

REPORT OF THE SECRETARY OF THE ARMY

The United States Army remains the preeminent land force in the world today. As the nation's decisive force in war and peace, the Army continues its important role contributing to the execution of the National Military Strategy. More than 140,000 Army personnel are forward-stationed or deployed around the world on any given day from Korea to Kosovo, from Central America to Southwest Asia. These forces, comprised of America's sons and daughters, visibly demonstrate the nation's commitment to its responsibilities as a global leader.

The Army is in the midst of a strategic transition. Not since the beginning of the last century has such a comprehensive transformation been attempted. An effort of this magnitude—to change in time of peace because the Army knows its condition, because it is informed about the future environment, and because it knows what capabilities it will need—is historically unprecedented. The time to transform is *now*; the Army cannot miss this opportunity. Transforming the Army will maintain readiness in the near- *and* long-term. The Army will take bold and decisive action to sustain and build on the momentum already generated with solid bipartisan congressional support to deliver the capabilities the nation needs.

The Army embraces its role in executing its 21st century responsibilities and last year unveiled its vision to field a transformed Army that will be strategically responsive and dominant across the full spectrum of military operations. The Army Vision addresses three broad components—**PEOPLE**, **READINESS**, and **TRANSFORMATION**—through which the Army must continue to ensure land force dominance into the next century.

- The Army *is* **PEOPLE**—soldiers and civilians—active and reserve—retirees, veterans, and families. Soldiers are the centerpiece of the Army formation and its most important resource. It is the people of the Army who have made the sacrifices that have ensured the high level of readiness upon which the nation depends.
- The Army's top priority is **READINESS**. The Army has a non-negotiable contract with the American people to fight and win the nation's wars while executing the peacetime missions and deployments that prevent wars from occurring. Soldiers and civilians perform the critical role of keeping warfighting formations ready for worldwide employment. The Army must remain ready today and into the future, thus the criticality of maintaining the momentum of transformation to ensure the Army develops the capabilities expected of America's decisive force.
- **TRANSFORMATION** will field an Army that is more responsive and dominant and ensure a capable force is available until the Objective Force, which will provide the nation with an increased range of options for regional engagement, crisis response and land force operations, is achieved. The Army is shedding its Cold War designs and preparing to meet the national security requirements of the 21st century. Transformation will create an Army that is more strategically

deployable, agile, versatile, lethal, survivable and sustainable to be responsive and dominant across the full spectrum of operations.

As a less stable, more fractured world complicates the objectives of the national security strategy, the Army's span of expeditionary and decisive capabilities enable it to counter the full spectrum of threats posed to U.S. interests, to include both traditional and non-traditional threats. As the range of requirements for national security grows, so does the demonstrated advantage of the Army's complex organization. The Army provides tailored land forces to the geographic combatant commanders, manages land-based missile defense, supports homeland security, develops and maintains civil works throughout the nation, and in FY 2000 was engaged in over 68 countries. The Army contributes to the National Security Strategy and National Military Strategy by enhancing global stability through the tenets of shape, respond, and prepare, and is transforming to ensure it can continue to meet the requirements of peacetime engagement, crisis management, deterrence, and should deterrence fail, fighting and winning decisively. The Army will continue to be, as always, fielded and trained for the most demanding of missions—warfighting. In concert with this requirement, the Army must maintain its readiness now and in the future to provide the capabilities the National Command Authorities need to maintain the nation's global leadership. The Army will meet every challenge, as it did in the last century, and as it is doing with increasing frequency today.

PEOPLE—THE CORE OF THE ARMY

Wherever you look today, from Korea to the Sinai, the Army is a visible and powerful symbol of America's most cherished principles and ideals in action. Awe-inspiring and unique, the talent, drive, initiative, values, and intelligence of its personnel are the critical underpinnings for its capabilities. The courage, bravery, and selfless service of Army soldiers are an inspiration and example to people around the world. The special commitment by all soldiers and their families is what makes soldiering an affair of the heart. Those who serve do so because they believe in the profession, they believe in the Army, and most essentially, because they believe in each other. The Army is about trust, soldier to soldier, leader to led, unit to unit, the Army to the American people.

