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Army seeks \$64.3 billion for coming year

The Army will be asking Congress for \$64.3 billion in total obligational authority for Fiscal Year 1999, and that budget request will cover a 3.1 percent military pay raise and modest drops in active duty end strength for all components and Department of the Army civilians. Included will be \$2.6 billion for Army digitization efforts, which is expected lead to a digitized division by FY 2000 and digitized corps by FY 2004, two years ahead of schedule

It will also provide for Crusader future artillery system, Comanche armed reconnaissance helicopter, Apache Longbow attack helicopter, continuing improvements to the Abrams main battle tank and buying medium trucks.

By contrast, the Army's total obligational authority in FY 1998 was \$61 billion. However, much of the growth in the request comes from mission transfers from DoD such as chemical demilitarization to the Army. If those transfers are subtracted, the Army's request would be \$62.8 billion.

The Department of Defense will be asking Congress for \$257.3 billion in budget authority and \$252.6 billion in outlays in FY 1999. This request does not include the Defense Department's share of the Departments of Energy's or Transportation's budget.

And for the first time, the continuing operations in Bosnia will not be handled as part of the Defense Department's budget. Congress will be asked to provide a "special allowance" to cover contingencies such as Bosnia and natural disasters at home for the coming fiscal year. While not final yet, Defense officials expected that allowance request to be about \$3 billion. In addition, Congress will also be asked in March for a supplemental appropriation to cover FY 1998 contingency costs — primarily in Bosnia.

The Army's share of that supplemental request will be between \$410 million and \$415 million, service budget

officials said. They added, "it's critical we have that money by spring" or they would have to begin shifting money among counts to pay the contingency bills.

In discussing the budget, a senior Defense Department official said the "biggest threat to this blueprint comes in not approving the Bosnia supplemental. The impact there will be greatest in the Army. In the long-term, not approving BRAC (base realignment and closure)."

Although the Defense Department's internal top-to-bottom examination of future defense needs recommended two new rounds of base closures, Congress refused to go along. Congressional leaders on both sides of the aisle thought the process had become too politicized in the cases of two air logistics centers in California and Texas. The senior Defense official said, "we'll be two Congresses and one president away by 2001" when the first BRAC round anticipated in this budget would begin. The second would begin in FY 2005. Adding, the department's inspector general is finding that BRAC rounds cost less to implement and the savings are higher than projected." Based on this preliminary report, Defense projected a \$3 billion annual savings from BRAC in FY 2008 or 2009 if the two new rounds are approved.

When asked what happens if Congress again refuses to approve new rounds of base closure, the senior Defense official said, "We don't have it yet — We haven't assumed failure."

The recommendations from the Quadrennial Defense Review and the Defense Reform Initiative, an aggressive policy of outsourcing and adopting business practices in government operations, and the realities of the balanced budget agreement were the underpinnings of the budget request, Defense and Army officials stressed. "We did not have an open-ended checkbook here," the Defense official said.

Other highlights of the Defense budget:

The Defense Department is asking for \$48.7 billion in Fiscal Year 1999 to buy new weapons. The Quadrennial Defense Review's goal for FY 1999 is \$49 billion. A senior Defense official said, "we're on track to reach \$61.3 billion in FY 2001."

To pay for modernization, the official said, "we'll see some reduction in force and lots of reductions in infrastructure. That was and is the plan."

For example, Congress will be asked to drop active duty end strength to 480,000, Army National Guard end strength to 357,000, Army Reserve to 208,000 and Department of the Army Civilians to 237,000.

"Excess infrastructure is killing us," a senior Army budget official said in explaining that Congress will be asked to approve two new rounds of base closures and realignments. A senior Defense Department official said, "The Department of Defense is burdened with facilities and bases that it neither needs nor can afford."

In addition, Congress will be asked to approve Defense Department plans to streamline its business practices and more aggressively pursue A-76 competitions between government and civilian over work done on federal installations.

While the senior Defense official said he expected the government to be successful in most competitions, he said 200,000 full-time equivalent civilian positions will be competed between FY 1999 and 2003. He added, "we're projecting 20 to 30 percent savings because of the competitions."

