

**COMMISSION ON
THE NATIONAL GUARD AND RESERVES**

**HEARING ON PROPOSED CHANGES TO
THE NATIONAL GUARD**

11:30 A.M. SESSION

WITNESS:

**THE HONORABLE FRANCIS J. HARVEY,
SECRETARY OF THE ARMY**

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MR. ARNOLD PUNARO: Commission will come back into order. Welcome to the second of our three sessions today on S. 2658 and H.R. 5200, the proposed, quote, National Defense Enhancement and National Guard Empowerment Act, end quote.

In enhancing the position of the chief of the National Guard Bureau, this legislation would, if enacted, also modify longstanding relationships between the Army National Guard and its parent service.

Our second witness this morning is Secretary of the Army, Fran Harvey. In both Afghanistan and Iraq, as the secretary knows full well from his firsthand visits to the field and his efforts to take care of the troops when they come back home, our ground forces have borne a substantial burden of the war fight both for combat troops and for the large combat service support capabilities required to support an effort of this size. And, of course, you brought with you your tremendous Guard and Reserve leaders that have been so helpful to the commission and also have been responsible for ensuring that those forces are trained, equipped and ready to go and have performed well. So, Reservists and National Guardsmen have been a critical element and at one point, I believe, they represented more than 40 percent of the forces in the theater.

At the same time, the National Guard – primarily the National Guard – has had to maintain a response capability for domestic crises large and small within the homeland and this has been a longstanding historic mission of the Guard, one that the Army – Department of the Army – is fully supportive of and capable of and, over the long course of history, actually ran civil support to military activities until moved DOMS up into the Joint Staff and made it the JDOMS.

So, Secretary Harvey, along with the chief, General Schoomaker, has been at the center of the very, very difficult challenges and task of trying to juggle competing demands for constrained resources for the active Army, the Reserve as well as the Guard, particularly in its dual mission requirements.

One of things we've been trying to do in the hearings, Secretary Harvey, is try to see if can't get agreement on the identification of the problem that proponents are trying to fix. So, congressional proponents of the S.2658 and H.R. 5200 have often cited what they term – I'm not saying this is a commission term – what they term the Army's last minute budget decision to possibly cut Army National Guard end strength by approximately 17,000 as one of the several examples of the need for the National Guard to have a stronger voice in the Pentagon's planning, programming, budgeting and execution process.

And I know in our conversations with the governors, particularly the panel that represents homeland defense and the National Guard, they were very concerned about the

Army's decision. And, as you know, they are very concerned about the impact of Army decisions and impact of the war on their needs back home. And in February 2006, as the governors signed a joint letter about the Army's decision in expressing concern about the impact on the National Guard's new dual mission.

The governor reiterated that concern in a letter to us last Friday identifying the principles they suggest should guide the commission's deliberations. And the governors' letter – and we put it in the record and, frankly, if we didn't make a copy of it available to the Department of the Army, we should, but it's not something that will surprise you. But, what I've found particularly helpful about it is the governors really came in with a set of principles they thought we ought to look at as opposed to specifying a lot of different solutions.

And so, that's one of the things we want to explore with you. What are the criteria or principles we ought to keep in mind as we make recommendations in these areas? And so as you discuss the provisions of the National Guard Empowerment Act, it would be very instructive, Mr. Secretary, if you could spell out, if possible, when prioritizing resourcing requirements how the Army accounts for the training, equipping needs of the Army National Guard and its homeland security and civil support role. And, again, if possible, we ask you to look at what might be some alternative ways of dealing with some of these problems.

So, we certainly thank you for being here this morning. This commission thanks you and the Chief. The Army has been tremendously supportive and cooperative of the commission's work, not only with the interminable calls for data with the department gets from multiple, multiple sources, but just the access and the support for our travels and missions and the Army couldn't have been more helpful and more cooperative as we proceed ahead and, particularly, value your input and testimony here this morning.

So, Dr. Harvey.

SECRETARY FRANCIS HARVEY: Mr. Chairman, distinguished Members of the Commission, on behalf of the over one million U.S. Army Soldiers and families, I want to thank you for this opportunity to testify on matters related to the Army National Guard and Reserve. These issues are of critical importance to the United States Army, because we are fighting the Global War on Terror with our Army National Guard and Army Reserve as an integral part of our operational force. This is in contrast to the strategic reserve role that they have had in previous conflicts. Consequently, to meet the sustained global demand for Army forces, and to establish acceptable levels of readiness across the force, we must have recurrent, assured and predictable access to cohesive Army Reserve and the Army National Guard units.

The media widely reported the observation that the Global War on Terror has now lasted longer than the Second World War. But I believe they are measuring the Long War using the wrong yardstick. The Cold War, which pitted political, ideological and economic adversaries against each other for over 45 years, would be a more appropriate

comparison. This war is a protracted test of ideologies against an enemy whose stated intention is nothing less than to destroy our free and democratic way of life.

To meet the security threats of the 21st Century, the National Defense Strategy, which was updated during the 2006 Quadrennial Defense Review – the so-called QDR – directed the Army to have a total of 18 to 19 Brigade Combat Teams, plus support brigades, available for deployment at all times. Based on the QDR demand for forces, coupled with the fact that the active component is nearly 35 percent smaller than it just was 15 years ago, the Army is transitioning the reserve component from a strategic reserve to an operational force, with plans to meet the QDR demand through a combination of active, Guard and Reserve forces. Furthermore, both existing and projected demand for Army forces significantly exceeds the QDR-directed baseline, which further reinforces the need for an operational reserve component.

Finally, to manage the force in the most effective and efficient manner, we are employing a rotational management process we call the Army Force Generation model, or ARFORGEN, for short. Through this process, units are systematically and progressively made ready for deployment in a way that reduces stress and allows us to sustain the Army for the Long War. For all of the above reasons, we must have recurrent, assured and predictable access to reserve component units. Simply put, it is an operational necessity.

In response to the change to an operational force, the Army, as part of “The Army Plan,” is rapidly transforming and modernizing the Army National Guard and the Army Reserve in a manner consistent with the active component. We are fundamentally changing the way we organize, train and equip our reserve component force.

In terms of organizing, we are transforming all components to a modular design as well as rebalancing skills across the total force to ensure we have the right type of units and soldiers. We are building a pool of 60 – excuse me, 76 brigade combat teams and over 225 support brigades across the three components. The end state of this process will be a fully manned, trained and equipped force with comparable structure, equipment and capabilities balanced between the active and reserve components.

In terms of training, we recognize that our rebalancing efforts have created a number of reserve units whose soldiers are no longer considered qualified for their military occupational specialties, or their MOS. For example, soldiers who once were qualified field artillerymen are now military policemen. To meet this need, we have significantly increased the number of seats in MOS-qualifying schools that are allocated to the reserve component. In FY04, the Reserve Component was allocated approximately 64,150 seats; in FY07 we increased this allocation to about 82,400 seats. This is a 28 percent increase in three years.

We are also developing more efficient ways to conduct unit training. We recognize the need to execute as much training as possible prior to mobilizing a unit. We must ensure that we are using our reserve component's mobilized time defending the

nation, rather than conducting training that could have been accomplished at home station. Central to this effort is a reassessment of the number of training days our reserve component commanders will need to accomplish training at home, rather than after mobilization.

We are also equipping our reserve component forces at the highest investment levels in history. Previously, we prepared reserve units for deployment, we had to pull personnel and equipment from across the force. Today we have fielded new Abrams Integrated Management tanks, howitzers, communication equipment to the National Guard. The reserve components are receiving our best night vision equipment, GPS receivers, battle command equipment and trucks. Given the National Guard's role as both an operational force and the states' first military responder for homeland defense and civil support, the Army is committed to resource the Army National Guard consistent with those roles. For instance, we have worked closely with the National Guard leadership to identify dual use equipment in their "essential 10" capabilities. We have since fenced more than \$21 billion for ground systems procurement and \$1.9 billion in aviation equipment in fiscal years 2005 through 2011. This is greater than a four-fold increase over fiscal years 2003 to 2009. In close collaboration with the National Guard, we also fielded more than 11,000 pieces of critical equipment to hurricane states. The Army Reserve remains the nation's first Title 10 responder to provide assistance in serious natural or manmade disasters, accidents or catastrophes that occur in the United States and its territories. To ensure that they can meet these responsibilities we have fenced approximately \$3.9 billion for Army Reserve procurement in fiscal years 2005 through 2011.

The Commission asked me to testify on 15 specific questions related to H.R. 5200 and S. 2658. Today I stand at the end of a long line of witnesses who – with the same message: the proposed legislation that the commission is evaluating is, at best, unnecessary. It would confuse command and control relationships and line of authorities that the department has formed over the past 20 years since Goldwater-Nichols was enacted. I believe that the legislation stems from decades of neglect of the needs of our reserve forces. This partially resulted from a strategy that was based on using the reserve components as a strategic reserve. However, just as our strategy has dramatically changed, so has the department's entire approach to organizing, training and equipping our reserve forces. As the Secretary of the Army, I am Secretary of the Total Army, with responsibility for the Active, Guard, and Reserve. The proposed changes in organization and responsibilities would make it difficult for me to execute my duties under Title X of the United States Code. Quite frankly the proposed solution is intended to solve a problem that I believe does not exist. Today's total Army is the best in the world, and the changes I have previously described in our overall approach optimizes the way we recruit, organize, man, train, equip, sustain and station the Total Army.

