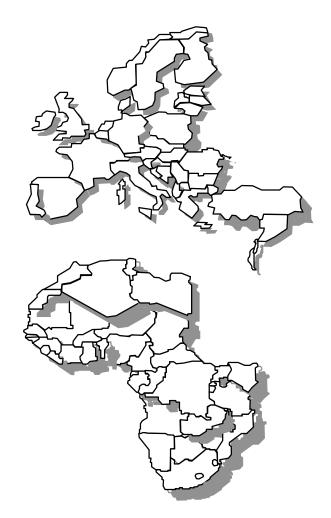


Protecting our Nation, Preserving Stability, and Seizing Strategic Opportunities

STATEMENT OF GENERAL JOSEPH W. RALSTON, U.S. AIR FORCE COMMANDER-IN-CHIEF UNITED STATES EUROPEAN COMMAND



SENATE ARMED SERVICES COMMITTEE MARCH 22, 2001

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Introduction

Mr. Chairman, distinguished members of the Committee, it is my privilege to appear before you as Commander in Chief, United States European Command (USEUCOM), to discuss the posture of U.S. Forces. First, however, I want to make a few comments about the area in question.

The U.S. European Command encompasses American military activities in over 13 million square miles of the globe and includes 91 sovereign nations. It stretches from the northern tip of Norway to South Africa, and from the Atlantic seaboard of Europe and Africa, to parts of the Middle East and out beyond the Black Sea.

I began my tenure in the U.S. European Command last May. Since my arrival, our men and women have continued to carry out a multitude of operational commitments throughout Europe, Africa, the Levant, the waters of the Mediterranean, the skies over Iraq, and throughout the Balkans in support of the North Atlantic Treaty Organization (NATO), commitments to our regional friends and allies, and our national interests. Additionally, there are new opportunities in this Theater - opportunities that properly approached will further strengthen the international position of the United States. These opportunities include working with African allies to improve their peacekeeping capabilities, engagement with Russia and the countries of the Caucasus region, U.S. influence on the evolving European defense posture and the future of NATO, and the enhancement of important and vital interests to the economic and national security of the United States. Our forward presence in Europe, engagement programs in Africa and Eastern Europe, and the ability to deploy and respond quickly and effectively throughout the region

contributes to the preservation of stability throughout much of the Area of Responsibility (AOR).

While success should be acknowledged, we must exercise continued vigilance by pursuing modernization to meet ongoing requirements, as well as develop future forces to take advantage of key strategic opportunities as they arise. Inadequate funding for, and attention to, critical readiness and modernization issues will jeopardize the careful balance between USEUCOM's missions and available resources. Like Operations and Maintenance (O&M) dollars, modernization funding must also be balanced to ensure resources remain proportionate to mission requirements. American military personnel positioned overseas and going about the business of the nation everyday have proven time and again that they are our greatest national resource. Like every national asset, they require care and cultivation to ensure they maintain the capability edge over any potential adversary. Addressing critical quality of life, military construction (MILCON), real property maintenance (RPM), and modernization needs is central toward maintaining this edge.

During my comments today, I will discuss the status of many programs. I should note, however, that the programs I will discuss, and their associated funding levels may change as a result of the Secretary's strategy review that will guide future decisions on military spending. The Administration will determine final 2002 and out-year funding levels only when the review is complete. I ask that you consider my comments in that light.

A CHANGING AND CHALLENGING STRATEGIC ENVIRONMENT

Readiness

Readiness of USEUCOM assigned forces is my top priority. It is the cornerstone of our ability to respond to crises and it enhances our strategy of engagement. Most of our activities relate to readiness because they demonstrate and enhance our capability to deter potential adversaries, while reassuring our friends. Such activities require ready forces and exercise our ability to meet commitments and promote joint and multinational interoperability. Taken together these activities can serve to help shape the international environment by incorporating other nations and improving our multinational expertise in the region; they improve our ability to respond unilaterally or in concert with other nations; and they prepare us now for the uncertain regional requirements of the future.

Thanks to the support of Congress, forces assigned to this Theater are ready and well supported in their current operations. The command's forces are fully engaged and continue to rely upon augmentation and reserve forces to carry out our many diverse missions. Dedicated young men and women valiantly executing a wide variety of operations to support our national strategy make up the heart of our theater readiness. Over the last year, we demonstrated our readiness by supporting air operations over Northern Iraq, NATO-led peacekeeping operations in Bosnia and Kosovo, humanitarian relief operations in Mozambique, and training of Sub-Sahara African troops to support United Nations (U.N.) operations in Sierra Leone.

Joint Training

Training is a primary pillar of readiness and an inherent responsibility of being in command. For USEUCOM, readiness training has increasingly become part of our Theater Engagement Plan. However, over the past two years efforts to cope with rapidly shrinking training and training-dependent budgets, such as strategic lift, have resulted in several cancelled and restructured exercises. These cancellations have frustrated our efforts to provide high-quality readiness training to meet Theater engagement needs.

Our challenge is to support a proper mix of readiness and theater engagement training within resource constraints. The U.S. European Command has met its Congressional mandates for Chairman of the Joint Chiefs of Staff (CJCS) exercise-related operations and personnel tempo (OPTEMPO-PERSTEMPO) reductions. Additionally, strategic lift funding cuts during this fiscal year may force cancellation of continental U.S. (CONUS)-based participation by Active, Reserve, and National Guard forces in various training and engagement exercises. In a worst case scenario, these cuts may also reduce training and engagement in Israel and Nigeria, and result in cancellation of half of the Joint Combined Exchange Training (JCET) activities in Africa.

After taking a hard look at our training program for potential improvements in quality, effectiveness, and efficiency, we began implementation of a three-year transition plan to take USEUCOM from a training program focused on events, to one focused on readiness and Theater engagement objectives. This revised program will exploit opportunities within the total program, resulting in fewer, but higher quality CJCS-sponsored exercises. I do not anticipate that this transformation of USEUCOM's part of the CJCS exercises in FY02 and beyond will result in a

significantly less costly program. A requirements-based objectives-driven exercise program will however, provide higher quality training and engagement at a size and cost that is appropriate to, and justified by, our National Security Strategy.

ENGAGEMENT

Side-by-side with readiness activities are the other exercises, operations, and training which focus primarily on assisting and supporting other nations in the region to develop effective democratic political and military systems.

To help guide Congress in its decision-making, many of you have traveled to the European Theater and have witnessed efforts to extend contacts beyond Western Europe through engagement. Over the past several years this process has helped to positively shape our security environment. I believe this approach is key to continued long-term peace, security, and prosperity as USEUCOM works along side, and in active cooperation with, a number of governmental and non-governmental organizations.

Forward Presence

America's permanently stationed forces in Europe number just over 100,000 troops - down from well over 300,000 during the Cold War. The current force level represents a 65 percent reduction from 1990. In my opinion, this must be considered the minimum level needed to execute our current National Security Strategy, meet NATO requirements, and provide support and staging for U.S. based forces that in time of need would flow into or through the Theater.

Key to our engagement efforts are our forward-deployed and forward-based forces, which continue to make significant contributions in protecting U.S. national interests. In peacetime, forward presence of naval, land, and air assets provides unparalleled access to countries in transition. In crises, the forward presence of our forces enables a rapid transition from engagement to response. Forward presence is a critical enabler for USEUCOM activities.

Continued forward presence is vital to implementing our current strategy, as our forces are able to respond more quickly - demonstrated through a number of deployments last year to the Balkans, Southwest Asia, and Africa. Surrendering this forward position would seriously degrade our ability to engage in peacetime or deploy in the event of armed conflict. The General Accounting Office (GAO) traveled through the AOR recently to discuss issues related to forward basing. Their report is due for release this spring and I believe we presented solid evidence of the benefits of forward basing.

Defense Cooperation and Security Assistance

Defense Cooperation and Security Assistance programs are vital components of Departments of State and Defense initiatives supporting the development of interoperable defensive capabilities, the transfer of defense articles and services, and the international military training of foreign military and civilian personnel. Through the medium of 38, and soon to be 40, Offices of Defense Cooperation, we are in partnership with U.S. Embassies throughout the Theater conducting primary military engagement in support of American foreign policy goals.