For the Army key programs being modernized are:

Ammunition: \$6.6 billion through FY 2003

Trucks/support vehicles: \$5.5 billion

M1A2 Tank upgrade: \$3.2 billion

Apache Longbow Helicopter: \$2.8 billion

For power projection programs, Congress will be asked to provide the money to buy 120 C-17 aircraft by FY 2003, improve the avionics on all KC-135 tankers and money to buy the last Large Medium Speed Roll-on/Roll-off transport to move early-deploying Army divisions.

Defense officials said this budget request, the first following the recommendations of the Quadrennial Defense Review,

begins a transformation of strategy and military forces. The strategy is having military forces capable of shaping the international environment in ways favorable to the United States, able to respond to the full spectrum of emergencies and crises and preparing for the future.

For now, that means the nation will retain forces and structure necessary to fight nearly two simultaneous major regional conflicts.

Total Force:

The Fiscal Year 1999 Defense budget requests \$100 million more for Army National Guard operating tempo and more than \$200 million for new equipment to the reserve components, including 10 more Black Hawk helicopters

The request also seeks \$600 million to increase chemical biological defense programs and expand the role of the National Guard and Army Reserve in countering proliferation of weapons of mass destruction.

If approved the Guard would have 10 emergency response teams, matched to the 10 regions of the Federal Emergency Management Agency.

Work has already started on creating two Army combat divisions that would each integrate three National Guard brigades under an active component headquarters.

More far reaching, however, is to convert some combat elements in the Army National Guard to combat support and combat service support units.

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Personnel and Quality of Life:

All military and most civilian Department of the Army employees can expect a 3.1 percent pay increase if Congress approves the Department of Defense Fiscal Year 1999 budget request as submitted.

Additionally, 3 percent pay increases are forecast into the future and money to fully fund those increases is being set aside in spending plans.

Commissaries will be returned to the control of the services and out of the hands of the Office of the Secretary of Defense. "We feel that with this change they will be more responsive to the troops." A board with representatives from each service will oversee the commissary agency.

An additional \$500 million has been added to the medical account, bringing it \$15.1 billion in the FY 1999 request. It does provide for the Medicare subvention pilot program to test whether savings occur when DoD treats Medicare-eligible patients in its facilities. The senior Defense official said, "we're in a different period than in the 1980s when (health) costs were skyrocketing. The cost per member treated has remained relatively constant, and that's largely because of managed care. The question is: was that just a lull or will we see an explosion in costs like the 1980s in the future. We don't know."

Asked if there were plans to test offering the Federal Employees Health Benefits Program to other military retirees over 65, the senior Defense official said, "we've been centering on the issue of how you provide access to over 65 in our facilities. FEHBP is potentially very expensive."

Chief reports recruiting is off to a good start.

Gen. Dennis J. Reimer reported recently that recruiting efforts so far in this fiscal year "are off to a good start and the quality (of recruits) remains high." Reimer asked the audience at the monthly Institute of Land Warfare breakfast symposium to stop by recruiting offices and talk with the recruiters.

Because of the increased recruiting and training efforts in the last fiscal year, the Army is now filling previously vacant positions in operational units with fully qualified soldiers.

Longer basic training will debut in October. The Army's top general said he expected nine-week basic training sessions to begin in October and the extra time will be spent "emphasizing values, physical conditioning and discipline."

Gen. Dennis J. Reimer told about 200 defense and industry officials meeting in Arlington, Va., Jan. 8, that the longer basic training was part of a "soldierization process" that would continue into advanced individual training and send a better soldier into units.

"We learned a lot about ourselves on human relations issues last year... We came out of there a much stronger institution."

Adding, "Training has really been the glue that has held us together ... We're not going to take the emphasis off training." It also has paid off for soldiers in Bosnia, Korea, and 70 other nations, Reimer said. "Wherever they are (deployed), they show they are professional and are respected as professionals."