The Army creates and fosters values by continuously training and educating the nation's young people and giving them the opportunity to grow and improve as leaders and soldiers. Growing leaders is the most important thing the Army does in peacetime. For the future, training and education will be essential to maintaining the decisive battlefield edge as weapons systems become more technical and as doctrine and tactics continue to change. The need to recruit highly-educated, technologically savvy soldiers will not diminish in the future given the demands of the Army's sophisticated weaponry and logistical and communications systems. This year, the Army took steps to meet its recruitment and education needs by launching an innovative, 21st century education initiative—the Army University Access Online Program—that once in place will make the Army the largest provider of online access to higher education in the nation. This program will reduce the barriers to getting a college education and allow soldiers and, eventually, their families to access education and the opportunity to earn a degree online anytime, anyplace. This innovative, state of the art educational program is just one of the Army's key investments in its most critical asset—people.

Investments in soldiers and families are a key component of ensuring dominance today and tomorrow. Pay initiatives and the emphasis on recruiting enabled the Army to reach 100 percent of its retention and

recruiting goals Army-wide. A 22 percent turnaround overall in recruiting is a direct result of the increased emphasis on the soldier. Initiatives to improve well being for families are essential to continued retention of soldiers. Soldiers and their families are entitled to the same quality of life as is afforded the society they pledge to defend. Through privatization initiatives in housing and other areas, the Army is focusing on providing the well being necessary to retain soldiers by providing amenities comparable to those available in the private sector. The Army initiative to privatize housing is being evaluated at four installations. The Army is committed to bringing barracks and overseas housing to higher standards. The Army recognizes that taking care of soldiers and their families is inextricably linked to readiness and the Transformation.

READINESS—IS NON-NEGOTIABLE

The Army provides combatant commanders robust, ready, and disciplined formations to accomplish military operations which range from day-to-day engagement activities to crises requiring the application of force. Some of these deployments have been brief; others have evolved into ongoing commitments of the force. In FY 2000, the Army averaged 26,621 soldiers deployed in 68 countries for operations and training missions. In addition, there are approximately 124,800 soldiers forward stationed in 106 countries including 115,700 active and 9,100 reserve soldiers. Because of the Army's mission to support combatant commands and its mandated role as the nation's land component for warfighting, readiness is non-negotiable. Those two demands—day-to-day engagement and constant warfighting readiness—are in tension. Army forces must remain credible in their combat fighting ability to ensure it minimizes the risk to a national treasure—America's sons and daughters. To maintain this credibility, the Army examined how it allocated its personnel resources and, as a result, began to reevaluate the method used for measuring force readiness, instituted the Manning Initiative, and continued to expand the use of the reserves to ensure it can meet long-term requirements.

Given the complexity of today's strategic environment and the resulting increase in operational requirements across the spectrum of military operations, the Army will institute new ways to measure readiness in order to provide the National Command Authorities and combatant commanders with a better gauge of its capabilities. For near-term readiness, the definition includes items which affect the overall capability of units to deploy such as personnel tempo (PERSTEMPO); training enablers including training ranges, institutional support, and depot maintenance; full time support to the Reserve Components; and installation support. For long-term readiness, the definition includes those items which foreseeably will affect the Army's ability to retain personnel, such as facilities upkeep and well being initiatives, and to maintain weapons overmatch capability through recapitalization of aging equipment and modernization.

The Manning Initiative responds to the requirement to ensure the first-deployed units, the warfighting divisions and cavalry regiments, are at the highest state of personnel readiness. These units respond to a wide range of missions but the increased frequency of mission requirements has had detrimental impacts, especially in terms of personnel tempo and force turbulence. In FY 2000, the Army began redistributing personnel resources within the existing force structure to ensure full manning of its divisions and cavalry regiments. Higher readiness was achieved in these units while personnel shortfalls were concentrated in the institutional Army. This shift in personnel resourcing revealed a potential Army endstrength gap to meet the full spectrum of requirements. Based on requirements for near-term readiness (manning warfighting units) and long-term readiness (training and recruiting personnel, developing doctrine, and maintaining equipment and installations), current Army endstrength does not permit all manning

requirements to be filled. The Manning Initiative is succeeding in ensuring that the Army's tip of the spear units are ready, but at the considerable cost of undermanning in other units and the Institutional Army.