Defense Cooperation in Armaments (DCA) promotes vital security interests through enhanced cooperation among key defense industries, and between DoD and West European Ministries of Defense. DCA encourages the development of interoperability on the "drawing board" and inherently strengthens U.S.-European military and political relationships.

Likewise, Foreign Military Sales (FMS) of \$4.7B in FY00 to Europe demonstrates the continued primacy for U.S. security interests of Trans-Atlantic defense relationships. FMS encourages interoperability between U.S. and European forces, maintains a strong U.S. presence in the development and implementation of the Defense Capabilities Initiative (DCI), and helps modernize the militaries of new friends and partners in ways critical to our security interests. We in Europe work closely with the Defense Security Cooperation Agency and the Services to ensure that U.S. European Command priorities are reflected.

Foreign Military Financing (FMF) provides irreplaceable resources for our friends and allies, without which U.S. influence over the dynamic transformation of Central and Eastern Europe and key African partners would be affected. The program provides access to U.S. expertise in defense restructuring and management, and enables participants to acquire U.S. military goods, services and training. The new NATO members and the stronger aspirants for membership provide excellent examples of the value of this program.

International Military Education and Training

I cannot overemphasize the importance of International Military Education and Training (IMET) as an integral component of long-term beneficial change in foreign militaries, as foreign military and civilian leaders encounter firsthand the American civil-military culture. The priorities of the program are professional development, the role of the military in a democratic society (under the Expanded IMET initiative, or E-MET), and English language development. In FY00 the program trained almost 1,500 military and civilian international students in U.S. military schools, with nearly 550 officers attending professional schools - including senior and intermediate service schools. Under E-IMET, Mobile Education Teams (MET) traveled to 30 countries in the region last year providing instruction to over 2,000 civilian and military personnel in military justice and human rights, civil-military relations, health resources management and integration, defense resources management and budget planning, equal opportunity, and maritime counter-drug law enforcement. Student projections for this year match last year's numbers.

Partnership for Peace

The Partnership for Peace (PfP) Program continues to meet its goal of deepening interaction, extending stability in the East, providing consultation mechanisms for participants who feel threatened, assisting in the pursuit of democratic reforms, and preparing for possible NATO membership. The program has returned huge dividends for operations in Bosnia, with over 30 nations providing support and nearly one-third of the forces coming from non-NATO nations. The growth of the PfP program over the past six years has been dramatic and, in addition to real world operations, Partnership exercises provide superb training and equally important exchange opportunities.

Joint Contact Team Program

The Joint Contact Team Program (JCTP) has been one of USEUCOM's most successful engagement programs over the past nine years. Through modest investments of money, personnel, and expertise, it has helped host nation militaries become familiar with the culture of the U.S. military, and through this process exposed to the best in American values and democratic ideals. By leveraging the expertise of America's active and reserve forces, especially the unique capabilities of the Reserve Component's (RC) State Partnership Program (SPP), JCTP has modeled and demonstrated the best practices of America's military force. It has thus helped host nation militaries move toward providing constructive roles to their developing democracies.

The program's success is most evident in the three new NATO member countries. Poland, Hungary, and the Czech Republic's needs have matured beyond familiarization and exposure - they are ready to "graduate" from JCTP. Their needs must now be met with additional services and technical training properly administered under U.S. Security Assistance programs and plans are now being formulated to move beyond JCTP. Where possible, links to their SPP states will be maintained to facilitate this transition.

This natural transition in the new NATO countries is the realization of USEUCOM's Theater Engagement Plan and is the eventual goal for all of the JCTP countries. This transition also allows the program to move, by close coordination with the U.S. Department of State, to new host nations requesting the unique engagement capabilities available through JCTP.

State Partnership Program

A key program in this important engagement effort is the Reserve

Component's State Partnership Program. SPP grew out of JCTP and uses reserve

personnel from various National Guard and reserve organizations to partner

with defense ministries of Central and Eastern European countries. Last year

was extremely successful as National Guard soldiers and airmen conducted

dozens of events including 51 Minuteman Fellowships (MMFs), nine "Guardex"

events, six PfP as well as several "In the Spirit of Partnership for Peace"

exercises, executed more than 25 percent of all events for USEUCOM JCTP,

facilitated civic leader visits, and conducted a number of engagement

activities with the Russian Federation. The MMF program bridges gaps in

other engagement programs and touches levels of society that other programs

cannot reach. Through this program we were able to share with our partners

our experience and expertise in education, economic development, disaster

response, environmental topics, and numerous other subject areas.

When delegations from Tennessee, Minnesota, Indiana, Alabama, Vermont, Illinois, Kansas, and California conducted civic leader visits to SPP counterpart countries, the long-term vision for SPP had been realized - moving beyond military-to-military contacts into other important elements of society. Through these activities, state civilian officials in the realms of education, commerce, agriculture, medical emergency services, and disaster response exchange their considerable knowledge and expertise with their partner-nation counterparts.

Marshall Center

One of the most important and effective regional engagement activities within the U.S. European Command is the George C. Marshall European Center for Security Studies. The Marshall Center strengthens security and cooperative relationships among key nations within the Theater. It serves as an essential institution for bilateral and multilateral communication and military and civilian exchanges throughout the region.

This organization builds bridges between militaries that once stared at one another through the crosshairs of weapons of war. Under the auspices of the Marshall Center, the once-warring parties of Bosnia came together last year and agreed to slash military spending. Marshall Center graduates have served as peacekeepers in Bosnia and as far away as East Timor. Graduates from Hungary, Poland and the Czech Republic are now helping to integrate their militaries into NATO. Marshall Center programs have led a number of nations to the democratic restructuring of their defense planning and crisis management processes. Graduates from the Republic of Georgia wrote Tbilisi's recently announced national security strategy. Many Marshall Center graduates now serve as ambassadors, defense attachés, chiefs of defense, members of parliament, and advisors to presidents around the world. These graduates possess a deeper appreciation and respect the concepts of democracy as we understand them, and for human rights and the rule of law.

The Marshall Center is at the forefront in reaching out actively and comprehensively to militaries and defense establishments to lower regional tensions, strengthen civil-military relations in developing nations, and addressing critical regional challenges. Open to leaders from over 47 countries, the Marshall Center is a pillar of America's efforts to shape the

world in ways that reinforce and reflect our values and national security interests. It is therefore important that the Marshall Center remains fully resourced in order to continue its excellent work in support of American foreign policy objectives.

The Africa Center for Strategic Studies

Drawing on the success of the Marshall Center, the Africa Center for Strategic Studies (ACSS) was established in December 1999 and conducted its second seminar last July in Botswana. While it does not yet have a permanent location to call home, its rotating seminars provide a unique engagement vehicle in Sub-Saharan Africa. Both civilian and military senior defense officials of almost every African nation gather with U.S. and other friendly nation counterparts to examine and compare experiences on national security strategy, defense economics, and civil-military relations. They then validate their impressions in an end of session capstone exercise. Its forum of open, two-way discussion has enjoyed great success on the continent and builds and strengthens bilateral and multilateral relationships.

Near East - South Asia Center for Strategic Studies

In January a year ago the Secretary of Defense approved the establishment of the Near East - South Asia (NESA) Center under the management of the National Defense University (NDU), Washington D.C. The purpose of the Center is to enhance regional stability by providing an inclusive, neutral institution where regional military, diplomatic, and national security professionals can broaden their understanding of the national strategy formulation process, examine regional security issues, improve their defense-related decision-making skills, and develop cooperative

relationships with one another. Participation is open to military and official civilian representatives of all countries within the NESA region with which the U.S. Government maintains formal diplomatic relations. It is also open to non-NESA countries that have strategic interests in the NESA region. The inaugural two-day conference was held at NDU in November, and the first executive seminar will be held in Washington during May.