Reimer did not expect "a kinder, gentler basic training" after the changes are implemented, but training that would build upon "fairness and treating soldiers with dignity and respect regardless of race and gender."

He said he wanted to make sure that commanders in the field "have the flexibility to balance quality-of-life, readiness and training" at their installations.

Training program due for finetuning.

Gen. Dennis J. Reimer, Army chief of staff, said that in "finetuning the training program" that there would be more emphasis placed on asymmetrical warfare, the kind of combat light forces and early entry forces likely would face.

But that new emphasis would not come at the expense of "the goodness of tough and realistic training of the National Training Center (in California) and the Joint Readiness Training Center (in Louisiana)."

He challenged industry to "make sure we get the most out of simulation" training, a method the Army increasingly uses to instruct soldiers.

OPMS XXI represents fundamental change in managing officers. The Army's top general called the new OPMS XXI (Officer Personnel Management System) "a fundamental change to the way we manage our officers ... Most of our emphasis will remain on warfighting, but there will be four different fields to develop the experts we need." In short, "it means we are going to a requirement-based promotion system." The change adds flexibility in career progression for majors on up, Gen. Dennis J. Reimer, Army chief of staff, said recently.

Chief expects better communications among components. Gen. Dennis J. Reimer expects better communications between the active component, the Army Reserve and the Army National Guard in 1998. He told an Institute of Land Warfare breakfast recently that sessions, such as those he has had with the state adjutant generals, are "steps in the right direction" in making "sure the Total Army is a seamless Army." He also cited the success of active, Army Reserve and National Guard soldiers have had in Bosnia as another example of how the Total Army can work together.

Reserve, guard now have advisory roles on Joint Staff. Defense Secretary William Cohen created two more posts on the Joint Chiefs of Staff that will assist the chairman on reserve component issues. The positions, required in the Fiscal Year 1998 Defense Authorization Act, will be filled by two star reserve officers on active duty. The officers will be known as assistants to the chairman.

Commissaries, exchanges may consolidate. The Defense Department has begun looking at the possible consolidation of the Defense Commissary Agency with the exchanges. The plan, being developed by the under secretary of defense for personnel and readiness, is to be completed in early March.

Consolidating exchanges and commissaries is one of the recommendations contained in Congressional Budget Office report on how to improve the military store system. Consolidation would also be in line with the Defense Reform Initiative campaign that is designed to make the department operate more like private businesses. The services are studying combining parts or all of the exchanges into one exchange service.

Thurmond will step down as chairman at end of 1998. Sen Strom Thurmond, R-S.C., will step down as chairman of the Senate Armed Services Committee at the end of 1998. The senator, who is 95, said he intends to serve out his current term which ends in January 2003. He is the oldest and longest serving member of the Senate, having first been elected in 1954.

Gender-integrated training receives a boost. The Defense Advisory Committee on Women in the Military Services reported that most troops believe in gender-integrated training. This finding sharply contrasts with those of the Federal Advisory Committee on Gender-Integrated Training that there should be less integration in the training base.

As is its procedure, DACOWITS did not make any specific recommendations on the issue, but said it would continue surveying servicemembers on the question.

Defense Secretary William Cohen has asked the services to report back in 60 days on gender-integrated training. Gen. Dennis J. Reimer, Army chief of staff, said recently at Fort Jackson, S.C., "the idea of training together, that's the way we fight, and it makes a lot of sense."

As he had in congressional testimony last year, Reimer said he believes the Army needs more female drill sergeants. He also acknowledged tensions between genders can cause stress and are an issue in training.

Ralston nominated for new term. President Clinton has nominated Gen. Joseph Ralston, USAF, for a second term as vice chairman of the Joint Chiefs of Staff. The Senate must approve the nomination.

Ground forces unlikely to be used in latest Iraqi confrontation. The likelihood that U.S. ground forces will be used quickly in the looming showdown with Iraq is unlikely.

Defense Secretary William Cohen said at a Feb. 3 hearing of the Senate Armed Services Committee that he expected an air campaign would be used to destroy Iraqi sites capable of building or storing weapons of mass destruction.