The Army's increased use of the Reserve Components on operational missions has helped meet the increased operational demands of the last few years. The shift of the Army from the Cold War mentality of reserves in waiting to today's environment of reserves in action demands a more integrated and interoperable Army, one in which reserves must maintain the same level of readiness as other forces. The Reserve Components comprise 54 percent of the total Army. They provide the Army with 60 percent of combat, 57 percent of combat support, and 69 percent of combat service support force structure. In FY 2000, the Reserve Component played an increasingly important role by meeting previously pure active component missions. This past spring, the Army National Guard's 49th Armored Division assumed the mission for the Multinational Division (North). This was the first time since World War II that a Reserve Component division headquarters has led active component forces conducting operational missions. Reserve force integration in exercises in Macedonia, Moldova, East Timor, Korea, Peru, and Belize demonstrate to America's allies the true total force readiness the Army possesses. In the future, every third peace-keeping rotation in the Sinai will be performed by the Reserve Component. The Army will expand the program in which Regular Army officers command reserve battalions and Army National Guard and Army Reserve officers command active battalions. The Army has continued its forward movement on multicomponent units as well. The Army is committed to optimizing the use of the Reserve Component in executing operational missions in order to maintain readiness and to ensure an integrated, seamless force.

GLOBALLY ENGAGED—RESPONDING WHEN CALLED

The Army maintains its readiness to ensure it supports the nation's security through joint integrated operations to shape the international environment, respond to crises, and prepare for an uncertain future. National security strategy has evolved to encompass more than fighting and winning wars. It now includes preventing wars by active engagement around the world. The Army is the principal engagement force for the nation and the military service that performs the largest share of humanitarian assistance, peacekeeping, and military-to-military engagements. Its complex organization lends itself to the variety of the missions to which Army soldiers are deployed daily. By maintaining a forward presence in Europe, the Pacific, and Southwest Asia, the Army promotes regional stability, gives substance to America's security commitments, prevents the development of power vacuums and instability, and contributes to deterrence by demonstrating determination to defend national, allied, and friendly interests in critical regions. The Army's boots on the ground span missions from presence and peace enforcement operations that deter aggression and bring peace and stability to troubled regions; to training and educating old allies and new partners to strengthen bonds of mutual respect and understanding; to exercises that demonstrate resolve and enhance interoperability.

In Europe, the Army's 62,000 forward-stationed and 9,000 deployed soldiers are engaged in multiple operations and exercises that contribute to the stabilization of the region and to assist in the Balkans. In Bosnia-Herzegovina, Army soldiers in NATO-led multinational formations work in concert with military units from Russia, Ukraine, Poland, Turkey, Greece, Norway, the United Arab Emirates, and Jordan to restore peace in a multiethnic society and to help create an environment that makes life more normal each day for the people of this ravaged area. In Kosovo, where the rule of law is not firmly established, soldiers provide a safe and secure environment for Kosovars, whether ethnic Albanians or Serbs. An Army division provides the command authority for the Multinational Brigade (East) sector in which U.S. soldiers work

side by side with soldiers from Russia, Poland, Greece, Ukraine, and the United Arab Emirates to patrol the roads and villages. From Tunisia to Norway, Army soldiers participated in 39 major exercises and a host of engagement activities to prepare soldiers and leaders for coalition combat. Among these exercises was a multinational disaster response exercise in Romania involving 10 other nations and a 16-nation exercise in the Ukraine designed to enhance interoperability in peacekeeping operations. Throughout last year and into the future, the Army will build cooperation, enhance stability, and promote interoperability with allies and potential allies for regional security, demonstrating U.S. global leadership.

In the Pacific, where the majority of Army soldiers are on the Korean peninsula, deterrence through warfighting readiness is the top priority. Soldiers continue the commitment made over 50 years ago. Standing with Korean allies, soldiers maintain the armistice through a steadfast vigilance and exercises to build the combined coalition. Annual exercises like Ulchi Focus Lens and Foal Eagle validate war plans, build warfighting prowess and demonstrate resolve. Elsewhere in the Pacific, Army soldiers participated in exercises throughout the year with treaty partners, in army-to-army exercises and in partnership events in Australia, Thailand, the Philippines, Malaysia, Singapore, Korea, and Japan. The lessons learned from these coalition operations influence training and fighting concepts, not only now but also potentially in the future. The bonds of mutual respect and understanding with foreign armies as well as sister services that engagement provides, along with improved interoperability with and accessibility to strategic countries, continue to demonstrate U.S. resolve to support security and humanitarian interests of friends and allies in the region.

Throughout the volatile region of Southwest Asia, the Army continued its deterrence role and its efforts to build stronger coalition capabilities. The Army maintains its presence in support of UN activities to deter further Iraqi aggression and assure Kuwait and other nations in the Persian Gulf region regarding U.S. resolve. In Kuwait, the Army alternates command with the U.S. Marine Corps for the standing coalition/joint task force for the security of Kuwait, overseeing Army infantry security forces, PATRIOT air defense units, and staff elements that work with military forces from the United Kingdom, Australia, and New Zealand. In the nation's longest continuous engagement, the Army completed the 38th and 39th Multinational Force and Observers rotations in the Sinai. In Egypt, 4,500 U.S. Army soldiers, including Army National Guard units from Arizona, Louisiana, Montana, and Nevada, participated in a large scale multinational exercise with Egyptian forces and participants from the Persian Gulf states, France, Germany, Italy, United Kingdom and the Netherlands. This exercise along with others reinforces the U.S. commitment to provide global leadership by working with other nations to increase interoperability, demonstrate combined resolve against threats, and retain regional accessibility for coalition forces.