African Crisis Response Initiative

The African Crisis Response Initiative (ACRI) is a Department of State training program designed to improve the capabilities of several African nations to conduct humanitarian crisis response and peacekeeping operations. ACRI trained forces could be offered by their governments for peacekeeping and humanitarian operations conducted by the Organization of African Unity, the U.N., sub-regional African organizations, or any other multinational coalition. ACRI also works to shape the African environment by promoting professional and apolitical militaries, reinforcing respect for human rights, and providing a strong example of democratic civil-military relations. This U.N.-approved program of instruction combines U.S. and U.N. peacekeeping and humanitarian relief operations doctrine. Program instruction develops common standards for peacekeeping and humanitarian relief operations among the participating ACRI countries. Recently, the program was expanded to include brigade-level training focusing on the command, control, and logistical aspects of supporting a multinational brigade in the field.

Operation Focus Relief

Last year USEUCOM was tasked to help train five Nigerian battalions, one Ghanaian battalion, and one Senegalese battalion in order to participate

in U.N. operations in Sierra Leone, and more strategically, to support the professional development of the Nigerian military — an important force for regional stability. This Operation is being conducted in FY01 using State Department peacekeeping operations (PKO) funding as well as DoD resources made available under Presidential Drawdown authority.

To accomplish this mission, Special Operations Command, Europe (SOCEUR) was tasked to execute the mission with Army and Air Force units in support. Based on information provided by the SOCEUR-led Military Survey Team, a tenweek training program using U.S. instructors and an equipment support package was developed. Execution of the train-and-equip program was designed for three-phase completion, commencing last October, with mission accomplishment likely later this year. Upon completion of the training program, each battalion should be capable of operating and maintaining newly acquired equipment, conducting daylight company level attacks and conducting day and night defensive operations as a maneuver company under command and control of a battalion headquarters.

We have now completed phase one of the three-phase program and our personnel have performed magnificently. However, interagency policy-level decisions must be made early enough in the process so funding and resources can be programmed to meet timelines and support requirements. Additionally, human rights vetting must be complete for all personnel to be trained, to include attached units, prior to the initiation of training. There must also be host nation agreement on the training program at every political and military level in order to assure mission success. Operation Focus Relief is not an operation without risk. However, with only 200+ U.S. personnel assigned in non-combatant roles, the dollar investment is minimal and the payoff great in that it is successfully training local forces to deal with

regional problems. In this way, Operation Focus Relief is pioneering a new method of engagement.

KEY THEATER MISSIONS AND CHALLENGES

Challenges in the USEUCOM AOR will continue as the U.S. works to strengthen and maintain the NATO structure, prepares forces to better respond to future conflict, shapes the international environment through engagement, executes contingency operations, and monitors potential future conflict areas. I have highlighted key challenges and continuing missions below to give an idea of the diversity of Theater challenges and missions.

Multinational Interoperability

"The overall effectiveness of multinational operations is ... dependent upon interoperability between organizations, processes, and technologies."

Joint Vision 2020

The U.S. European Command and America's allies and friends recognize that most military operations in the future, from peacekeeping and humanitarian relief to a major theater war, will typically be multinational in character. Success in multinational operations will depend on two factors: the capabilities of the national forces involved in the operation; and the degree to which these forces can be melded to create an effective force. These factors will demand a high level of interoperability and enhanced capabilities between the participating national forces.

In this vein NATO has met and excelled at every challenge since the end of the Cold War precisely because of its ability to commit multinational

forces structured to meet military threats to its members. NATO's greatest challenges today originate not externally, but from within. The growing asymmetry in technology between European and U.S. military forces is producing a serious imbalance in our military capabilities. Furthermore, Europe's shrinking defense industrial base and limitations in production of advanced military capabilities could lead to a future where only the U.S. has the ability to engage globally.

The Defense Capabilities Initiative, launched in April 1999, is an effort by the European members of NATO to resolve glaring capabilities shortfalls between them and the U.S. as evidenced by past NATO exercises and Operation Allied Force in and over Kosovo. The Capabilities Initiative's two primary thrusts, improving national capabilities and exploring ways to pool capabilities, allow our allies and partners to enhance interoperability, take advantage of economies of scale, and afford participation by those countries that do not possess the resources to go it alone. The initiative specifically targets five capabilities: effective engagement; deployability and mobility; survivability of forces and infrastructure; sustainability and logistics; and communications/information systems. As Europeans work to improve their national and collective security, we have encouraged defense cooperation and procurement using the DCI roadmap and believe it mutually reinforces the needs of NATO and the European Union (EU).

The DCI's success depends upon whether Europeans are willing to spend more, and more wisely, in narrowing the gap between their military technology and warfighting capability, and our own. Should Europe prove unable to engage in military operations at or near the level of U.S. capabilities, it may leave them vulnerable and limit the U.S. in some cases to unilateral action. Such a future undermines America's strategic vision and assumptions

- diplomatically, economically, and militarily. Finite resources and domestic political realities dictate that unilateral action cannot be the future norm. Unilateral action endangers the historical link between the American and European peoples. While the issue of DCI is being worked at the highest levels in NATO, it is critically important that the Congress work to engage their European counterparts on this issue. The U.S. must continue to engage with its European allies to help foster the necessary changes to enable Europe to remain a contributing strategic partner across the spectrum of potential operations. DCI is a crucial area on which the future of a strong Trans-Atlantic link may very well depend.

European Union and NATO Security Structures

The establishment of a common foreign policy, supported by a military capability, within the EU is one of the most important political-military issues facing Europe and the United States today. The European Security and Defense Policy (ESDP) is worked hard, continuously, and at presidential and prime ministerial levels in every capital in Europe. If the military and political links that eventually define the relationship between NATO and the EU do not result in transparency, coordination, and a cooperative effort, it places at serious risk the future of the Alliance. Indeed it is the form these permanent arrangements between the two will take, and assured EU access to NATO's planning capabilities, that are the most contentious and potentially destructive questions currently under debate.

The recently completed Foreign Minister's meeting in Brussels was not able to reach agreement on these issues and will require much effort by the new Administration. We believe that SHAPE headquarters can play a constructive and indispensable role by accomplishing the future military

planning for both organizations, thereby negating the need for a duplicative headquarters solely to support the EU.

The European Security and Defense Identity (ESDI) within NATO continues to evolve within U.S. redlines as the EU develops, through the ESDP, both capabilities and institutions for its security and defense aspirations. Even though the progress to date has generally met U.S. expectations, I would suggest that officials in Washington remain vigilant to ensure that ESDP remains relevant from a U.S. perspective. They should emphasize the requirement for Europeans to develop their capabilities, maintain NATO-EU linkages, and underscore the necessity for the inclusion of non-EU NATO members in emerging security and defense arrangements.

Successful implementation of the European Security and Defense Policy within the European Union will require a concerted effort between the European members of NATO, EU members who are not in NATO, and Canada and the United States. This cooperation is essential to build the military and political links between NATO and the Union necessary to achieve a common strategic vision and make the needed improvements in technological capabilities.

Last November witnessed positive developments in the Capabilities

Commitment Conference. This effort has been a primary focus of the French
during their six months as President of the EU last year. The planning
scenarios used to determine capabilities and forces required for the ESDP

Headline Goal Force have remained realistic. In this regard, the EU has
commitments for a Rapid Reaction Force (RRF) of up to 60,000 personnel, which
is the minimum goal. The EU member countries placed a total of 100,000

troops, 400 combat aircraft and 100 warships at the EU's immediate disposal

to support this RRF. If this force becomes reality it is sufficient to establish the EU as a significant military power.

The military staff at SHAPE played a very constructive role in assisting the EU's interim military staff in the development of these goals. The Catalogue of Forces turned out to be impressive, with high-end capabilities that are fully in line with Europe's DCI efforts. My main apprehension regarding capabilities is that they remain compatible with NATO Force Goals once the EU force is established and that the Europeans follow through with the necessary financial commitments to correct identified capability shortfalls.