The door between my office and General Schoomaker's opens and closes several times each day, as we work together to lead this magnificent organization. We consult frequently and there is no space between us on any issue. General Schoomaker testified before this commission on December 14th, 2006, and he offered three options for

relieving the operational stress on our Army. General Schoomaker's testimony before this commission is completely consistent with recent announcements by the president and the Secretary of Defense regarding end strength and mobilization policy, which in turn reinforce the rationale for the Chief's comments.

General Schoomaker asked for the Commission's support to adjust the policies necessary to enable recurrent, assured and predictable access to the 55 percent of the Army that resides in the reserve components. I believe that the Reserve mobilization policy changes announced by Secretary Gates on January 11th will provide the access we need.

The first aspect of the policy change will involve the way the department manages deployments of reserve forces. Currently, reserve deployments are managed on an individual basis. In the future, we will manage on a unit basis, allowing for greater unit cohesion and predictability for training and deployments. This will provide the combatant commanders with cohesive units that will have a long-term relationship and continuity of leadership. Units will train as a team, deploy as a team and fight as a team.

The second aspect of the policy changes – the policy change addresses the maximum mobilization time for members of the reserve forces. Currently, the policy results in a mobilization time of between 18 to 24 months. We will reduce this timeframe to one year. Prior to this announcement all Army units served for one year with “boots on the ground.” Once mobilization, training, deployment and remobilization activities were added, our reserve forces were mobilized, or had their “boots out of the living room,” for 18 to 24 months. In the future, units will be mobilized for a total of 24 months, and serve in theaters of operation for less than that.

Third, the mobilization objective for Guard and Reserve units will remain one year mobilized followed by five years demobilized. However, today's global demand for Army forces will require selected reserve force units to be mobilized sooner than the current policy goal. That deployment-to-remobilization ratio remains our goal, as does the active component's ratio goal of one year of deployment to two years at home station during periods of high demand.

Fourth, we will establish a new program to compensate individuals in both the active and reserve component forces that are either mobilized for a period of time that is less than established policy goals or deployed for a time period that is more than these goals.

Fifth, we will review our hardship waiver programs to ensure we have properly accounted for exceptional circumstances that extended and repetitive deployments create for our soldiers and their families.

And finally, we will develop plans to minimize the use of stop loss for all components.

Changing these policies is the most efficient and effective way to simultaneously reduce stress on the force and generate the ground forces necessary to meet the combatant commanders' operational requirements. If we do not have recurrent, assured and predictable access to the reserve components, we will have to fundamentally reconsider the organizing, training and equipment strategy that I have just described. It makes no sense to invest all of the associated resources into a force that you cannot use.

General Schoomaker also emphasized to the Commission the criticality of growing the Army endstrength, most importantly the active component. The president recently announced his decision to grow the Army from the current baseline of 482,400. The details of that growth are as follows: first, the temporary growth of the Army of 30,000 soldiers above the current baseline, which was previously approved by the president and authorized by Congress, will now become permanent and, second, in FY08, we will grow the Active Army at the rate of approximately 7,000 soldiers per year for the succeeding 5 years for a total of 35,000 additional soldiers. When we are done, we will have grown the Army by 65,000 soldiers from 482,400 to 547,400. This growth is absolutely required to be able to provide the forces necessary to fight the Global War on Terrorism.

Finally this morning, I want to recognize the contributions of our citizen-soldiers in the current fight. To date over 430,000 Army National Guard and Army Reserve Soldiers have been mobilized since 9/11; of that total 271,000, or approximately 35 percent of the total number of soldier deployments, have been into overseas theater of operation. They have performed their missions at home and around the world in an outstanding fashion, shoulder to shoulder with their active component counterparts. Whether they responded to their "Call to Duty" in OIF, OEF, Airport Security, Hurricane Katrina, the immediate aftermath of the 9/11 attacks, the Balkans, the Sinai, or Pakistani earthquake relief, our reserve components have performed superbly. During my time as secretary, I visit soldiers all over the world. It never ceases to amaze me where I meet our citizen-soldiers: from the flooded streets of New Orleans to the Al Anbar province in Iraq and the mountains of Afghanistan. Unfortunately, another place that I see them alongside their active duty comrades is during my frequent visits to the Walter Reed Army Medical Center. We must never forget the sacrifices that all of our soldiers are making in this war, regardless of their component.

I will conclude by saying that the United States Army has never failed the nation, and it never will. Our nation is counting on us, and we will continue to operate as a Total Force able to meet the full spectrum of operations now and to the future. Thank you and I look forward to answering your questions.

MR. PUNARO: Thank you, Secretary Harvey for that very comprehensive and helpful statement. And also, you brought up your visits, particularly to Walter Reed. Thank you for leadership in supporting many of the non-profit organizations such as the Army Wounded Warrior program that provides so much help to our military families. And, not because our Department of Defense doesn't do that, but the current laws don't allow the Department of Defense to do certain things and so these wonderful citizens of

the United States of America have sprung into action and you've been one of the real leaders in ensuring that they have the support they need. And they're doing so much for our troops because I know firsthand how involved you are in that. So, thank you in that.

SEC. HARVEY: Thank you, Mr. Chairman.

MR. PUNARO: Now let me see if I can – what we're trying to ask our witnesses today is to try to get a little bit of an – to see if we can get agreement on the identification of the problem set and then a little bit of agreement on if they are things that could be done a little better, how would we do that?

One of the things that you're responsible for in your Title 10 responsibilities which you articulated so well is requirement. And one of the things that the proponents of this legislation and, frankly, a lot of witnesses – and I would say, when the RC chiefs testified before our commission in San Antonio, each and every one of them talked about insufficiencies in meeting some of those requirements. That's Title 10.

And then, General Blum here this morning – which is very consistent with testimony he's provided to the Congress and to other bodies over time – says and there really isn't any way to generate requirements for their Title 32, or back home, responsibilities. In fact, that's one where we've been chasing this for months to find out, well who thinks they're in charge and if they do think they're in charge or they're doing anything, we haven't found anybody to roger up to it yet. General Blum testified here this morning that no one's doing it.

So, in terms of – and you talked about all the money that you've set aside for the Army Guard and you called “fence” because one of the provisions of the legislation suggests that they out to have their separate budget for equipping. General Blum testified this morning perhaps a model along the lines of SOCOM, where SOCOM as a combatant command is given, you know, major force program 11, you know. Maybe that's an earmark. I don't know. That's not a term in good vogue these days.

So talk a little bit about this requirements process how you're – and you feel like if the word “fence,” does that mean you've set that aside for the Army Guard and it's not going to be traded off, you know, in any kind of resource allocation? And then, how do we deal with these Title 32 requirements where we've got to have military support to civil authorities and, in a way, it's not recognized now in the planning, programming, budgeting process?

SEC. HARVEY: Let me start out, Mr. Chairman, by answer by saying that I believe the fundamental business processes are in place, the enterprise processes that manage – by which we manage the Defense Department. And that is, we have a requirement or capabilities generation process, the so-called JSIDS (ph). We have an acquisition – defense acquisition system – and we have the planning, programming, budgeting and evaluation system. So, those are the three enterprise level processes by

which we run the department and they are tried and true. They've been in existence for a long time. They've been proved over the year.

Now the – fundamental to that is identifying either – if you want to speak about requirements or capability gaps – and we've done that quite well in the past and that has been proved over the last several years. And I might note, by the participation of the combatant commanders. So that, somebody observed, that the combatant commanders out to participate on the front end of the so-called PBBE process by identifying capability gaps and that we get the programming and budgeting straight.

So the processes are in place. In terms of homeland defense requirements, I would look to the National Guard Bureau and the director of the National Guard and the chief of Army Reserves to participate – and I know they have participated in the front end of that process – very formalized, very systematic, very disciplined building up over, you know, 18 months to a budgeting program that's submitted to Congress, as most of you know.

So it's just a matter of identifying the unique requirements for homeland defense and homeland security that has to be done. And needless to say, in Army speak, as you know, we talk about – in terms of equipment, we talk about move, shoot, communicate, protect the force and others. And many of the equipments that are used by the Guard are dual-use equipment. I mean, a truck is a truck and, you know, if you look at the capabilities that are needed by the Guard, in terms of equipment, many of that's dual-use. But if there's a unique piece of equipment or has unique capability or a unique training requirement or a unique doctrine requirement, we have the processes in place. And I look, really, to the Guard, the Guard Bureau in particular, to identify those. To insert them into the beginning of the PBBS and they will be resourced accordingly and they will be treated accordingly.

Again, I think some of the problem was not a process problem or a principle problem, it was a problem that resulted in a – not into any diabolical or bad way, people would think this is strategic reserve. I got limited resources. I can deal with that if I need them. So I will resource my priorities because I'm treating these as a strategic reserve. That's no longer the case. I hope I've made that clear in my opening statement that that is no longer the case.

And the Chief and I are absolutely dedicated – I don't know if fencing is a legal term, but what we use the word to indicate that there's \$21 billion and, believe me – and you'll see in couple weeks when the FY08 to 13 budget come, a lot more. And we absolutely committed and dedicated to ensure that Guard and the Reserve get those resources because we can't ask them, on the one hand, to be part of the rotational cycle, to be part of the operational force and not equip, train and man them accordingly. That's just – it's not going to happen as long as I'm secretary.

