



PRESS RELEASE

House National Security Committee

Floyd D. Spence, Chairman

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STATEMENT OF CHAIRMAN FLOYD D. SPENCE

FULL COMMITTEE HEARING WITH

FORMER CHIEFS/VICE-CHIEFS

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I want to welcome our distinguished witnesses and thank them for being with us today. None of our witnesses this morning are strangers and I am glad to welcome them back to the National Security Committee.

I think that the last two weeks have been interesting for anyone involved in or following the long-running defense debate. The President finally admitted that there is a readiness problem and that fixing it will require increased spending. And subsequent to the President's admission, the Joint Chiefs also testified in the Senate to readiness concerns and funding shortfalls over the next five years in the range of \$70-\$80 billion dollars. This shortfall estimate has grown significantly since earlier this year, and it still does not include the funding necessary to close the pay gap and fix the retirement system.

I was particularly disturbed, however, with what was at least the suggestion – on the part of both the Administration and evident in much of the media's reporting — that these readiness problems and funding shortfalls were somehow a recent development. One could easily read much of the last two weeks worth of reporting and come away believing that readiness problems and underfunded defense budgets had just been discovered.

Mine is only one of many voices, but let me briefly read from a letter I have written: "U.S. military units are caught in the early stages of a downward readiness spiral that shows no prospect of easing in the foreseeable future. Wholesale categories of combat units are in a reduced state of readiness and those that are not are managing to preserve short-term readiness only through engaging in a desperate 'shell game' with dwindling resources – a practice that eats away at sustainability stocks, maintenance of equipment and other readiness resources."

This quote is from a letter I wrote to then-Deputy Secretary of Defense John Deutch four years ago, in advance of releasing my first readiness report. Fast forward to the present, and the Joint Chiefs are testifying last week to a five-year shortfall of \$70 - \$80 billion dollars, excluding pay and retirement fixes. A problem of this magnitude is not anecdotal and it certainly did not develop overnight. In fact, the signs of this long-term systemic readiness problem were unmistakable many years ago. If it has taken this long to agree on the relatively simple and evident proposition that there is a problem, how difficult is it going to be to take the very complicated and costly steps necessary to solve it? I hope this is all not “too little, too late.”

Fixing what is wrong with our military requires public support which, in turn, requires a broad-based awareness of post Cold War world threats to our interests and of our military’s growing shortfalls. Such awareness is impossible to create and sustain when threats and shortfalls are downplayed or dismissed.

For years I have lamented the fact that the American public has been lulled into a false sense of security. The average American is neither aware of how threatening the post Cold War world is, nor aware of the fact that our military is confronting the most serious quality of life, readiness and modernization shortfalls in a generation – since the “hollow military” days of the late 1970s. As long as they remain unaware or unconvinced, Americans are much more likely to be focused on the potential benefits of a tax cut, debt reduction or increased social spending than they will be in the widening gap between this nation’s military strategy and the forces and resources necessary to implement it. Perhaps now, with the voices of the President and the Chairman of the Joint Chiefs of Staff somewhat belatedly joining the chorus, the American people will begin to take notice.

This false sense of security exists despite the fact that many of us, Republicans and Democrats alike, have been raising these concerns for a number of years. Yet in addition to our rhetoric, Congress has also put its “money where its mouth is” when it comes to at least trying to address readiness problems. Beyond legislating fixes to the severely flawed readiness reporting system over the past several years (legislation which culminated in the complete revamping of the readiness reporting system in this year’s FY 99 defense authorization bill), this committee has added \$4.5 billion dollars above the President’s budget to four or five key readiness accounts since 1995.

Moreover, since 1993, Congress has approved more than \$12 billion dollars in supplemental appropriations to cover the costs of the Administration’s usually controversial and generally under-funded (even unbudgeted) peacekeeping and humanitarian operations. Yet readiness continues to decline and the shortfall list continues to grow. But in a very bipartisan fashion, Congress has at least been trying to fix this problem for years.

Nobody should misunderstand me. I welcome the President’s overdue public admission of serious quality of life, readiness and modernization problems and his apparent change of heart in recognizing the need for additional defense spending. I hope that the public admissions and testimony of the past several weeks will mark a turning point in the process of building a consensus to do something more to address these problems. As I indicated two weeks ago, I believe if the President leads on this issue that he will have bipartisan support in Congress and the support of the American people.

And the President will have every opportunity to demonstrate his leadership in the months ahead by providing significant spending increases in DoD's fiscal year 2000-2004 defense plan which the services are struggling with as we speak. In my opinion, significant increases does not mean just funding the outyear costs of the higher pay raise or simply budgeting the outyear costs associated with operations in Bosnia. We have seen the Administration take such steps in the past and market it as a "readiness" increase in the defense budget.

In my opinion, significant increases means addressing, at a minimum, what the Joint Chiefs have identified as a \$70-\$80 billion dollar five-year shortfall, plus the tens of billions of dollars needed to address pay and retirement problems. I hope the President's actions between now and year's end will speak even louder than his words. If they do, he will certainly have my support.

I suspect the President would also have the support of our witnesses this morning. Our distinguished panelists represent decades of U.S. military experience – careers which have spanned both good times and bad. I hope our witnesses can build on last week's testimony by the Joint Chiefs. In particular, I hope our witnesses will provide their unvarnished view of the readiness problems confronting the military and the impact these problems are having throughout the force. In addition, I would welcome our witnesses' perspectives on the magnitude of the resource shortfall – on how much addressing these shortfalls is likely to cost over the next five to ten years. Have the Joint Chiefs underestimated the shortfall? And no matter how much it costs, can we afford not to pay? I look forward to hearing from you all.