In my role as the military commander of NATO's forces (SACEUR), I am fully engaged in providing advice and perspective as this issue evolves. In my estimation, if handled successfully by NATO HQ in Brussels and the European Union, the ESDP process will strengthen the security posture of the European continent. However, there are many complicated factors remaining before this capability is realized. The central issue, in my view, is the method by which a plan is developed and presented. When a potential conflict or crisis emerges the planning should be conducted by the SHAPE staff, with EU military augmentation. The Deputy SACEUR would then take the completed plan to the EU and I would send it to the NATO political authorities. If NATO elects not to involve itself, the EU could pick up the mission and deploy forces as required. If the process does not follow this model the EU will be unnecessarily creating large and redundant staffs and a real possibility of double counting and tasking existing NATO forces. Realization of ESDP largely hinges on the Europeans' willingness to make the necessary fiscal and political commitments. Any newly financed capabilities, however,

must be in line with DCI - not duplicating but rather reinforcing Alliance capabilities.

NATO Enlargement and Integration

There are currently nine European nations that aspire to NATO membership. While the decision to expand the Alliance is a political one and will ultimately be made in Capitals across Europe and North America, an aspirant's military readiness will be scrutinized and is certainly part of the equation. Thus far, the nine aspirants have benefited from U.S.-funded defense assessments as well as from the NATO Membership Action Plan with its associated Partnership Goals. These mechanisms have provided a valuable roadmap towards reform and interoperability in the event that additional nations are offered NATO membership.

As for the three newest members of the Alliance - Poland, Hungary, and the Czech Republic - the Interagency Group estimated that a 10-year process would elapse before these nations fully transition from past Warsaw Pact doctrine, equipment, and organization to NATO interoperability. One should avoid any unrealistic expectations of full integration this early - only three years since the Madrid invitations. Nevertheless, they have made great progress. Each has performed well in both exercises and deployments, including the very demanding environments of Bosnia and Kosovo where they share the burden through a contribution of nearly 2,500 troops to the international effort.

European Reaction to Missile Defense Deployment

A number of potentially hostile nations are working to develop long-range missiles to coerce and threaten countries in North America and Europe. President Bush has stated that we will deploy missile defenses as soon as possible. These defenses, he has made clear, must protect not only the United States and our deployed forces, but also our friends and allies.

NATO's Strategic Concept also recognizes that "the Alliance's defense posture against the risks and potential threats of the proliferation of (nuclear, biological, and chemical) weapons and their means of delivery must continue to be improved, including through work on missiles defenses." As the U.S. pursues this capability, I suggest it continues to consult our friends around the world. Open and frank discussions on this initiative between the U.S., NATO, and our other European allies, will further understanding and help avoid alienating our valued friends.

The defenses envisaged will reinforce the credibility of U.S. security commitments and the credibility of NATO as a whole. No one can reasonably argue that Europe would be more secure if the U.S. were less secure from a missile attack. An America able to defend itself from missile attacks is an America better able to defend Europe and common Western security interests. As consultations proceed with Allies on missile defense, we realize they will continue to consider the appropriate role of missile defenses in their respective national security strategies for dealing with the changing international threat environment. In keeping with the fundamental principle of the Alliance that the security of its members is indivisible, the United States is open to discussing possible cooperation with Allies on longer-range

ballistic missile defense, just as we have with our discussions and cooperation in the area of Theater Missile Defense.

Force Protection

Force Protection (FP) remains a top USEUCOM priority. We are exercising an aggressive Antiterrorism/Force Protection (AT/FP) program providing clear AT/FP policy, measures, and tools to mitigate risk and maximize security for our personnel and their families. We have implemented a number of innovative AT/FP programs, examining the application of state of the art technology to enhance access control and explosive detection, and are continuing our efforts to field mass notification systems throughout the Theater. We are making progress, but resourcing continues to challenge our AT/FP Service priorities.

U.S. European Command is in the staffing process of publishing a significantly updated AT/FP Operations Order (OPORD) 01-01 prescribing AT/FP standards and requirements. These new mandatory requirements encompass FP engineering design standards for new construction, major renovations, and existing facilities. USEUCOM has also instituted a comprehensive Installation AT/FP Program Manager course to train the unit FP officers in our AT construction and design standards. To date, we have established AT/FP responsibilities for DoD elements and personnel at 67 Chief of Mission locations throughout the USEUCOM AOR.

Coupled with this, 137 AT/FP vulnerability assessments, including 74 Joint Staff Integrated Vulnerability Assessments, have been undertaken over the past year. These assessments have identified AT/FP vulnerabilities and assisted commanders in addressing those deficiencies through the use of

countermeasures, procedural changes, and resourcing - endeavoring to eliminate or mitigate their potential exploitation by terrorists.

We have developed and fielded a web-based Vulnerability Assessment Management Program (VAMP). The VAMP captures results of vulnerability assessments, prioritizes AOR vulnerabilities, identifies deficiencies, and lists corrective actions needed or completed. VAMP is a management tool available to every commander and AT/FP officer from the theater down to the installation level and allows commanders and decision makers the ability to track and identify the actions taken or required to correct and/or mitigate vulnerabilities at specific installations throughout the AOR.

We employ risk management and mission analysis processes in all deliberate, crisis, and contingency operational planning and exercises. Threat working groups and assessment tools, such as the VAMP, play a critical role in these processes. In light of recent events these processes are receiving additional scrutiny. Although we cannot eliminate all vulnerabilities, we continue to use risk management when deciding missions in this theater in order to reduce risk to our personnel – identifying vulnerabilities and resources required to reduce exploitable FP vulnerabilities.

Our intelligence operations continually analyze and assess potential terrorist threats to U.S. installations, facilities and personnel. We use a variety of systems to disseminate intelligence within the command and provide routine and time-sensitive threat warning notifications. Our systems and procedures provide the ability to rapidly disseminate information regarding specific terrorist threats to units, installations and individuals throughout the AOR. In conjunction with our national intelligence agencies, we are

exploring better methods of sharing and disseminating more accurate AT/FP prediction and tracking threat information. Recently, we initiated closer cooperation with the U.S. Central Command to share and maximize our efforts, including assets, analytical and database capabilities.

While intelligence operations support for AT/FP in Theater is good, we concur with the recent USS Cole Commission recommendation to reprioritize resources for collection and analysis, including human intelligence and signals intelligence, against terrorist threats, and to increase our national intelligence agencies counterintelligence resources dedicated to combating terrorism.

Balkans

One of the greatest challenges to peace, stability, and democracy in Europe is the integration of the Balkans into the rest of Europe, a strategic objective the U.S. shares with NATO and the EU. Last year saw a watershed opportunity to overcoming that challenge - the toppling of Slobodan Milosevic and the election of Vojislav Kostunica as President of the Federal Republic of Yugoslavia (FRY). It has been clear for a decade that only a change from dictatorship to democracy in Belgrade would set the conditions for a regional approach to the problems in the Balkans. This transition from authoritarian to democratic rule in the FRY should have a beneficial impact on the integration of the entire region into the West. President Kostunica still has much work to do in consolidating democratic gains. While the FRY has begun its re-integration into the Western world, rapidly joining the U.N., the Organization for Security and Cooperation in Europe (OSCE), and the Stability Pact for Southeastern Europe, and establishing diplomatic relations

with the U.S. and other key NATO allies, much remains to be done in the Balkans.

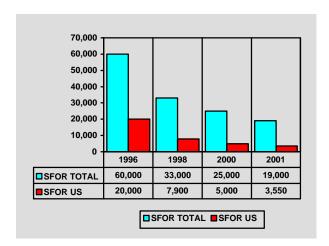
Greater ethnic reconciliation in Bosnia and Kosovo is elusive and while recent voting in Serbia and Bosnia marked another milestone in the rule of law and movement towards democracy, it also reinforced some hard-line nationalist parties and their platforms. Additionally, despite the first democratic elections in Kosovo, where municipal voting saw moderates win, the province is still volatile.

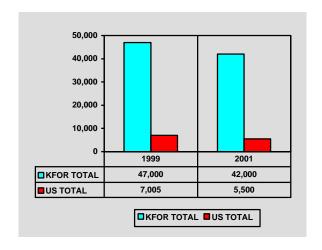
Security conditions permitting the withdrawal of U.S. troops from the region have not yet been fully realized. The status of Montenegro within the federation, a final settlement for Kosovo, and Serbia's future links with the Republika Srpska remain open issues whose resolution are required in order to bring stability and democracy to the Balkans. There is no short-term solution to the problems in the Balkans without developing a comprehensive, region wide, and long-term approach. The economics in the region are driving the turmoil and fractious nature of the "peace." International involvement in the Balkans must include substantive initiatives that address the economic problems of the region. Without such initiatives, we cannot hope to forecast peace.