MR. PUNARO: Mr. Secretary that a lot more – and I know you can't tell us the figure today – is that also – would you also consider that in the fenced category?

SEC. HARVEY: In my mental fenced category? Absolutely.

MR. PUNARO: All right, let me – that leads to me a – and I think what I've heard you say on the requirements is you feel like the Army Reserve and the Army Guard should be bringing those requirements to the table –

SEC. HARVEY: Just like the –

MR. PUNARO: -- and if they're not bringing them to the table, okay.

SEC. HARVEY: Just like the COCOMs –

MR. PUNARO: Right.

SEC. HARVEY: -- bring to the table their – you know, their lists and their requirements, and that process has really enhanced the quality of the output in my opinion.

MR. PUNARO: All right. The second issue that proponents of the legislation cite – and this is not their terminology; this is just kind of my shorthand. It's kind of a full seat at the table or a full voice at the table. Strip out this issue of the legislation saying the head of the Guard Bureau ought to be a member of the Joint Chiefs of Staff, and let's just talk about the chief of the National Guard Bureau, who has – and it was interesting, General Blum's answer today that he has many bosses, and perhaps – General Keane (sp), I believe, suggested maybe he has no boss because – you know, we can't figure out who is writing his fitness report, so – (laughter) – maybe he's in an enviable position of having a lot of bosses and no bosses, and whatever hat works best on that given day.

But you are in a position to look at the duties and responsibilities of the chief of the National Guard Bureau, and so there's two issues there. Do you feel he has a full seat and a full voice at the table? And how would you explain – and again, my words not yours – perhaps the misstep or the fumble that I alluded to in my opening statement that got the governors all stirred up? And do the duties and responsibilities of the chief of the National Guard Bureau, particularly when you take into account all the additional things that they are doing now that they weren't doing four or five years ago. Is that a position that – where the duties and responsibilities are commensurate with those of a four-star general?

SEC. HARVEY: Let me answer their participation, and I think that a good example of that is just what happened last week. Secretary Gates had a senior leader conference in the Pentagon, which involves the – certainly himself and deputy secretary, the Joint Chiefs, the service secretaries, and the COCOMs and the undersecretaries, and selected assistant secretaries.

General Blum was at that meeting. General Blum fully participated in that meeting. We had a lot of conversations – in fact, he and I tag-teamed on an issue about Afghanistan, and I think that’s just an example of the type of forums that General Blum participates in.

I know in the QDR was – in the QDR I was on one of the integrated product teams – number six, I was head of it, and it so happened in these product teams I’d look right across the room and there was General Blum. He fully participated in the QDR.

And then you look at the major decision-making councils and boards in the Army, from the Army Campaign Plan, the so-called Army Resource and Requirements Board, the Army ROC – the Army Requirements Oversight – all those forums and all those decision-making bodies have the full participation of the Guard and Reserve. So they fully participate, and I see General Vaughn (sp) and General Stultz and General Blum very often. So they’re fully engaged in all the decision-making processes, and since I’ve been there I think it has even been enhanced to include the separate DOD – the DOD councils and critical decision-making conferences that I talked about. So I think they’re fully engaged.

Now in terms of – I think you asked me, Mr. Chairman, about whether it would be a four-star, and I guess I – when I think about that and I think about – you think about this doesn’t have to be in the Army or in military; it’s in any organization – that the rank, position, case of – of course in case of industry, it’s salary should be commensurate with responsibilities. And the head of the National Guard Bureau plays a very important role as the channel of communications from the status coordinating, but he does not have command and control responsibility, he does not have organized man and train, equip responsibility and corresponding budget and programming responsibilities. So I believe that the rank of four star is not appropriate for that.

But let me say in that regard, I think I look forward to the day where we would have a four-star National Guard general as head of, for example, NORTHCOM, and I think that’s – I look forward to the day because I think, given the right experiences and given the right set of assignments and developments, that’s entirely possible.

Today, I would feel very comfortable with General Vaughn or General Blum as the head of the Army component command of so-called R-NORTH, which is a three-star position. And as you know, in the case of R-NORTH, the deputies – we have a reserve deputy and a National Guard deputy, and that’s kind of baked into the organization.

MR. PUNARO: Let me close out – and thank you very much for the very thoughtful answer there. Let me close out my initial round.

The other issue – and again, strip out this issue of being a member of the Joint Chiefs – is the question of how does the chairman of the Joint Chiefs and the Secretary of Defense get advice on Title 32 matters, you know, from an expert that really understand it, the head of the National Guard Bureau who is talking to the governors all the time, and

there's been some suggestions the charter ought to be amended, but this – kind of stripping away all the bureaucracy, would there be any reason – or would it be an affront – not an affront, but it would complicate your Title 10 – why shouldn't the chief of the National Guard Bureau be able to advise the chairman of the Joint Chiefs and the Secretary of Defense directly on those kind of matters? As he advises you.

SEC. HARVEY: Yes, I think I'll let – I know General Pace is going to testify this afternoon, but let me just say that I'm very aware of the fact – because General Vaughn was one of them – that the chairman does have two assistants; one for the National Guard and one for the Reserve, and General Vaughn assures me that he's in those tank meetings which affect the Guard and Reserve, that he is a full participant. So I think the chairman – and therefore the Secretary of Defense – do have – they have positions and people that do give advice on Title-32-related matters and, you know, every day, day in and day out on a permanent basis.

MR. PUNARO: Thank you very much. We're going to work from my left to the right on this hearing since we started over there, so Commissioner Stump.

E. GORDON STUMP: Just a follow-on with that – the last question. We talked to General Blum and I asked him for some examples, and he gave some excellent examples where he had advised the chairman of the Joint Chiefs, and he had advised the president, and he had advised the secretary of Defense on matters of National Guard issues.

So it would appear that this legislation would do more – would just kind of codify what's already happening.

SEC. HARVEY: Yeah, I think you are absolutely right. And I – again, I don't see any need for it because it operates that way. I know in my own case, in formulating the Army position in the latest changes to the reserve mobilization policies, that whole thing, let me say, started with a board – with a council that I meet with four times a year, the Army Reserve Forces Policy Council, the so-called ARFPC, and is very valuable meetings that we have – two to two-and-a-half hours, four times a year; and the ideas, with certainly participation of General Blum and General Vaughn and representatives throughout the reserves, and many, many TAGs from many states that participate in that.

All the ideas came out of that, and they were recommended to me, and out of that came this very key recommendation of one-year mobilization. That was – that came right out of the armed forces – the ARFPC, so to speak, and headed up by Steven and General Vaughn. So they provide real-time, unfettered advice to me. I just told you about a meeting that they participated – that General Blum participated in and gave advice or input to the secretary of Defense, the chairman of the Joint Chiefs in open forum, and in closed forum. So I just don't see a need for it. It's – again, not to be trite about it, but it's a solution looking for a problem that doesn't exist because we currently operate that way, and we'll continue to operate that way.

Again, the fundamental change here is it's an operational reserve or force, and it has to be treated that way, and the input has to be listened to, respected, and integrated into all our plans.

MR. STUMP: I think the reserve components and the National Guard in particular were very happy about the new policy of just a 12-month mobilization because

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SEC. HARVEY: (Chuckles.) It's their idea.

MR. STUMP: -- in order to make -- then in order to make the (R-REGION ?) model work, that was part of it: one year on the ground; not two years on the ground or 18 months on the ground.

SEC. HARVEY: No. Quite frankly, we were just -- we wanted to change this, and it's just a win-win for everybody. We're very, very pleased with that change in policy. It's needed, and I think it's going to help -- it's certainly going to help reduce the stress on the active component, which is -- you know, which -- our deployments now, our (dwell-time at home station ?) is somewhere -- in certain units below a year, just averaging a little above a year. It's really taxing the active. And so we're very pleased that -- and it was very, very positive in -- with General Vaughn. General Vaughn: give use this; hey, our guys want to serve. Our guys know this. I've talked to many National Guard soldiers, say we know this is an important time for the country. We just need the predictability, and we need that 12 months away and that's it. So I'm very positive on this.

MR. STUMP: Now that you -- now that you are going to implement this, do you have any idea on when we might be able to achieve the goal of the one in six for the National Guard? I know that there's a tremendous amount of stress by adding another 21,500 soldiers.

SEC. HARVEY: Yeah, well, this rotation is not going to involve this -- this plus-up as we are now calling it is not going to -- it's going to be fulfilled mostly -- at least for the brigade combat teams, there will all be active. The five brigades are all active. There is going to be some combat support and combat service support brigades, the functional and multi-functional brigade, a couple of engineer brigades that will be from the Guard and the Reserves, but when we can return to that -- we've more or less been on that, and when we can return to that will really depend on how successful. It's one of those -- conditions on the ground will dictate that, but this current surge is predominantly from the active component and not the reserves.

MR. STUMP: I see. Now you mentioned that you would like to see the day when a National Guard officer would -- could be a four-star general, commander of NORTHCOM, et cetera, but there appears to be a lot of barriers between what we have now and getting any of the National Guard and Reserve officers promoted beyond the O8 rank.

We have literally none at the 09 or 10, which aren't affiliated with the Guard and Reserve. What, if anything, is the Army policy or what are they going to change in order to maybe make these Guard and Reserve officers more qualified so that they can get considered for these 09 and 010 jobs?