Throughout the world and at home, the Army's operational flexibility gives it the ability to respond with tailored forces to meet a variety of challenges, from disaster relief to training of military forces. Whether disaster relief or nation building, the Army has the range of forces to execute operations extending from humanitarian and civic assistance activities, building civil projects, to providing medical care in the U.S. and abroad. In the United States, the Army supported civil authorities, states, and national agencies in all fifty states to combat wildfires and conduct assistance and community support following tornadoes, hurricanes, winter storms, and floods. Reserve forces also provided domestic support to 33 states, conducting 203 projects such as health service and medical support and construction in cooperation with civil authorities. Globally, the Army provided water purification and helicopter lift capabilities after natural disasters struck Venezuela, South Africa, and Mozambique in order to ensure crisis situations did

not worsen. In Central and South America, Army Reserve medical readiness deployments treated 108,000 patients; and in the Pacific, engineer and medical assistance teams built bonds of friendship in Micronesia and Timor. To build internal capabilities in nations that are recovering from wars, such as Yemen, Army soldiers trained indigenous personnel in demining operations to assist in removing this threat to the civil populace. Responding to crises will continue to provide a wealth of experience for soldiers, build support for U.S. leadership, and provide a bond of friendship at home and around the world for the nation.

To stimulate self-reliance, the Army teaches and trains foreign military personnel both on location and in the United States, exporting its expertise and the example of the healthy command relationship that exists between the military and civilian leadership. In Nigeria, Army teams conducted brigade-level training in support of the African Crisis Response Initiative to enable African forces to rapidly assemble and conduct peacekeeping operations throughout the African continent. In South America, soldiers are training Colombian armed forces in counterdrug operation tactics and techniques. This effort is in addition to ongoing support efforts in Honduras and the Caribbean to counter drug trafficking. At Army schools in the United States, the Army provides personnel from other nations the same high quality, professional military education that produces the finest leaders in the world. The U.S. Army School of the Americas, chartered to develop and conduct professional military education for the armed forces of the Caribbean and Latin America, closed in December 2000. A new Department of Defense institute, which will have an increased emphasis on professionalism, human rights, and civil-military relations, will open in January 2001. The institute will meet U.S. interests by offering Spanish-language based professional military education for America's allies in the Western Hemisphere with an enhanced program focused on strengthening democracy and meeting the new threats of the 21st century. Whether through training, a forward posture, or continued participation in global exercises, the Army will remain engaged and will continue to provide leadership around the globe in support of the nation's security.

In today's strategic environment, the Army must be ready—to initiate combat on America's terms, to build momentum quickly, to retain the initiative, and to win decisively. To ensure it is ready to fight and win the nation's wars, the Army conducts its own training and participates in exercises around the world. In FY 2000 the Army trained over 82,000 soldiers at Combat Training Centers (CTC). CTCs train units to the rigorous standards required in combat and enable the Army to simulate operations in a wide variety of conditions from low-intensity peacekeeping to high-intensity mechanized warfare. Tough, realistic training at these centers—the National Training Center at Fort Irwin, California, the Combat Maneuver Training Center at Höhenfels, Germany, and the Joint Readiness Training Center at Fort Polk, Louisiana—provide soldiers and leaders with advanced unit training in an intense learning environment. Annually, the centers also train up to seven rotations of allied soldiers, providing the same high quality training that make Army soldiers the best ground force in the world. Just as CTC training enhances readiness, so do operational deployments and exercises. Exercises allow the military to work as part of a joint, combined, interagency, and/or bilateral force with non-governmental organizations. In FY 2000, Army participation demonstrated its capability to support operations in joint exercises with the U.S. Marine Corps for integrated forced entry operations, joint health service support operations, joint logistics over-the-shore operations, and joint task force staff headquarters training. These training opportunities hone the agility and flexibility of the Army in responding to the broad scope and multifaceted complexity of operations. The Army increases its capability to execute globally and refines tactics and techniques needed as the Army transforms for the future.