Military forces, too, must continue to foster an environment in which peaceful actions are rewarded, but do it with fewer resources. This can be accomplished by leveraging existing national and allied exercises that occur across this Theater and by executing them as much as possible in the Balkans. By conducting exercises in the Balkans, we show resolve in the regional policies, deter the outbreak of hostilities, and improve regional infrastructure leading to increased interaction among Balkan peoples.

In Bosnia, force numbers have been reduced from 60,000 when the mission began, to just over 20,000 personnel. Of 34 nations contributing forces to this effort, 28 are European and their forces make up 80 percent of SFOR. The U.S. has successfully reduced its proportion of committed troops from 33 percent in 1996 to 20 percent today. The way ahead in Bosnia, including future force reductions, remains contingent upon the implementation of Dayton's various military and civil tasks. We are working within the Administration to address possible ways to implement the civil tasks and set the conditions for additional NATO force reductions.

The KFOR military effort is considerable and has not changed to any degree since last year. KFOR's strength remains at 37,000 deployed in Kosovo proper and an additional 4,400 supporting in the Former Yugoslav Republic of Macedonia (FYROM), Greece, and Albania. This force is drawn from 39 nations, with 33 European countries deploying over 80 percent of the total. The U.S., with 5,500 troops in Kosovo, continues to provide 14 percent of the force. Europe as a whole has endeavored to live up to its personnel and financial commitments of support to Bosnia and Kosovo. The following charts indicate their specific levels of military troop support:





The U.N. Mission in Kosovo (UNMIK) police force enjoys continued success. Current numbers indicate that 53 nations contribute 4,485 officers. This number represents 95 percent of the U.N. goal of 4,718 police officers. Additionally, the domestic police academy graduated its twelfth class on 3 February and has placed 3,128 multi-ethnic officers on the beat as a result. I can report the U.N.'s policing plan is on target and the effort continues to put 300+ officer graduates on the street every month to work - and learn - alongside UNMIK's veteran contract officers.

U.S. contributions to NATO are based on The North Atlantic Treaty signed on 4 April 1949. The annual U.S. funding commitment is an obligation to cover approximately one-quarter of the NATO funding requirements as set by consensus of the Military Budget Committee composed of representatives from each of the participating nations. Once funding is committed, the prestige and credibility of the United States is irrefutable and must be met.

Consequently, a failure to provide adequate funding to meet this commitment forces the DoD to reprogram funds from other established mission essential programs. Shortfalls in NATO funding have been chronic in the past and have only served to erode national programs. I encourage Congress to realize that full funding of our NATO commitment will ensure the full execution and realization of national programs, as well as the continued security and stability of Europe as afforded by NATO.

In closing on the topic of the Balkans I do want to make one further comment and that is in regards to the pursuit and eventual apprehension of Persons Indicted for War Crimes (PIFWCs). There are few higher priorities in the international community's efforts in the Balkans than bringing PIFWCs to justice regardless of what you might hear or read, but it is slow and dangerous work. American forces, working alongside their NATO counterparts,

are fully committed and one day I am confident these indicted criminals will be delivered to the International Criminal Tribunal for the Former Yugoslavia (ICTY) at The Hague. To date approximately one hundred have been indicted and 71 delivered to the ICTY, killed during apprehension efforts, or have otherwise died. This process will continue until such time as justice is satisfied.

Operation Northern Watch

The Combined Joint Task Force (CJTF) Operation Northern Watch, consisting of forces from the U.S., Turkey, and the United Kingdom, continue to fly dangerous and complex missions in the enforcement of the No-Fly Zone (NFZ) over Northern Iraq, and monitoring Iraqi compliance with applicable U.N. Security Council Resolutions.

In the last few months, however, the situation in the zone has been further complicated by a dramatic increase in the number of international "humanitarian flights" into Iraq, as well as the introduction of domestic Iraqi flights into the NFZ. Coalition forces have taken appropriate measures to ensure that civilian aircraft will not be endangered by ONW activities. There is no guarantee of what actions Saddam Hussein might initiate; however, he has altered his primary strategy from open defiance of ONW presence, to eroding international support for applicable U.N. Resolutions.

Russia

U.S. and Russian soldiers execute common missions side by side against common threats in the Balkans. Our deployed forces have performed ably together and have developed positive and extremely important combined

training and operational activities. In spite of five years of operational cooperation and success however, our overall attempts to engage more broadly with Russia are mixed. Ideally, Russia will harmonize its security concerns with NATO, further strengthening stability in the region. A remilitarized or a failed Russia would lead to increased instability and danger not only to its neighbors, but to vital U.S. security interests as well. The U.S. supports favorable developments in Russia with its bilateral engagement efforts, as well as through its support for the stability, sovereignty, and economic development of the Ukraine, Moldova, and the Caucasus' states.

Caucasus

The Caucasus region is vitally important to the United States for at least two major reasons: the impact on the emerging Russian national self-definition, and its capacity to fulfill European hydrocarbon energy deficits. Despite its remoteness from the U.S., the region will have a decisive impact on international political developments in the early 21st Century.

The importance of Caucasus oil and gas reserves, and the necessity of their supply to meet growing European energy needs, comes precisely at a time when Russia is still immersed in its yet to be completed social, political, and economic revolution. It also comes at a time when China is emerging as a major regional economic and political power, with vastly increased energy requirements. Despite this critical time, America has imposed on itself considerable constraints towards our policy and influence in this region.

A key constraint to full American peaceful engagement in this region is Section 907 of the 1992 Freedom Support Act. The Act prohibits government-to-government assistance to Azerbaijan until such time as "steps are taken"

to lift the economic embargo sponsored by Azerbaijan against Armenia, with the exception of counter-proliferation programs. The DoD applies an "equal treatment" policy toward Armenia to avoid compromising the U.S. position as mediator in the Nagorno-Karabakh conflict. Other subsequent legislation has opened up several narrow "carve out" areas to Section 907 for military and other engagement activities: democratization; counter-proliferation; humanitarian demining operations; and humanitarian assistance. While these niches have allowed us to initiate preliminary military contacts with Armenia and Azerbaijan, they are extremely narrow and do not allow USEUCOM to respond to both nations' enthusiastic desire for substantive engagement activities.

Were it not for Section 907, Azerbaijan, based largely upon its geostrategic position, pro-western economic, political, and military orientation, and its abundant energy resources, would be a very high priority for USEUCOM engagement efforts. A stable Azerbaijan is necessary not only for its vast energy deposits, but also to help forestall terrorism and the proliferation of weapons of mass destruction. U.S. policy has had the effect of frustrating Azerbaijan's pro-NATO policy and desires to expand its relationship with Europe and the U.S. I would ask you to take a hard look with the intent of modifying this legislation to afford the opportunity for our military to properly engage with our counterparts in this vitally important region of the world. Such an initiative would strengthen our ability to influence this region for the next generation and beyond.

Armenia has also persistently and vocally pursued at the highest levels closer ties to the U.S. Armenia's motivation lies in its eagerness to balance its historic dependence and partnership with Russia, enlist the U.S. to mitigate historically hostile relations with Turkey, and attract potential economic development assistance and investment that Russia has not been able

to provide. In particular, Armenia has asked for our advice on establishing a program of instruction for a national military senior service college and for help in establishing peacekeeping units that could participate in international efforts such as the Balkans. Due to Section 907, however, these are opportunities USEUCOM cannot exploit and we are limited in our efforts to assist these nations in sorting out mutual problems and their futures.

Very briefly, our activity in the case of Georgia has continued to increase since being assigned to USEUCOM's area of responsibility three years ago. Georgia will host its first large multinational NATO Partnership for Peace exercise with USEUCOM support in 2001, providing a good example of the kind of engagement opportunities we are missing in Azerbaijan and Armenia.