SEC. HARVEY: The way the – there are no permanent 09 or 010 in the reserves and the Guard, as you stated. But we do have three-star – (chuckles) – obviously we have three-star. They count against the 307 authorized general officer positions in the Army, plus there are exemptions above that.

We probably should think about whether there needs to be a change to counting them against the actives' authorized number; in other words, against this 307-plus. There's the so-called "Chairman's 11," and there's other exemptions, but 307 is the authorized number, so – we may rethink that one – maybe have to rethink that.

You know, when I think about other three-star positions, for example, I recently had the opportunity to review with General Stultz his promotions coming up, and it was – it's really heartening, it's really satisfying to listen to who these general officers coming up are and their backgrounds, and what they do and what they sacrifice for being a citizen soldier. And there is – we are going to have a deputy to the G-6 of the Army, which is our chief information officer, the so-called C-4 ISR person, who is going to be – will be a two-star general, who is coming from private industry, who owned a high-tech, information technology company. And he has decided he's coming back, and he's going to be the deputy to the G-6. And I was thinking, well, maybe someday he'll be the G-6. Why not? Look at the experience, he comes from industry.

Then you start thinking about the G-4, and then I was thinking, well, what if we had the national manager of distribution for Wal-Mart. And you keep going on to all these functions in the Army staff and in other staffs. And you think, you know, if they develop through the system, and they have the relevant experience, what do they bring from industry?

So I think there's a lot of positions in the two- and three-star level that are possible for Guard and Reserve officers, and you know, I thought about myself, and I said, well, you know, what do I bring to this party? Well, I know how to lead, manage and change large organizations, but before I came to this job, I knew actually more about the Navy and the Air Force than I did about the Army. But you know, you can learn those things.

So I think starting to think about using our Guard and Reserves that have all this capability from the private sector in some of these functional areas is – I'm starting to think about that, and I'm going to start to push that. And we've got to make sure – and leadership development is a passion of mine and the chief's. We've got a process, we're looking through all the ways we do it, all the assignments and the education and training, and as far as education and training goes, our – you know, our reserve officers have the

same – (command general staff ?) college, Army War College – they’ve got the same educational background, and see, it’s those broadening assignments, it’s that wealth of assignments, making sure that they have that broad experience that we’ve got to look at. And we’re – and General Stultz and General Vaughn do that in earnest.

MR. STUMP: Well, one of the big impediments to that, of course, is a joint experience, which the reserve components don’t have quite the opportunity that the active components do –

SEC. HARVEY: Sure.

MR. STUMP: -- for joint experience. Now a bill was just filed day before yesterday – put in there that they would give joint experience to Adjutants General because they have both an Army and an Air reporting to them, and then the Guard (group ?) we have the joint headquarters there. It would seem that some of those could qualify for this joint experience. But that has not been defined, so are you considering maybe looking at some of that?

SEC. HARVEY: Yeah, absolutely. You’re absolutely right.

Those two deputies at R-North are – they’re joint positions. The two assistants to the chairman of the Joint Chiefs of Staff are joint positions, and we’ve got to – and there’s of course these joint task force headquarters being set up, one of which is in the military district of Washington, which involves a lot of participation by the D.C. National Guard.

Yeah, we’ve got to start thinking and getting credit for those joint positions, but there are a number today, but they’ve got to have that joint experience. And you are absolutely right.

But I think there’s many Army staff positions -- if a reserve or National Guard individual wants to come back and serve the country in that regard, they’ve got all that experience from private industry that is very relevant and help the Army out, for sure.

MR. STUMP: Okay, well, thank you very much.

SEC. HARVEY: Thank you.

MR. PUNARO: Thank you. Secretary Harvey, just before I pass on the baton here, I think you may be on to something there, particularly on this private industry skills and if you have a Guard or reserve with those kind of qualifications, one incentive the Congress might want to consider is if you gave that position to a Guard or reserve general officer, you exempt that from the ceiling, and then it will give the Army and the other services a lot more incentive to bring somebody in so it’s not at the expense of another person that’s been serving on active 365 days out of the year, so that would be something

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SEC. HARVEY: I think that we – I think the commission ought to very seriously consider that.

MR. PUNARO: Mr. Stockton.

DONALD L. STOCKTON: Thank you, Mr. Chairman.

We're very pleased to have you here with us again today – or today to talk to us about the things that are important to the Army and to the mission that we have, which – our immediate mission is to report out to Congress about this National Guard Empowerment Act, which was just reintroduced yesterday in the Senate under the – by Senator Kit Bond and Patrick Leahy.

One of the key parts of this empowerment act is to increase the – at NORTHCOM, the National Guard influence for that command. As you know, the National Guard is one of the key players in national defense – or homeland defense and homeland security. Do you believe that implementing this recommendation would improve the ability of the Northern Command to fulfill its responsibilities?

SEC. HARVEY: If I understand correctly, it's to make that a – they used my word today -- fence – to make that position solely for the Guard – is that the deputy commander?

MR. STOCKTON: I believe it is.

SEC. HARVEY: Yeah, I think that is my understanding of it. I don't think that is a very good idea. And that is not to say that a National Guard Individual should not be considered for that position, but I don't think you want to hem in or tie the hands of a combatant commander, and if there is a person that is better qualified in the active or the reserves, or whatever, I think it's best to leave that open and not have legislation like that.

Having said that, at the same time, I think it would be entirely appropriate for a qualified National Guard or reserve person to do that. I wouldn't make that decision, but, you know, if I look at a guy like General Blum or General Vaughn, vis-à-vis the deputy commander, NORTHCOM, I think that, you know, they are in the pool of people that ought to be considered, although that is not – in a sense, that is not a promotion from a rank point of view, but they have got the relevant experience to be very effective in that, for sure.

And I think General Blum spent some time out in NORTHCOM before he came back, so I mean, he has even been in NORTHCOM. And he has been at TAG, he's been at NORTHCOM, he has been in the building. He knows homeland issues of – manmade natural disasters as well as anybody in the United States. So I don't think we should specify it, though, but consider it seriously.

MR. STOCKTON: Another question that I have is in regard to interagency cooperation. I believe, and I think most of us believe that the American public expects our federal government to seriously take care of our homeland defense and our homeland security. And there is many players involved in this, including the National Guard, the Department of Homeland Security, the Department of Defense, with the assistant secretary for homeland defense, as an example, and the White House office of Homeland Security. All have key roles in securing the homeland.

What obstacles do you perceive as hampering the ability of these institutions to cooperate as a team, and then how can the interagency process work better to ensure that the National Guard capabilities are best utilized to achieve national security objectives.

SEC. HARVEY: Our role, of course, is to provide support, military support to civilian authorities. And I think with the standup of NORTHCOM, the standup of the Homeland Security Department, you are talking about new institutions that heretofore didn't exist. I mean, they are only a few years old. And I think they are working through all of those issues.

When you think about how long it took the DOD to become joint, you know, I think we all have to become patient. But I know – as you mentioned, there is an assistant secretary in our policy – undersecretary policy dedicated to homeland security. So I think thde organizational structure is in place. The interagency process, procedures are in place; it's just a matter of implementation. So the organization process from a management point of view which I look for – you have got to have the process in place, you have got to have the organizations in place. You have got to have the people – all those are now in place. Then, of course the planning, the plans, the contingency plans, they are all being developed.

So it's never quick enough, but I think a significant amount of progress has been made over the last years, at least my observation, with a full recognition of the roles and responsibilities of each and every organization, in particular the National Guard. I know the Guard Bureau participates heavily in all of that. So I think it's working. It's not there yet, but it's working for sure.

MR. STOCKTON: Thank you, sir.

SEC. HARVEY: Thank you.

MR. PUNARO: Mr. Sherrard.

MR. SHERRARD: Mr. Secretary, thank you very much for being here this morning. And you have answered in all honest candor most of my questions. I would just like to follow up a little bit to make sure that I'm fully understanding your position relative to finding requirements and resourcing of those, as well as identifying gaps that might exist in the various processes. You had mentioned that both the chief of the National Guard Bureau, and the chief of the Army reserve you think should be

identifying those requirements that are necessary for the homeland mission in bringing those forward. And you would attempt to work those early on in the PB – PVBS process to have that covered. And I think that is – I appreciate that very much.

In the legislation, it is asking specifically that the National Guard possibly be the one to do that. But I understand your position. But, likewise, they also talk that in the gap identification between the federal and the state response for emergencies that the chief of the National Guard Bureau should be the one to identify those gaps and report to the secretary of Defense. And I just want to make certain that I'm hearing you say that it – is he the appropriate one to in fact be identifying those gaps, and if in fact he is, then bring him through you and the secretary of the Air Force, or how do you feel about that?

SEC. HARVEY: Well, I think, first of all, again, Steve being the – excuse me, General Blum being the channel of communications, that if there is some unique – state unique requirements, that ought to come from the TAGs. You know, the firefighting, the states that have wildfires have a little different capability needs in the states that have floods and hurricanes, and earthquakes and so forth. So if there is some unique capability needed – and we always think of capability in terms of equipment, but it also could be in terms of training; it could be in terms of leadership development or doctrine, that those should really funnel through the chief of the National Guard into the planning, programming, and budgeting system of the services.

MR. SHERRARD: Of the services.