PREPARING NOW—TRANSFORMING FOR THE 21ST CENTURY

As the Army meets near-term requirements it must prepare for the long-term. To remain *persuasive in peace and invincible in war* requires that the Army actively manage change within itself to maintain current readiness and lay the groundwork for future readiness. The Army must transform in order to develop and field a formation that possesses the force characteristics to retain its preeminence as a ground force. Army transformation will result in a more responsive, deployable, agile, versatile, lethal, survivable, and sustainable force. The Army is synchronizing its Transformation with the National Security Strategy, the National Military Strategy, Joint Vision 2020 and the upcoming Quadrennial Defense Review. The Army recognizes Transformation requires more than just technological change to generate future success. The Army is also evaluating organizational and conceptual changes and how to grow the flexible and innovative leadership the Army must have to succeed. The Army does not have all the answers today; but it began by asking the right questions, and it is going where the answers are leading. So far, the Army is moving out on Transformation with strong bipartisan congressional and Department of Defense support. Transformation is following three principal axes—the Legacy Force, the Interim Force, and the Objective Force—to give the Army the capability to meet readiness requirements now, modernize for the future, and provide commanders the force that will keep the Army the premier ground force for the 21st century.

Throughout the Transformation, the Army must continue to meet its requirements. To do so, the Army will sustain its Legacy Force by maintaining, modernizing and recapitalizing the force to preserve its strategic agility, overseas presence, and power projection capabilities. In FY 2000, the Army identified 21 key armored and aviation systems in the active and reserve components to be recapitalized to extend service life, reduce operating and support costs, and improve system reliability, maintainability, safety, and efficiency. The digitization initiatives and technological advances from Army Warfighting and Division XXII experiments will provide upgraded capabilities. The Legacy Force will maintain the capabilities the Army currently has plus improve selected others that are already scheduled in order to sustain combat overmatch against likely threats. The trained and ready Legacy Force will provide a credible deterrent against challenges to U.S. interests and ensure required readiness and capabilities are available during Transformation.

The Interim Force will bridge the gap between the Legacy and Objective Forces. A key component of the Interim Force is the Initial Brigade Combat Teams (IBCT), the first of which the Army organized and fielded at Fort Lewis, Washington. The IBCT will give the Army an enhanced capability for operational deployment to meet worldwide requirements and will validate an organizational and operational model for the Interim Force. Congress provided an additional \$750 million over the President's Budget request in support of the IBCT concept. The Army will use the money to field the second IBCT in FY 2001 and to procure an Interim Armored Vehicle as the principal platform of the Interim Force. The Army is programming the funding for an additional IBCT each year through FY 2007. The Army will train soldiers and grow leaders in the doctrine and organization of these new IBCTs in order to be able respond to operational requirements and provide strategic deterrence and response options for the National Command Authorities.

The Army has made great strides this first year towards the Objective Force. The additional \$3.2 billion from Congress will continue the momentum for Transformation. To accelerate the transition, the Army has undertaken ambitious initiatives in the development of the Objective Force's technological centerpiece—the Future Combat Systems (FCS)—by entering into a cooperative effort with the Defense Advanced

Research Projects Agency to mine critical technologies necessary for FCS recommendations and development plans by FY 2003. These recommendations will lead to a detailed design and demonstration phase for engineering, manufacturing and development for the FCS by FY 2006 and ultimately to the first unit equipped by the end of the decade. The Army's investment now will provide, after eight to ten years of development, the new technologies behind FCS capabilities. When technologies are mature and when the production lines are ready, the Army will begin fielding the Objective Force in unit sets. Organizations will field complete suites of new equipment--thoroughly integrated systems designed to give us all of the capabilities outlined in *The Army Vision*. Over the course of the next 15 to 20 years, the Army will transform itself into the Objective Force.

CONCLUSION

The Army, its Vision, and its Transformation begin and end with people. The Army remains *on point* today; soldiers ready to stand against the forces that would threaten U.S. interests and global leadership. Soldiers ensure the Army remains the globally dominant land force today—shaping, responding, and preparing are the common threads through the Transformation. People ready to face the intellectual challenges of doctrine, organization, and technology in the future will be the difference in maintaining readiness. To ensure that the Army remains the most prepared and best trained military force in the world, enhancements to compensation, retention, recruiting, well being, education, health care, and family programs will be given a high priority. While equipment is important, the Army is, and will remain, about people. The character, values, and professionalism of its soldiers and leaders continue to provide this nation its decisive force. The Army will always remain ready for the nation—persuasive in peace, invincible in war.