Africa

Africa is a complex, diverse, and often dangerous region of the world. Its countries are evolving into clusters of stability and instability, leading in some areas to promising economic growth and democratic government, and in others to stagnation and autocratic rule. A few are simply chaotic due to coups, civil wars, widespread corruption, or lack of an effective government. While this dynamic mix of political trends and institutions will continue for the foreseeable future, the Administration seeks to bolster stability and democratic transformation through a policy of engaging with key partner states and regional "success stories." We who watch Africa closely anticipate fewer African "wars" but an ever-increasing scope of conflict as failed states and the emerging transnational threats and humanitarian crises provide the conditions for instability. Unstable political environments, austere conditions, and asymmetrical threats where the enemy is not clearly

defined, either by uniform or position on the battlefield, will characterize the operating environments.

Small programs, such as our Humanitarian Assistance Program (HAP), are key engagement initiatives in Africa that satisfy both DoD and State

Department objectives. Small dollar amounts have yielded big dividends in terms of the U.S. military impact in Africa. With approximately \$17M for FY01, USEUCOM will be able to complete more than 120 projects in roughly 50 African and Eurasian countries. Engagement through the African Center for Strategic Studies (ACSS), Near-East South Asian Center, African Crisis

Response Initiative (ACRI), and the West African Training Cruise (WATC) are also helpful for promoting African stability. Joint Combined Engagement Training with African partners, in addition to giving our Soldiers the chance to improve their capabilities to work in multiple environments, expose African soldiers to the U.S. military, challenging them to improve their professional skills. By leveraging the resources of programs such as these we seek to help shape the African environment in a positive way.

Sub-Saharan Africa

The portion of Sub-Saharan Africa in USEUCOM's area is an immense geographic area comprised of 37 countries and four primary sub-regions, each with significant environmental, cultural, political and economic differences. USEUCOM has identified its three principle objectives for military engagement in Sub-Saharan Africa: promote stability, democracy and a professional military; provide prompt response to humanitarian crisis; and ensure freedom of air and sea lines of communication. By applying resources against established objectives, the intent is to reinforce success and work to prevent crises before they occur. There are three critical issues preventing

peace, stability, and economic development in the Sub-Saharan Africa region: the war in the Congo (DROC); the conflict in Sierra Leone; and the HIV/AIDS pandemic; all of which are unrestrained by boundaries or borders. Each is a contagion that threatens current and future stability throughout the continent.

With the assassination of President Laurent Kabila on 16 January 2001, the future situation in DROC is uncertain. Joseph Kabila, the late President's son, was sworn in as President on 26 January 2001. Within DROC there are military forces from six different nations participating in the conflict. The countries previously supporting the late President - Zimbabwe, Angola, and Namibia - have pledged continued support to the new government in its civil war. Additionally, the nine countries bordering DROC are significantly impacted socially and economically by the war to varying degrees. The sheer size, geographic location, vast mineral wealth, and economic potential in DROC guarantee that peace in the Congo is inextricably linked to stability throughout the region. The existing Lusaka Peace Accord is the best opportunity to resolve this conflict. President Joseph Kabila recently held a historic meeting with Rwandan President Paul Kagame in Washington in February where both sides pledged to renew efforts to implement the Lusaka Peace Accords. President Kabila also met with Secretary of State Colin Powell the same day. Within the limits of U.S. law and policy, U.S. European Command continues its limited engagement with all parties in an effort to demonstrate neutrality and urge support for the Accord and the U.N. Mission to the Congo.

The situation in Coastal West Africa continues to smolder and destabilize the sub-region. While centered in Sierra Leone, this conflict also involves Liberia, Guinea, and Burkina Faso, as well as the sixteen other

members, directly or indirectly, that comprise the Economic Community of West African States (ECOWAS). Through support of the U.N.'s mission to Sierra Leone, support to British efforts, and training and equipping countries contributing to the ECOWAS Military Observers Group, USEUCOM works to contain the spread of this conflict, as well as create the conditions for future peace and stability in the region.

Sub-Saharan Africa is the region most heavily infected with HIV in the world. The region accounts for two out of every three of the world's HIV infections, and represents over 80 percent of global HIV/AIDS deaths. The prevalence of HIV in sub-Saharan militaries varies greatly, but it generally exceeds that of the civilian populace. Many militaries have infection rates as high as 20 to 50 percent of the force. As African militaries participate not only in conflicts but also in peacekeeping and humanitarian relief operations outside their borders, HIV follows. We are committed to working with African militaries to contain the spread of HIV/AIDS through education, awareness, and behavior modification.

North Africa

The strategy in North Africa is anchored by bilateral relationships with what USEUCOM sees as two cornerstone countries - Morocco and Tunisia.

Recent developments in Algeria have also prompted measured engagement activities with that country. Complementing these bilateral relationships is a developing regional approach to engagement in North Africa and the Mediterranean.

There are three prime sources of tension in North Africa. The first is the Islamist insurgency in Algeria where the government's amnesty offers have

persuaded moderate rebels to surrender, while security forces remain engaged in fighting hardliners. The behavior of both the military leadership and insurgents will be critical to the progress of political reform efforts and the environment for badly needed foreign investment. Complete restoration of civil order in the countryside will likely take years, and social tensions will exist long after the conflict. There is optimism, however, as it appears there is a general trend towards greater internal stability.

The second key source of tension is Libya - long a source for concern as its leader, Muammar Qadhafi, continues to pursue the development of weapons of mass destruction and associated delivery systems. Islamist opposition to Qadhafi has found limited popular support and has met with a strong effective response from Qadhafi's security forces.

The third source of tension is the unresolved dispute in the Western Sahara. The King of Morocco, Mohamed VI, has initiated a series of measures to make the administration of the territory more positive, but the U.N.-sponsored process to hold a referendum on the final status of the territory remains bogged down over disagreements about the voter list. At times, this confrontation contributes to dangerous tensions between Morocco and Algeria.

Africa will remain a challenging environment for the foreseeable future. USEUCOM will continue to pursue a program of active peacetime military engagement to shape the region and pursue our objectives with the aim of maintaining stability and preventing crises before they occur. Solutions to many of Africa's challenges are elusive, but USEUCOM is managing threats and capitalizing on opportunities where we can.

MODERNIZATION AND PERSONNEL ISSUES

Several modernization and personnel issues are being addressed at USEUCOM and I want to highlight some of those that Congress might positively influence and support.

Organizational Transformation Benefits to USEUCOM

There is high probability that there will be repeated demands at the center of the spectrum of conflict, as well as the possibility of high intensity small-scale contingencies. Responding to this reality the Army has articulated a new vision for a strategically responsive and dominant force to effectively meet the full spectrum of future military operations. The Army's "Transformation" will occur in three phases, eventually resulting in the "Objective Force." The Objective Force aims to be able to send a brigade anywhere in the world in 96 hours, a division in 120 hours and five divisions in 30 days. The two divisions in Europe must also meet this standard by resourcing the training, exercises and infrastructure that support strategic mobility. Only through proper resourcing of our two divisions will this Objective Force be able to provide the deployability, maneuverability, and lethality necessary to conduct operations throughout the full spectrum of conflict.

Another key benefit for USEUCOM is the ability to rapidly move lighter vehicles between training areas and countries within this Theater. As a potential force provider to other unified commands, most notably U.S. Central Command, future commanders will find that enhanced mobility of the Transformed Army also enhances deployability. The capability to deploy within a matter of hours to trouble spots in Africa and less developed

countries of Eastern Europe offers a range of options that are simply unavailable today.

As the Army transforms it will reduce the logistics tail considerably. By operating from a single family of vehicles, significant efficiencies will follow. Much of the larger and more demanding logistics support activities will occur outside the operational area, reducing the logistics footprint.

Permanently stationed forces will be able to train effectively in the AOR, where many of the training activities of heavier forces will become increasingly problematic. Less noise and disruption of the local populations during movement to and from major training areas (MTAs) make it more likely that permission will be granted for maneuver training off MTAs. This will allow the widely dispersed units of the V Corps to greatly expand maneuver training, at a much-reduced cost.