SEC. HARVEY: Of the services. So they can be integrated into the overall requirements listed to ensure that they can't be fulfilled by an existing capability or an existing system. And again, this is the most efficient – we have the processes ongoing to set a separate process up, to set a separate acquisition system up. These are hugely expensive organizations, and I'm not saying that in a negative sense. They need to – remember, it's the taxpayer's money. We need to ensure that it's spent according with the laws, the federal acquisition regulations. You need a lot of experts to ensure that it is done correctly.

And the organizations and processes exist to do that today, and we ought to utilize them. It's like a company with – that puts on a new product line. You are not going to form a new company; you are going to use your same marketing, engineering operations. You are going to use that function, and just, you are going to stand up a new product line, and that is the most efficient, effective way to do that. And it really refers to the same thing.

The requirements capabilities gap identification should come from the National Guard Bureau. It should reflect the unique needs of the state, and it should reflect the unique needs maybe in a nationwide sense. But the process as an organization – expertise, people, management, exist, and we should best – the most effective and efficient way to do that is take advantage of those organizations in both the Air Force and the Army.

MR. SHERRARD: Thank you very much. Thank you, Mr. Chairman.

MR. PUNARO: Mr. Rowley. Thank you, Mr. Chairman.

MR. ROWLEY: Thank you, Secretary Harvey, for your testimony this morning. This is really helpful to us. I would like to go back to what Commissioner Stockton was talking about a moment ago about National Guard and homeland security.

We hear a lot about DOD's roles in providing defense support to civil authorities, and you kind of covered what that definition of that role is. In your view, is this definition widely shared and agreed upon by DOD personal, the TAGs, and their governors, as well as homeland security?

SEC. HARVEY: Well, from my knowledge, yes it is. And as Chairman Punaro mentioned at the beginning of the – in his opening remarks, the Army has had long-term – had a long-term responsibility providing that support. And now that has been transferred over to the Joint Chiefs. But I believe that we have an institutional memory on that, and I think we understand what is required of us. And we perform that I think quite well.

MR. ROWLEY: Okay, thank you very much. That is all I have, Mr. Chairman.

MR. PUNARO: Mr. McKinnon.

MR. MCKINNON: Mr. Secretary, maybe we can start out, like, at a 35,000-foot level here and work down. The Congress has introduced this legislation in the last session. They have introduced it again yesterday. And you are sort of saying it is – that it's not needed. And then why do you think the Congress thinks it's needed if you don't think it's needed?

SEC. HARVEY: Well, I think a couple of things in this regard. First of all, you know, if I was a – because of the strategy – and again, I don't to question intentions of people that I don't know and wasn't present at, but this is supposition. Because of the strategy of treating the Guard as a strategic reserve, it meant they were kind of the poor brothers and got the hand-me-downs. And the mindset was we can wait. You know, why resource somebody in tight resources. And let us remember, in the '90s, not only was the Guard under-resourced, the active was under-resourced significantly.

As the chief has testified, and I have testified in many occasions, going into 2001, we had a \$56-billion under-resourced capability in terms of our equipment. So it wasn't only, first of all, it was only the guard; it was the active to begin with, and then you superimpose that on it, and then – and so I don't kind of blame the TAGs for being a little cynical. When I came on board and the chief came on board, and we said, hey, we are going to put \$21 billion – yeah, uh-huh, we have heard that before kind of. So you know,

the little cynicism – I don't blame them for kind of feeling that way, but we are dead serious about this. So that is where I come from.

I think last year, there was some – and I wasn't part of it, and it got totally misreported, and unfortunately, in this time frame, we can't talk about budget stuff, but everybody else can talk about budget stuff. So at the last minute, in order to meet fiscal guidance, we made a number of changes to the Army budget. It went without notice that we cut the Army, that we cut a brigade out of the Army, we cut a support brigade out of the Army, and we said we will fund the Guard at whatever level they can recruit to. That is what we said. We never said we were cutting the guard. The authorized level, the Guard's 350, it's 350 today.

As a matter of fact, it's not mentioned – and I should have mentioned it in my opening statement that the Guard will grow to 358,000 as part of the act of going 65. Embedded in that – we don't talk about that – is the Guard goes up to 358,000 over this period, and so they are going to grow. Their authorized levels are going to grow to 358,000, and their structure that goes with that. And the reserves will grow by another thousand.

So that was a budget adjustment across all components, including the reserves, but it didn't say the Guard – it was just misreported, unfortunately. It didn't say the Guard would be cut. It said the Guard for years, for about two years before that, was at 330,000, and they were struggling to recruit. One of the positive things that came out of this was, you know, they said, okay, Amy, we are going to take you up on this challenge. And they did a magnificent job. Their end strength today is, like 347,000. And they have done it through some innovation and the recruiting, and so forth, and – but that was totally misreported, and unfortunately, that added to this general background of what was going on.

MR. MCKINNON: Okay, well, let me – incidentally, do you think with the threat going on and the war we have going on today, is what you're preparing for budgets, is it driven – your strategy driven by the budget or is it driven by the needs of having a strong defense.

SEC. HARVEY: No, our budget is being driven by the operational needs. If I go through all of the arithmetic of the numbers I just told you, today's operational demand – we talk always about in brigade combat teams, but for today's operational demand for the Army is about 22 to 23 brigade combat teams. If we grow the Army and the Guard by what I said, and turn that into structure, we can meet that in the policy goals that I talked about, the one in – the 1:2 for the active, and the 1:5 for the reserves.

MR. MCKINNON: Well, if you take your fencing of 21 billion –

SEC. HARVEY: Plus, right.

MR. MCKINNON: Okay, but General Blum testified this morning that he is 40-billion short on the Guard alone to have an 80 percent homeland readiness.

SEC. HARVEY: Stand by. You know, it was next – if it was a week, I would tell you the number. It is going to be very close, and remember, all of the – you know, the military, when they talk their modified table of organization and equipment, they won't tell you that there is many in-lieu-of's that they can put in there. So they are going to be over the – let me just say, over the '08 to 13 future defense fund program, the Guard will do very well, provided that the president's budget is approved by Congress. So I hear the number, stand by.

MR. MCKINNON: Do you really believe the Congress will appropriate that kind of money in the out years?

SEC. HARVEY: Well, I have no control over that. I'm the – but I do have control what goes into the budget.

MR. MCKINNON: Let's just talk a little bit about that. The president and the department have announced the four initiatives that they want to take in place right away – increase the size of the Army to 67,000, the Marines to 25,000, surge the five brigades with about 21,500 soldiers, reduce the time of mobilization down to a year, and then deploy units as an organic unit as opposed to cross leveling. Do you think – if the Congress doesn't appropriate that money to be able to fund all of that, that it will come out of the height of the reserves and the guard?

SEC. HARVEY: No, no we're – no, no.

MR. MCKINNON: Where will the money come from if you don't get appropriated?

SEC. HARVEY: They are – you know, here – today, we are – remember, our baseline, when we say that the QDR requires us to have ready for deployment or deployed 18 to 19 brigade combat teams, which is much lower than the operational demand – so demand is greater than strategy in that it's four to five brigade combat teams from the guard. We must resource those brigades. We have to resource those brigades. So any cuts – any hypothetical cuts to the budget, which I don't think are going to happen, will be very thoughtful as we have to allocate those across the components, or across all of the procurement accounts, or all of the appropriation accounts, I should say.

MR. MCKINNON: Thoughtful, but obviously you're not saying they won't come out of any other –

SEC. HARVEY: They will not come out in a disproportional manner is what I'm saying.

MR. MCKINNON: You talked a moment ago about General Blum being able to have access to express the viewpoints about the guard, and you all work together as a team.

SEC. HARVEY: We do.

MR. MCKINNON: What if you get a different cast of characters in there in a few years, and they are not so enamored with the importance of the guard. Wouldn't it be wise to have some kind of structure set up so that that is guaranteed and not just sort of a working kind of relationship?

SEC. HARVEY: But I think it is guaranteed through the process and through the participation and the organizations. I think it is – I think it's baked in – you know, it's a very good observation because we are in a sense ships passing in the night and people move on and off. But the – you can't look at our forced management models, and somebody tries to change the resources.

There is one principle that is inviolate here, and that is that nobody goes into theater of operation unless they are fully manned, trained, and equipped. And if you are going to send a Guard unit in there, and it's an integral part of the force, the system that we have in place will force the resourcing – and the processes are in place – the organization in place. So I have no – I have all of the confidence in the world that that won't happen.

MR. MCKINNON: Of course the argument with the Guard a lot in the reserves is that they don't have the equipment to change on the – granted, when they are in theater, they are fully equipped and manned, but they are really lacking even less than 50 percent.

SEC. HARVEY: And they are sharing that with their active brothers, too. And we are rapidly improving that process. We are not where we want to be, but we are dedicated to do that, and I can take you – I can show you before-and-after pictures throughout our training base, particularly our national training centers where we have significantly enhanced the equipment, and it stays there, and it's for Guard – the Guard units rotate in. So we are redressing that problem, but it is not peculiar to the Guard and the reserves.

MR. MCKINNON: If you think you're short, I would suppose you imagine the percent of GDP needs to be raised to support the military. Would that be a correct assumption?

SEC. HARVEY: You know, I don't make those decisions, however the observation is that the percent of GDP devoted to defense is at historic lows.

