assessments prerequisites to assume command at the lieutenant colonel and colonel levels. We are dramatically increasing the opportunity for and emphasis on broadening experiences and have increased the number of fellowships for our officers in government, industry and academia. Cuts to institutional and unit training, due to sequestration, OCO budget shortfalls in FY13 and continuing fiscal uncertainty, will degrade our ability to develop leaders and will have long-term impacts on the readiness of the force.

Equipment Modernization and Reset

As we prepare for the future, we will need to invest considerable time and resources to restore equipment used in combat operations to an acceptable level of readiness through reset operations, a combination of repair, replacement, recapitalization and transition. At the same time, other pressing modernization needs require attention and investment. The long-term nature of sequestration-related budget reductions puts each of the Army's investment priorities at risk. All acquisition priorities and many equipment modernization programs may face unanticipated schedule or cost impacts in the out years.

The Army will require Overseas Contingency Operations funding for equipment reset for 3 years after the last piece of equipment has been retrograded from Afghanistan. This funding will support the substantial workload required for equipment retrograde, induction and repair, a process that can take up to 3 years for some items such as crash and battle damaged aircraft. FY 13 budget reductions have already placed the Army at a disadvantage, forcing the cancellation of depot maintenance that will delay required repairs and upgrades.

Organic and Commercial Industrial Base

The Army will deliberately draw down force and production levels to fulfill the strategic guidance we have received. Aware that the future may bring unexpected crises, we must retain the ability to regenerate capabilities quickly in response to unforeseen emergencies. It is critical that we find the right balance between our organic and the commercial industrial bases. The ability to reduce the industrial base in times of peace but surge as required remains essential to equipping the Army, the Joint Force, and, in many cases, our allies and coalition partners. The current fiscal environment threatens the retention of critical skill sets in our depots, arsenals and ammunition plants. Fiscal uncertainty in FY 13 led to delays in awarding many new contracts. Industry also began laying off workers and postponed hiring actions due to the slowdown in funding.

Acquisition Reform

The Army continues to reform the way it develops and acquires services and materiel through a capability portfolio review process. This approach exposes redundancies and ensures that funds are properly programmed in accordance with Combatant Commanders' requests, wartime lessons learned, progressive readiness and affordability. The Army develops capabilities through Army research and development processes, collaborating with other Services, industry, academia and international partners to identify and harvest technologies suitable for transition to the force.

Modernization Strategy

The Army must maintain the technological edge over potential adversaries, enabling the force to prevail in all domains. The Army for the future requires capabilities

that are versatile and tailorable, yet affordable and cost effective. The Army modernization effort goes beyond materiel and equipment solutions. It is a comprehensive strategy that includes doctrine, organizations, training, leadership, personnel and facilities. The heart of the strategy is the use of mature technologies and incremental upgrades of existing equipment, while balancing research investments between evolutionary and disruptive technologies. The modernization strategy is also supported by a risk-based assessment to identify candidate capabilities for complete divestiture. Divestiture decisions will reduce total costs and preserve our ability to sustain the force.

Soldier Systems

The centerpiece of the Army Modernization Strategy is the Soldier and the squad. The Soldier portfolio focuses on equipment vital for squad success and empowers and enables squads with improved lethality, protection and situational awareness. It also includes resources to develop leaders and train Soldiers to take advantage of new or improved capabilities. Planned improvements for dismounted Soldiers include a mission command system that allows Soldiers to see each other's positions, mark hazards collaboratively and access on-the-move broadband voice, data and video capabilities. This unprecedented situational awareness, coupled with the continued fielding of advanced sensors and lightweight small arms systems, will ensure that our Soldiers and squads remain the best in the world.

The Network and Investment in Cyber Capabilities

The Network, also known as LandWarNet, is critical to empowering our Soldiers. Our senior leaders and Soldiers must have the right information at the right time to make the decisions essential to mission success. Consequently, the Army is building a single, secure, standards-based, versatile network that connects Soldiers and their equipment to vital information and our Joint, interagency, intergovernmental and

multinational partners. It is critical that network modernization and sustainment efforts meet the ever-growing demand for tactical and business-related information and enterprise services in a timely manner and at an affordable cost.

Ensuring freedom of maneuver in cyberspace and protecting our information and the Network is a continuing Army priority. The Army must strengthen its cyber security and network defense by building secure and resilient network environments, providing greater situational awareness, expanding programs for ensuring compliance with information assurance policies and best practices, and increasing training for all technical and non-technical personnel. To ensure the Army can defeat adversaries in both land and cyber domains, a full range of cyberspace capabilities must be available in support of the combatant commander, including well-trained cyber warriors, cyberspace operational freedom and assured mission command. This will require investment not only in technology, but also in people and process improvement.

Ground Combat Vehicle and Joint Light Tactical Vehicle

The Army's top two vehicle modernization programs are the Ground Combat Vehicle and Joint Light Tactical Vehicle. As a replacement for the Bradley Infantry Fighting Vehicle, the Ground Combat Vehicle will accommodate a full nine-man infantry squad in a vehicle that features increased underbelly and ballistic protection with scalable armor that provides maximum mission flexibility. The Ground Combat Vehicle will also provide sufficient space and power to host the Army's advanced network, increasing the effectiveness of the vehicle in any threat environment. The Army is developing the Joint Light Tactical Vehicle to fill capability gaps in the light wheeled vehicle fleet, carefully balancing payload, performance and protection. The Joint Light Tactical Vehicle combines an increased level of protection with improved mobility and transportability. It is also the Army's first network-ready vehicle. Together, this integrated team of vehicles will be capable of dominating across the range of military operations and allow for incremental improvements.

Closing

The American people have learned time and again that they can trust their Army to protect our national interests at home and abroad. Over the past 12 years of conflict, our Army has proven itself in arguably the most difficult environment we have ever faced. Our leaders at every level have displayed unparalleled ingenuity, flexibility and adaptability. Our Soldiers have displayed mental and physical toughness and courage under fire. They have transformed the Army into the most versatile, agile, rapidly deployable and sustainable strategic land force in the world.

We live in an uncertain world, which often requires a military response to protect our national security interests. When that time comes, the Army must be ready to answer the Nation's call. We cannot take the readiness of the force for granted. Sequestration budget cuts, and continuing fiscal uncertainty, have placed us on the outer edge of acceptable risk for our future force. The Army must be capable of providing strategic landpower that can prevent conflict, shape the environment and win the Nation's wars. Preventing conflict demands presence, shaping the environment demands presence, restoring the peace demands presence, and more often than not, that presence proudly wears the uniform of an American Soldier.