Similarly, the Air Force transition to the Expeditionary Air Force (EAF) concept has resulted in improved responsiveness in meeting the diverse needs of USEUCOM. Organized into multiple AEFs to support ongoing operations, Air Force personnel are now afforded predictable rotations. This new stability has improved morale, stabilized training, and assured necessary reconstitution time, thereby improving the combat readiness of all involved forces. USAFE forces are integral to the EAF. They provide, in addition to resident combat capability, the backbone that supports ongoing AEF operations over the Balkans and northern Iraq.

Special Operations Forces

An invaluable tool for the effective implementation of our engagement programs is Special Operations Forces (SOF). These forces focus largely on their unique capability to organize and train indigenous forces in internal defense. By interacting with foreign military counterparts throughout the Theater, SOF instills in host nation forces a sense of loyalty and professionalism that support democratic government and ideals. In the process, SOF gains valuable training and cultural experiences from these regional engagements. In FY01, Special Operations Command, Europe (SOCEUR) has scheduled 101 JCET initiatives in 52 countries. Special Operations Forces become USEUCOM's force of choice for engaging on the fringes of the Theater in uncertain environments to open new doors and to shape the battlespace in preparation for possible contingency operations.

Reserve Components

Total Force integration means conducting military operations that fully utilize the unique capabilities of the Reserve Components (RC) of all Services. Reserve utilization requires a balanced and proportional approach that considers Service competencies and capabilities and matches those competencies to best support Theater missions. The U.S. European Command's ability to undertake missions is growing increasingly dependent upon capabilities offered by the reserves and the National Guard.

In an effort to ease active component operational tempo the Services are increasing their use of reserves in contingency operations in the Balkans. The 49th Armored Division (Texas Army National Guard) successfully completed a rotation as the command element of Multi-National Division

(North) in Bosnia last October. Their performance was superb and I want to take this opportunity to publicly applaud the great job they did last year. The Navy Reserve contributory support to this AOR for Operations Joint

Guardian, Joint/Deliberate Forge and Northern Watch has included filling 89 percent (237,600 workdays) of all Navy billet requirements as of July 2000. The Air Reserve Component provides 60 percent of the total KC-135 tanker aircraft needed for Operation Deliberate Forge providing air-refueling support to NATO aircraft flying missions over the Balkans. At the end of last fiscal year there were 1,244 Guard and 2,775 reserve members on active duty in support of the two operations in the Balkans. The reality is SFOR and KFOR stability operations will continue to require augmentation from the reserve community for the foreseeable future, especially in the area of civil-military operations and peace support operations.

Reserve Components are an increasingly important asset for USEUCOM's operational activities, combined exercises, training, combined education, humanitarian assistance, and security assistance efforts. Reserve support to the Theater, however, is not limitless. There are constraints that require a deliberate and well-thought-out balance of reserve force functions in the total equation of requirements. The requirements of employers and families demand advance notice of deployment and training. Reserve Service members require predictability in order to manage business and personal affairs. Accessibility and volunteerism are factors that require reasonable lead-time to match and mobilize assets to the mission.

The PERSTEMPO management legislation enacted in the FY00 National Defense Authorization Act will help provide standards and limits for all Service member deployments. While PERSTEMPO management provides stability and predictability for the Service member, it may increase personnel

turbulence and cost due to an increased frequency of personnel rotations.

Anecdotal evidence has suggested that increasing use of the RC has a negative impact on Service members' personal lives and may affect recruiting and retention goals.

Combat Aircraft Modernization

To a large degree tactical aviation has shouldered much of the nation's foreign policy when that policy called for the use of force. A decade ago Operation Desert Storm commenced with an unprecedented air assault against Iraq's military forces involving hundreds of U.S. aircraft flying tens-ofthousands of sorties around the clock. Since that time American aviators and aircraft have maintained the NFZ over Iraq, and since Operation Northern Watch was established have flown nearly 13,000 fighter sorties alone. More recently we have seen the use of our strike assets over the Balkans to stop the killing in Bosnia and to compel Milosevic to withdraw Yugoslav forces from Kosovo during Allied Force. The demands of modern warfare for precision strike to maximize combat effectiveness while minimizing collateral damage clearly demonstrate the increased need for all-weather/all-target capability. The fact of the matter is, however, many of our tactical aircraft - F-18s, F-15s, F-16s, AV-8s, and A-10s - are aging and nearing service life. Even the F-117 "Stealth Fighter," thought by most to be a new system, has an average age of 9.7 years and relies on dated technology. Currently, possible replacements - the F-22, "Joint Strike Fighter," and F-18E/F - continue in development and are likely part of the Administration's defense review.

Airlift Modernization

Systems modifications are required to keep our airlift aircraft viable particularly for USEUCOM's fleet of C-130s. These airplanes, now approaching 30-years of age, are essential to the success of several USEUCOM mission areas. From support of USEUCOM army units, including combat airdrop and resupply, to execution of humanitarian relief operations, these aircraft are a critical ingredient in maintaining a force projection capability in both combat and during peacetime. It is almost a certainty that the missions and roles this aircraft fulfills will only be more crucial in the future.

Air Traffic Control

The tremendous growth in air traffic and communication industries in Europe presents increasing challenges for air traffic control agencies, civil air carriers, and military aviation. Just as in the United States, the European air traffic system requires significant improvements to increase capacity and reduce delays. At the same time, expansion of communication technologies is pressuring a limited radio frequency spectrum. To address these challenges, European countries are mandating more efficient air traffic communications systems and avionics. The U.S. has many similar plans; however, Europe is leading worldwide implementation due to its current frequency and air traffic congestion. We have no choice but to equip our aircraft for flight in the airspaces of Europe as well as the rest of the world to allow access to perform our mission.

INTELLIGENCE AND COMMUNICATIONS INFRASTRUCTURE

For the past several years, we have been living in a new operational environment for both conventional and support operations as technological advances change the way our potential adversaries and the U.S. military operate. At the same time, military forces have become the spearhead for several nation-building efforts. To meet these challenges, our intelligence collection and analytical efforts must constantly adapt to keep pace with the evolving intelligence demands associated with these new mission areas.

Potential asymmetric attacks, including WMD, terrorism and Information Operations, may be directed not only at our deployed forces, but also at our critical infrastructures.

Intelligence Support to USEUCOM

National agency support, including overhead collection, analysis and reporting, is critical to supporting our operational forces and engagement strategies. While we continue to revalidate our commanders' intelligence requirements and economize our requirements on these national resources, there is no theater capability to complement national collection support.

Defense Intelligence Agency (DIA) capabilities are critical to meeting USEUCOM intelligence needs. In particular, the contributions of the Defense Attaché System provide first-hand insights into the military-to-military relations in each country and timely reporting on crisis situations. The initiative to expand Defense Attaché Office presence in Africa is important to our engagement programs. In addition, DIA is leading a defense intelligence community effort to meet future challenges. This effort includes improvements to the database to enhance future targeting

capabilities, increased interoperability between national levels and tactical commanders, and an emphasis on new threats such as WMD and terrorism. The most significant of these is the emphasis on the workforce to ensure the intelligence workforce is capable of meeting these and other threats now and in the future. I am confident these initiatives will shape and improve defense intelligence support for the warfighter.

USEUCOM relies heavily on National Security Agency (NSA) products and services. The actions undertaken by the Director of the NSA to transform the agency into an organization that will successfully respond to future threats of the Information Age are critical to ensuring the safety of our forces. Funding support for NSA's efforts will help mitigate trade-offs during NSA's transformation process, while ensuring the timely deployment of capabilities needed to exploit and defeat modern adversaries. Such funding will have the added benefit of meeting USEUCOM's needs now, and into the rapidly evolving future.

The National Imagery and Mapping Agency (NIMA) provide critical imagery intelligence (IMINT) and geospatial information support and have repeatedly demonstrated its responsiveness to USEUCOM crisis operations. The need to precisely engage targets while minimizing collateral damage requires accurate and timely spatial and temporal intelligence. NIMA initiatives to develop a global geospatial foundation are critical in achieving our operational and engagement objectives. Additionally, NIMA's efforts to provide a critical IMINT tasking, processing, exploitation, and dissemination (TPED) system are crucial in fully realizing the benefits of our next generation imaging satellites. The recent Congressionally-directed NIMA Commission, however, concluded TPED is under resourced overall, and the U.S. cannot expect to

fully realize the promise of the next generation of IMINT satellites unless NIMA TPED is adequately funded.