MR. MCKINNON: Do you think it should be raised?

SEC. HARVEY: I think that from the point of view of the Army that the best hedge against the uncertainties of the 21st century is a fully resourced – fully resourced meeting, a fully trained, manned, equipped Army. Our budgets reflect that over the '08–to-'13 timeframe. So we feel if those are resourced at the levels we have requested, we will achieve that objective

MR. MCKINNON: Just one other thing to close here. How important do you feel the reserve force's policy board is? Do you they – are you –

SEC. HARVEY: Oh.

MR. MCKINNON: Are you familiar with anything they have contributed recently?

SEC. HARVEY: See, I'm not familiar with – that is the DOD board, not the Army forces board. I don't participate in that, so I don't have an opinion. I can tell you that the Army reserve forces policy council is an invaluable body that provides me extremely relevant and very valuable advice that I act on all of the time. So don't do away with that if you're thinking about it because that is important to me, I can tell you.

MR. MCKINNON: Thank you, sir.

MR. PUNARO: Commissioner Lewis.

MS. LEWIS: Secretary Harvey, thank you for coming this morning. Your insights are extremely helpful. I want to ask – you have testified that General Blum is a full participant in Army and DOD venues. And I was just wondering if you would be supportive of documenting that participation in a new charter for the National Guard Bureau.

SEC. HARVEY: You mean for the Army – the Secretary of the Army and the Air Force to incorporate that?

MS. LEWIS: Well, the first question is, do you think it should be documented, and then my next question is going to be – as it was proposed in the empower act that the responsibility for that charter be moved up from the Army and Air Force secretaries to the secretary of Defense, and that is my second question.

SEC. HARVEY: The answer to your second question is no. I think the charter is fine where it is, and I think the charter is very effective. The participation is documented. We have a group of people that – I won't tell you what we call them, but we have a group of people that take notes in all Army meetings – I can't speak for the Air Force – and the participants are always listed. So the participation of reserve and National Guard and Reserve officers is fully documented in all of these resource requirement boards and all of the associated processes that go on in the department.

MS. LEWIS: Oh, I trust that they are there. I was just wondering if you would support reflecting that in a new charter, those participation –

SEC. HARVEY: We could probably amend the charter to say here are the councils, boards, and so forth and so on that they participate in as an addendum to the current charter, keeping that charter as a joint document by myself and the secretary of the Army – excuse me, the secretary of the Air Force. I take it with me all the time. It's right here; I know it.

MS. LEWIS: the National Guard Bureau has been working with the states and other federal agencies to facilitate preplanning for large scale, multi-state events. Do you think those responsibilities should be incorporated in a redraft of that charter?

SEC. HARVEY: To my knowledge, the Guard fully participates in the – those are I think under the responsibility – at least, the military support of civilian authorities is under the NORTHCOM's responsibility. They have a number of, to my knowledge – when I last reviewed them, they were putting their plans together for national emergencies, and they are subsets of the national response plan.

So there is a cascading of plans, but the Guard and Reserve fully participate in that because the deputy commanders, for example, of ARMNORTH – of Army northern command are reserve and Guard officers. So there is full participation of the Guard and Reserve and drafting of all of those plans for emergencies, contingencies, disasters. And I know from dealing with the governors that the governors have – within their state, they have their plans, and if it's a regional event, then NORTHCOM has its plan, which is a subset of the national response plan.

MS. LEWIS: I understand they are participants. I just thought it might be appropriate to reflect that in any redraft of the charter.

SEC. HARVEY: That could be reflected.

MS. LEWIS: That is something that has revolved since the original charter.

SEC. HARVEY: Yeah.

MS. LEWIS: One last charter question. (Chuckles.)

MR. HARVEY: That is a good point – those are good points.

MS. LEWIS: Is it even necessary to have a charter since, for the most part, the National Guard Bureau's authorizing statute reflect many of those responsibilities?

SEC. HARVEY: I think it's a useful document, and, you know, it clarifies roles and responsibilities, and codifies them. So I think it's useful. And then it has the longevity that you talked about because it – I noticed this one was signed by, at least on

the Army side, by Secretary West, and that goes back a long – well, it goes back a number of years ago. So that charter I think is a useful document to do that. And it is consistent, and I think it goes beyond – in terms of facilitating, it has a – I think number – article number 12 goes beyond what is codified in the law. It is consistent with what is in code, and then it goes beyond that in terms of support the civilian authorities, participation in coordinating with hurricanes. That is above and beyond I think what the law says.

MS. LEWIS: Thank you very much.

MR. PUNARO: Commissioner Keane.

Mr. KEANE: Yes, is there somebody still here from General Blum's office? Anybody here? Would you bring his first chart up, put it on an easel, stick it out there so the secretary can see it?

Mr. Secretary, it's great having you here. It's good seeing you again, sir.

MR. : Is that the one you want, Jack? This one here?

MR. KEANE: No, it's not that one.

MR. : You want this one.

MR. KEANE: No, that was one of the last one. Where was the second one about those resources?

MR. : Look at them and just give them the number you want.

MR. KEANE: Okay.

I'm imagining then. To heck with it. (Laughter.) Leave it up there in case somebody else wants to use it.

MR. : It's a nice fuchsia color, though.

MR. KEANE: Mr. Secretary, I want to tell you how much – I appreciate what the Army has been doing. It has got the lion's share of this war in Iraq certainly with its brothers and sisters in the Marine Corps and what it is doing in Afghanistan – a much longer war than anybody anticipated, to be sure, and particularly them. And in the face of eroding public support, these remarkable young men and women are responding to the call of duty, and you're able to recruit them and retain them at levels that you want. And in the face of all of that, I think that is truly remarkable about who they are, but also who you are, the leadership that you and General Schoomaker are providing and your fellow leaders helps establish the policies and set the conditions so they can be successful and

stay committed to this institution. I know you're going to thank all of them, but I want to thank you --

SEC. HARVEY: Thank you.

MR. KEANE: -- for what you are doing because it truly does make a difference.

Mr. Secretary, I have got a couple of questions. The first one -- in dealing with this four-star thing, which gets sort of emotional quickly -- rank always does, General Blum in his testimony brought up an analogy of level of responsibilities that he believes he has similar, and he mentioned two service chiefs.

Now, you already cited the fact that the chief of the Guard bureau does not command forces like a combatant commander. Well, in terms of responsibilities that are similar to a service chief, when it comes to the Army National Guard, who recruits, trains, organizes, mans, and sustains the Army National Guard?

SEC. HARVEY: They have their own recruiting command or recruiting organization, but it is closely aligned with the Army recruiting command. So, for example -- now, I have a -- you mentioned recruiting. I have a monthly meeting of all of the heads, starting with Scott Laws (ph) at Tradock (ph), and General Blum or General Vaughn is always in that meeting. So we -- although they have a separate organization, we really do work closely together. So I don't know if that constitutes statutory authority for manning. It's an organization within the guard. I still think the statutory authority to man is with the Department of the Army in that regard. Equipping for sure is our responsibility, and --

MR. KEANE: Training?

SEC. HARVEY: Oh, for sure training. Remember that is done through -- that is done as a combination from the states, but training, unit training ready for deployment is through the first Army as, you know, which again -- there is an example, by the way, of a three-star position, which I think is appropriate for Guard and reserve, and General Honoré, of course, is the current commander of the first Army, which is in charge of mobilized training and readying the reserve forces for deployment. But if you go down one level, it's all -- it's the reserve brigade the training brigades and the Guard brigades that do all of that stuff. But still, that is the responsibility of the Army for Title 10 missions, for sure.

MR. KEANE: Who puts them in the organizations they are in, in terms of who determines -- they are going to be organized in battalions, brigades -- how they were organized. Whose responsibility is that?

SEC. HARVEY: We are. The Army is responsible for it. And as you remember, as you know, General, because you were there at the beginning of this at the force transformation we are going through right now which is making -- we are making great

progress, which is standing up to so-called Army modular force involves all three components. So at the end of this, if you looked at a National Guard heavy brigade, and an active army heavy brigade or infantry brigade, or striker brigade, they have the same organization same table of equipment, same, same, same, so that you're – eventually we're going to get that standardization of rotating in and out – same for the multifunctional and functional support brigades. So we are going to have – we have a standard organization and echelons throughout all of the Army.

MR. KEANE: And then the doctrine that is the basis for how those units operate, who provides the doctrine for Army National Guard units?

SEC. HARVEY: For their Title 10 missions, that is the training and doctrine command. We all fight from the same doctrine.

MR. KEANE: Well, I apologize for taking you through it. I mean, obviously I knew the answers to that, but I think it's important to get it on the record. If we are going to equate the chief of the National Guard to service chiefs who have similar Title 10 responsibilities that you just described, I think there is some inaccuracy in their coalition.

SEC. HARVEY: I agree with you, yes. It still, as you say, resides with the Army, all of those functions.

MR. KEANE: You know, the resource thing – there is a groundswell of people that have testified here, and of course who have talked to us informally about how frustrated they are on this issue, and some of my fellow commissioners have mentioned it too, in not being able to get the appropriate level of resources in the Guard. And when we look at it, I think – in fairness to this argument, it is absolutely true that the Army has historically been short for a long time and –

SEC. HARVEY: The total Army.

MR. KEANE: – with the seriousness of that shortage. But I think you can make a case that while all three components are short, the Guard and the reserves are disproportionately short to the active. And I think you can make that case. Is there a reason for that? Yes. Does that still make sense given what our global responsibilities are in the world today, and how much the Guard and Reserves are being asked to meet those responsibilities, and also the challenges we have at home with the threat of a catastrophic attack on our nation, and how dependent we would be on them. Do you have a comment on that?

SEC. HARVEY: I think, General, that besides – I agree with what you said. And I think the disproportionate – and I want to give people the benefit of the doubt or their prior commanders and leaders the benefit of the doubt here, but, you know, if you were told that this is a – this is a component of your total force that won't be used only in times of a major war – you know, that they are really going to be used. And remember, 9/11 didn't happen. So this whole homeland defense, homeland security mission that you

articulated didn't exist. It was floods, fires, hurricanes, earthquakes, going back – civil disorder, whatever.

With that type of mission, and given the approach, I think it was natural -- it was a natural consequence of that. And then on top of that, is the old little brother hand-me-down stuff that we all – some of us in this room went through. You know, you get sick of the hand-me-downs, but it was the mission, the strategic role that they played, which then, I think disproportionately under-funded them, keeping in mind, as you know very well, that the whole entire Army was significantly under resourced, you know, under the good intentions of there would never be another war, and that just hasn't worked out, and it probably never will, unfortunately, but that is the subject of another discussion.

But I think for all of those reasons – and hope that – and Mr. McKinnon mentioned that it's somewhat personally dependent – personality dependent. But I can tell you, this personality here is absolutely dedicated to fully resourcing the Guard and the reserves just like the active force. And I think it's in, it's engrained in our basic force management, force generation. We can't do without them. You can do a – you can have your head in the sky, but we cannot meet our QDR, our operational men, let alone our QDR without the Guard and Reserve; we just can't do it; it's impossible. We don't have the active forces to do it, and even with the current op-tempo, even with the 65,000, we can't do it. We still need the Guard and Reserve, even as we grow the active component.

MR. KEANE: Well, that is great. I have a question surrounding that point. I have always contended, one of the reasons why this commission is established, the underlying reason is because there is considerable stress on the Guard and Reserves, and in a sense, we have changed the social compact with them in terms of what their normal expectation has been for operational deployments. Obviously, legally, we can move them at the president's will in terms of what the frequency is, but the fact is, is that there was a general expectation of how often you would deploy if you were a Guard or Reserve.

SEC. HARVEY: That is right.

MR. KEANE: And I think we have long since gone past that in terms of a social compact. But I have always believed that the sort of elephant in the room that is contributing to that is the size of the active, the size of the active Army and the size of the active Marine Corps. And finally, the president is addressing that.

SEC. HARVEY: Yes.

MR. KEANE: I'm asking you if the size of that increase, when I look at it, I'm not sure it really – it begins to solve the problem, I admit that, and it's a huge step in the right direction, but I'm not sure it's sufficient enough. How do you feel about it?

SEC. HARVEY: I feel very good about it, general. Let me just tell you a couple of facts, terms of – it's really demand-driven. It's based on the – the best estimate that

joint – that the ACS has right now is that this level of demand on both the Marines and the Army will continue for the foreseeable future. That is that 22 to 23. If you work all of that arithmetic back, we're going to end up with 76 brigade combat teams, approximately 225 multifunctional – multifunctional/functional brigades. You put that all in the rotation, 1:5, 1:2, and all of that, you can see how you can generate all of that.

But there is something that is important that is kind of below the radar screen, which I have emphasized, I am executing on, and I want to take this opportunity to point it out, and maybe it will get some legs, and that is, you can't only focus on the bottom-line, end strength of the Army; you have got to look at the two components of the Army, and of course, and the world's largest overhead account.

And the two components are the operating force, the generating force, which we sometimes call the institutional Army, and if you're not in one of those, if you're being trained or you're in transit, or you're in this overhead account, the so-called TTHS account, which for reasons, that are – I guess – (inaudible) – also includes West Point for some reason. But West Point is in the TTHS account.

Now, what we have been doing over the last couple of years, which I have intensified, is this military-to-civilian-conversion program where we look at positions in the force-generating Army and we say, can we put a civilian in that and release that position for the operational Army? Well, right now, within all of those plans that I talked about, we will convert – if we start with the FY '03 baseline with 105,000 military position within the institution or force (generating Army ?) our plan is to take that down to 80,000.

And if you look at all of the arithmetic, we're really growing the operational force, not 65,000 but 90,000. We are going to end up – we started at those baselines, those 482 baselines – 315,000, the operating, 105,000 in the generating force and the rest of TTHS. If you fast-forward, and we end up with 80 and you do all of the arithmetic, and it would be better managed, the TTHS, we are going to end up with, in round numbers, 405,000 in the operating. So we are going from 315 – so we are really growing the part of the Army that you know better than anybody in this room that fights by 90,000, not 6590.

And we have identified the positions. We are today at 90 – we have gone from 105 to 91,000, and it's a matter of getting the resources. Remember, the institutional Army on a one-to-one basis, the numbers won't change. Of course we're doing business – the numbers won't change; they will just be civilians. So within these bottom-line numbers, I think we are adequate growth.

MR. KEANE: When will the conversion of the 25,000 –

MR. PUNARO: Mr. Keane, we're going to have to move along because we're really running short.

SEC. HARVEY: It's my – sorry, Mr. Chairman; I'm getting carried away here with –

MR. PUNARO: Commissioner Eckles.

MR. ECKLES: Mr. Secretary, the governors are concerned that as commanders and chief of their respective states, their views and concerns are not taken into account by the Department of Defense, the decision that would impact their Guard unit. What mechanism does the Army have in place to ensure that governors have the opportunity to present their views to senior Army leaders such as yourself?

SEC. HARVEY: Well, first of all, I think the primary process here is through the National Guard Bureau. I mean, the National Guard Bureau is set up to – which interacts I wouldn't say daily but interacts very frequently with all of the TAGs from the states. So the governors can articulate their needs to the TAGs or the TAGs make the governor aware of the needs, and the governor agrees with them and the process starts.

As far as myself goes, I have probably met with, over the last two years since I've been the secretary, 12 governors. What I would like to do is call – I have met with or talked to many governors and what I try to do is when I go on my trips – and I think I have now visited somewhere around 150 installations and forward operating bases in two years because it's important, just as an aside, for me to do that. And I do meet with a lot of National Guard soldiers when I do that too. Those are – as General Keane knows, meeting with soldiers is one of the most rewarding and informing things that you do. You really do find a lot of – in those trips, I'll stop by and seeing Governor Perry or Governor Barbour, or talk on the phone. I have a – next week I'll be meeting with Governor Perdue. Some of these meetings are – I must say are National Guard and core of engineer related.

MR. ECKLES: No. (Laughter.)

SEC. HARVEY: So I have – you know, we have kind of a dual thing. So I have a plan to systematically go through and meet the governors of the big states, and it doesn't matter if they are big or small. I met with the governor of Kansas, the governor of California, the governor of Arizona, the governor of New Mexico. The border states I have met with because I thought that was important. And my first question is, are we meeting your needs?

And I give them a report where we have all of these measures of equipment on hand, and so forth, and we talk about those things. And relate to them that we have in essence two readiness systems and equipment for the guard. One is their overall readiness for both Title – for Title 10 in the broadest sense, and also we have these 342 line items of equipment that the Guard has identified to our G3 that are critical to their homeland security mission because the observation is, we can wait on reset and refurb for certain pieces of equipment, but when it comes to their state in homeland defense

mission, they can't wait for that. They can't wait two years for that. So we have two readiness systems, and it works.

And I mentioned in my testimony where – as a matter of fact, the vice of the Army took personal responsibility, and we worked with the hurricane states to ensure – you know, they called him the horizontal and vertical, the ones that go on the coast and ones that go on the land – the horizontal-vertical states, and Hawaii and Guam had the necessary equipment they needed in order to be – in order to respond to a hurricane. Thank the lord we didn't have one, a major one, and they were 100-percent equipped for that mission, verified by the TAGs, and all of the TAGs were very happy in the hurricane states.

So we have dual system to ensure that their – and so, again, I know it's personnel dependent, but that is my responsibility. I have to ensure that that happens because, as General Keane said, look, this is the United States – catastrophic attack of the United States – it's the responsibility of the Army to defend this country, to protect this country, and we do that in terms of the so-called CONUS through the National Guard and Reserve.

MR. ECKLES: Thank you. That is all I have.

MR. PUNARO: Commissioner Dawson.

MR. DAWSON: Thank you, Mr. Chairman. Welcome, Mr. Secretary. I want to associate myself with the sentiments that General Keane so eloquently expressed about his pride in the Army. I'm a former Army officer. As a matter of fact, I want to follow up on General Keane's question about rank. And General Keane and I – this is probably not well known – attained the same rank – once had the same rank. I stopped at first lieutenant; I guess he didn't. (Laughter.) But I – he was asking you about General Blum's – using an analogy of a service chief in talking about the man trained and equip – I guess I would call those qualitative features of the position of a service chief or the chief of the National Guard. General Blum also went on to – and by the way, to his credit, he was pressed fairly forcefully to come up with these answers – he also went on to describe the position of chief of the National Guard as being uniquely one where he knew of no other that was quite as politically charged, nuanced, integrative or as unforgiving, in terms of being a three-star position. And in my sense, gave a response that tended to argue why the chief of the National Guard ought to be a four-star.