Information Dominance

In conducting our missions and executing our responsibilities, USEUCOM commanders have an indispensable edge: We enjoy "information dominance" that comes from the interaction of superior intelligence and information infrastructures. However, that edge is perishable and is constantly threatened. The section addresses our health in both.

Command, Control, Communications, and Computer Systems Infrastructure

Europe's Command, Control, Communications, and Computer Systems (C4) infrastructure needs improvement to be able to handle a major crisis. Many USEUCOM networks were built in the 1940s and '50s to support low-bandwidth voice service, and are simply inadequate for evolving high bandwidth demands, such as worldwide command and control video-conferences, live Unmanned Aerial Vehicle (UAV) video feeds, electronic tasking orders for our air and land forces, theater-wide situational awareness, and full implementation of DoD's Global Combat Command and Control and Global Combat Support Systems. These systems are the foundation of USEUCOM's command and control capabilities.

The Theater's World War II-era infrastructures suffer weather-related degradation in copper cables still insulated with wrapped paper. Increased network loads and failure of critical components cause unacceptable system delays and outages. Many Naval sites in particular are unable to meet the minimum requirements for the Navy/Marine Corps Intranet - their primary information service network. Furthermore, current infrastructure does not

support Information Assurance (IA) measures, potentially allowing our collection, analysis, dissemination, and command and control functions, to be jeopardized by hostile or inadvertent interference.

We depend upon information services and network-centric command and control to enable smaller forward deployments, rapidly deployable joint task forces and task force component commands, shorter decision times, and improved force protection capabilities. This reliance makes targeting our networks an attractive option for adversaries unable to field conventional forces against us, and makes IA an absolute must if we are to maintain information superiority, and the integrity of our command and control.

USEUCOM's satellite communications lack flexibility, and capacity is extremely limited. In the event of a major crisis in Southwest Asia, nearly all of our mission-essential communications could be pre-empted by the surge in bandwidth requirements from U.S. Central Command. Realistically, this infrastructure needs to be replaced with modern high-bandwidth capability preferably within the next 5 to 7 years - a significant investment, but one that we can't afford not to make.

Other Areas for Investment and Improvement

Recent process improvements have enhanced coordination and prioritization of scarce intelligence, surveillance, and reconnaissance (ISR) resources across numerous worldwide requirements. However, airborne collectors remain a "low density - high demand" asset. Our ability to penetrate denied and high-risk airspace is critical to deliver the real-time threat awareness to deployed forces in places like the Balkans, Northern Iraq, and the Levant. We need to ensure the development of these

capabilities, including long dwell UAVs with both imagery and signals collection capabilities, stays on track in order to deliver necessary warning and force protection in threatening and uncertain environments.

RESOURCES

America's most precious military resource, Service members and their families, are our number-one combat multiplier. The well being of the family is one of our top Theater priorities, and is inextricably linked to readiness, retention, and reinforcement of core values, healthy family life, high morale, and mission accomplishment.

Quality of Life

The quality of our housing, medical care, schools, religious services, public facilities, community services, and recreation activities in Europe should reflect the American standard of living — a value we have all pledged to defend. Our most important FY00 Quality of Life (QOL) objective was to analyze and quantify the impact QOL has on readiness and retention. We took "expert testimony" from senior enlisted advisors and family members across the Theater. Their conclusions paralleled previous year evaluations with family housing and barracks, spouse employment, childcare and health care, dependent education, and now the work environment consistently identified as lagging the farthest behind.

Military Infrastructure

We have seen many positive results from increased Congressional funding last year and we all applaud and are thankful for Congressional efforts to

ensure the readiness of our forward deployed forces and families. Of particular note, the recently added \$25M provided to the Army in Europe to plan and design their "Efficient Basing Initiative" is greatly appreciated, and will prove important as we work to revitalize our existing infrastructure. However, there is still a substantial amount of work to do to adequately provide for our Service members, civilians, and family members who deserve quality housing, workplace, and community facilities.

Housing, both unaccompanied and family, has improved continuously for the last three years and the outlook is promising. The elimination of gang latrines and the renovation of the barracks and dormitories to DoD's 1+1 standard has been a major morale booster for our troops and our Components are on track to meet the Defense Planning Guidance (DPG) requirement for FY08. Military Family Housing throughout Europe as a whole remains old, however, and is well below contemporary standards, and in need of extensive repairs and modernization. Although our housing programs in Europe are generally on track to meet DPG requirements for FY10, for the Air Force alone, military housing construction allocations of over \$100M per year for the next decade will be required to achieve minimum housing requirements. Quality housing for military members and their families continues to be a critical element in attracting and retaining the high caliber personnel who make our military forces the best in the world.

With trends in housing and barracks positive, it is now essential to focus our attention on the quality of the infrastructure of our communities and work facilities in Europe. Sustaining, restoring, and modernizing facilities are critical to properly supporting the military mission within the Theater. From runways for our aircraft to the work place for our troops, the infrastructure support for our operations and people has weakened over

time. This failing infrastructure is due to almost a decade of placing MILCON and Real Property Maintenance funding at a lower priority than other needs. Significant investments need to be made over the next decade to enhance our warfighter's support infrastructure and demonstrate to our people that they are indeed our most valuable resource.

USEUCOM is aggressively using all available funding sources, including the NATO Security Investment Program, Residual Value, Payment-in-Kind, and any additional funds provided by Congress, such as last year's Kosovo MILCON Supplemental Appropriation, to help reduce costs and meet escalating requirements. Additionally, some European base closures and consolidations will reduce future costs, enhance readiness, and increase effectiveness. Current ongoing efforts include the Army's proposed relocation of an entire brigade combat team currently spread across more than 13 sites, to the Grafenwoehr/Vilseck, Germany area. This consolidation will significantly improve command and control, enhance training opportunities and vastly improve quality of life for the troops and family members - while saving approximately \$40M per year in infrastructure costs.

With our continuing resolve to reduce the footprint while maintaining presence in our AOR, recapitalization has also become a critical issue. Progress is ongoing with the Naples Improvement Initiative nearly completed and construction efforts at Naval Air Station (NAS) Sigonella about to commence. These efforts will provide a significant improvement in both quality of life and service for sailors stationed in the European Southern Region.

These and other initiatives are essential for posturing our forces to better perform their missions, both now and in the future. In the meantime,

we will continue to endeavor to help ourselves first and work every opportunity for internal efficiencies through consolidation, privatization, and ensuring maximum benefit from available funding.

Dependent Education

With over half of USEUCOM Service members supporting families with children in school, the quality of DoD's dependent education programs ranks very high in determining QOL for our civilian personnel and Service members. As with many of our other QOL programs, lack of adequate infrastructure funding is the top concern. Since many of our schools are remote, program based staffing is critical to provide a full range of educational opportunity for all students in music, art, and associated after school activities. We must take aggressive action to expand vocational, technical and school-to-work opportunities for our students. Finally, we must work toward establishing an 18:1 student-teacher ratio for kindergarten and to provide a Talented and Gifted program for middle schools similar to what is currently available at our high schools.

CONCLUSION

The U.S. European Command, which I am proud and honored to command, is executing new and exciting missions everyday, while successfully maintaining its warfighting edge. USEUCOM has also been active and has indeed expanded its engagement efforts, working to influence the military evolution of NATO, PfP, and emerging European defense structures. Finally, USEUCOM has seized new opportunities involving Russia, the Caucasus, and Africa, and will continue to seek new openings to expand our relationships.

Although our current posture is favorable and capable of meeting our national security interests, our infrastructure in particular is in need of upgrade and replenishment. Generally, significant increases in funding are necessary to maintain our readiness, continue current engagement efforts, and make the necessary investments to sustain our quality of life

Without bipartisan Congressional support, USEUCOM would not have been able to realize the achievements accomplished over the past year. On behalf of all personnel in the USEUCOM Theater, I want to thank the Committee for its support.