Now, having been armed now with those other – what I would regard as qualitative features – could you comment on his response? Not having heard it, of course.

SEC. HARVEY: Well there's no question – (laughter) – there's no question – (chuckles) – that I was thinking about some of the political nuances that the service secretaries go through, and the chiefs go through, and the vices go through. Because he

deals with more local politics, and you know, he's the focal point of 50 states and four territories, there is an element of truth – it's truth in what he said.

Notwithstanding that, I do not believe that without command and control authority – and if you look at our combatant commanders who are without – the (man-train ?), equip and budget authority goes with that – that the rank of four-star is not commensurate with a channeled communication and advisory role, and the roles like that and the coordination role.

But, it is an important position, obviously, and three stars, I think, is appropriate. I would look at what, in this case, General Arnie Arnow (ph) of the Multi-National Command Iraq has, and the responsibility he has to restore and coordinate – a very difficult mission of restoring security in the city of Baghdad and the surrounding areas. He's a three-star. So in the context of what our combatant commanders do, I think it's appropriate. And again, I guess maybe I'm too much – it's works.

General Blum has unfettered access to every key official. He formally reports to me and Secretary Wynn (sp), but he has unfettered access to the chairmen, the secretary, and any under secretary he wants, to the Chief of Staff of the Army, Chief of Staff of the Air Force, and I guess to the CNO, if he wants to. It's working, and I see no reason – in a four-star it's not going to make it work any better. And again, it's not consistent with the responsibilities that I think he has relative to – you know, it always has to be in context to the rest of the organization.

MR. PUNARO: Commissioner Brownlee?

MR. BROWNLEE: Mr. Secretary, thank you for being here today. Your testimony's been very helpful. And I also want to join with Jack Keane and others for their remarks about the leadership and your service to the Army during some very challenging times, and for your specific interest and concern in what you do each day for all these wonderful soldiers who have volunteered to serve their country in uniform, and their families as well. Thank you for that.

SEC. HARVEY: Thank you.

MR. BROWNLEE: And I just have one short question here, Mr. Chairman. You mentioned about insuring that you have recurrent, assured and predictable access to the reserve components. And that is true. And you mentioned policies, and I know you all have been getting those policies in order over there.

SEC. HARVEY: Yeah.

MR. BROWNLEE: I think Chairman Punaro used several decibel levels to try to help you get to there, but I'm concerned that there may be some statutory limitations on mobilization that don't allow you to have the kind of access you might need in a kind of long war you've described. And I agreed with your assessment.

And, not that I would expect you to have these at your fingertips, but if there are any of those that you are aware of or any of your folks are aware of, if you could provide those to the Commission, we'd be very appreciative of that. Some of us want to insure that as we do this task, we do as complete a job as we can. And if there are certain statutes or provisions of law that we need to clean up to provide the kind of assured access you've mentioned, I think we ought to do that.

SEC. HARVEY: That's a good question. To my knowledge, the partial mobilization authority which we are under today for the global war on terror which says – and you know these very well – which says that you can be mobilized up to two consecutive years. Which if you come back, means you can be mobilized again, as long as it's not for two consecutive years. And the interpretation of that, which we're now interpreting according to the law and not policy, provides I think the necessary authorities we need to have the recurrent access.

The other thing that is being evaluated in this regard, which is to maximize – within the year window – to maximize the boots on the ground. And our objective there is to get between nine and 10 months. And you say, wow, how are you going to do that?

Well, the National Guard Bureau and the director of National Guard and the director of the Army Reserve, in conjunction with the tags and the first army are evaluating exactly how to do that. And they think by taking, in the year before deployment – first of all, you need to have enough warning – and then the year before deployment to beef up from the rough 39 – 40 days, to 70 days – and to really focus that on the task at hand. Focus that, in this case, on counter-insurgency related stuff and do IED training – do all those things that need to be done. If they can do that, then when you get to the (mobe ?) – quite frankly, you talk to the National Guard soldiers and say, you know, I went to that mobe site and they told me something I already knew. So, we were not managing the post-mobilization training the way we should have. This kind of was a nice wake-up call. It's going to focus us on what they need to do, and so that we can maximize the time boots on the ground within the one year.

So I think, we got those authorities, and you remember last year they changed the – I guess it's called the PRC – a partial reserve call-up – now it's up to a year. So the PRC went from 270 days up to a year. So those authorities, to my knowledge, are sufficient for us to be able to operate. But if I get any other things, I'll get back to the Commission and say, here's an additional authority we think we need.

MR. BROWNLEE: Good. And I suppose if there's somebody you need to blame for the 12 months boots on the ground policy, it's sitting up here. Jack and I made that decision together at one time, so –

SEC. HARVEY: You know, and I think the conditions were different then, Les. They were different. We didn't need the Reserves at that time, then boom, you know. So

the assumptions – I've seen the (sand ?) charts, too. It's going down; it's not going down. So I think conditions were different, too.

MR. BROWNLEE: Thank you. That's all I have.

MR. PUNARO: Commissioner Ball?

MR. BALL: Thank you, Mr. Chairman, I'll be very brief. I know our time is about out and I just want to thank the Secretary for his participation.

SEC. HARVEY: I ate before I came in here. (Laughter.) I know the rest of you

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MR. PUNARO: He figured it out. Boy, that's why he's the secretary of the Army – taking care of the sister service, the secretary of the Navy.

MR. BALL: I was at the Pentagon at the time of standing up and dealing with Goldwater-Nichols shortly after its enactment. And I noted in your statement you make a reference to a command and control relationships, lines of authority that the department has formed over 20 years since Goldwater-Nichols was enacted. We are struck by, I think, the Commission is struck by the fact that there was a stark omission from the original statute in that the National Guard Bureau and our National Guard soldiers and airmen were not – and their interests – not addressed in the original statute.

And over time, there have been some changes, but very few. And so my question is, the Commission, I think, feels the need to address in some way this omission – in some way, perhaps, to ease the burden on those who must meet certain rigid standards and requirements for promotion who, because of National Guard status, are not as able to do so or don't have the time to do so. And so I think we would just welcome any recommendations you would have, together with the Department of Defense, on what changes should be contemplated. What updating, so to speak, of Goldwater-Nichols to incorporate these broader concerns – with the total Army – might be prudent for us to consider. This is not an item in every way in the immediate scope of our March 1 report, but it's something I think we all feel like we've heard some testimony about it. We think it should be addressed, and we're not certain that the status quo in this area is necessarily prudent for us at this time.

SEC. HARVEY: I think one thing that would be helpful for the commission to consider would be what we talked about before in terms of exempting National Guard – a set number – you know, you can't leave it open ended, but a set number of – we kind of have it exempted today in the Chairman's 11, but maybe we ought to codify that in a permanent sense. That then that would take any internal competition out of – between the components. So I think that's one thing that you may consider to codify – to exempt National Guard. And that would facilitate the use of them.

In terms of Goldwater-Nichols, I think the underlying principles of jointness, the roles of the chairman and strengthening roles of the chairman and everything that it accomplished – I think at least it's not overtly stated, but it's inherently understood that the jointness applies to the Reserves as well as it applies to the active components. So the interdependencies and the dependencies that come out of that, I think, apply across the board. So I don't know if we need to change anything to make that.

And I guess my observation is that when I get to theater and they take me in – the Air Force takes me in, it usually is a combination of either the active, the Reserves or the National Guard. I see no difference. I've been in many briefings with our National Guard soldiers in theater, and you know it's – I remember I was at Camp Phoenix in Afghanistan listening to the 76 out of Indiana who at that time were training the Afghan national army – listening to these guys. And I was new on the job, and it just struck me that these guys were National Guard.

And then I remember visiting General Toludo (ph), the commanding general of the 42nd Rainbow Division out of New York that had responsibility for a multinational division northwest – and, you know, just being struck by the fact that it's seamless. And I think the Goldwater-Nichols Act has really brought the services to a higher level of performance. And again, we're our own worst critics in this country, but this is the best – in our case – Army that ever existed. This is the best Air Force; the best Navy; the best Marines. So we're talking about enhancements on the margin to me because we are the best and we're building on a strong foundation. Goldwater-Nichols was an important element in making it along that pass, so I can think about that, but nothing strikes me off the top of my head except that I'd like to see in the future us to take advantage and to utilize the personal capabilities of our citizen soldiers in a way that helps the Army by utilizing their private sector experience.

And of course, vice versa. We know that a lot of our retired military go out there and they certainly help the private sector at the same time. So it's a two-way street, here. And I think any ways that can facilitate that, I think, are in the interest of the Army and the Air Force.

MR. PUNARO: Thank you. Thank you, Secretary Harvey, for your excellent and highly informative and helpful testimony here this morning. But also thank you for your very strong leadership of this magnificent total force Army that we have. But most importantly, that you and the Department of the Army for what you do each and every day to support these total force soldiers and their families as they carry out every mission and meet every challenge that our nation sends their way each and every day. So thank you so much for being here and we look forward to staying in close touch. The commission will stand in recess until 2:00 p.m. when we'll hear from the chairman of the Joint Chiefs, General Peter Pace.

SEC. HARVEY: Thank you, Mr. Chairman.

(END)