Prepared Statement of Dr. Paul Wolfowitz for his Confirmation Hearing before The Senate Armed Services Committee, U.S. Senate, 107th Congress, February 27, 2001

Senator Warner, Senator Levin, Members of the Armed Services Committee:

It is an honor to appear again before this great committee, one that has done so much over the years to make our nation strong and the world more peaceful. I am grateful to the President and Secretary Rumsfeld for the confidence that they have shown in me by nominating me for a position of such great responsibility. When I think of the men and women who have sought confirmation here in the past, and the number of important laws --- like the Goldwater-Nichols Act--- that have originated with this committee, I feel truly humbled.

If confirmed by the Senate, this will be my third tour in the Pentagon. It is also the second time that I have come before this distinguished committee to seek confirmation for a senior position in the Department of Defense.

On the previous occasion, in 1989, it was a very different world. The Cold War was still a reality. Even in the heyday of Mr. Gorbachev, the principal threat to our nation still came from a Soviet Union that was armed to the teeth with nuclear and conventional weapons.

We had well over 2 million men and women on active duty to deter and, if necessary, defend against this constant threat.

Twelve years ago, many observers believed that the United States was in a period of permanent decline, and many pointed to other nations as models for reforming the U.S. economy. Budget deficits were taken as a given, the personal computer was a toddler, and the Internet was a mere infant.

In the intervening years, the Cold War has become part of history, and we have fought and won a major war in the Persian Gulf. America did not decline, it prospered. We remain a vibrant world power, with a position that is in many respects unique in the history of the world.

Under these circumstances, it was only natural that our nation desired to reap a peace dividend. We reduced our defense budget by 40 percent, and cut the force by nearly the same amount. Our defense budget was drawn down to the lowest percentage of our gross domestic product since the late 1930s.

But the world remained, in Secretary Rumsfeld's phrase, a "dangerous and untidy" place. Amidst the peace that encompassed the developed world, ethnic conflict, regional thugs, failed states, terrorists, and the proliferation of missiles and weapons of mass destruction presented new challenges. And, the need, indeed the demand, for U.S. leadership increased, as well.

Despite declining defense budgets and a shrinking force structure, in the past decade we drastically increased the number of military deployments for humanitarian and peacekeeping operations. This added greatly to the workload of an already busy force, one that was struggling to maintain its combat readiness with dedicated, but tired troops manning aging equipment. Today, as General Shelton has said, the force is "frayed."

We must begin a long overdue renovation and transformation of the Armed Forces in order to preserve and extend the peace well into the twenty-first century. President Bush has set this task as one of the highest priorities of his Administration. As the President has reminded us, peace is not ordained, it is earned; and it must be earned, in particular, by the hard and often dangerous work of our men and women in uniform.

The President has set three important goals for the Defense Department:

First, we must strengthen the bond of trust with the American military. As General Creighton Abrams said when the All-Volunteer Force was first created, "people aren't <u>in</u> the Army, people <u>are</u> the Army" --- and the same is true of all the military services.

Building on the dedicated work of the House and the Senate, we must continue to improve military pay and quality of life. But good pay and fair allowances by themselves won't keep the best people in the service. Working with the Congress and with our allies, we must also reexamine the balance among force levels, commitments, and deployments. We will have to make sure that we are focused on the most important defense tasks, and not placing unreasonable demands on our men and women in uniform.

We will also have to acknowledge the relationship between morale and readiness. President Bush has said that "even the highest morale is eventually undermined by back-to-back deployments, poor pay, shortage of spare parts and equipment, and rapidly declining readiness." Our men and women in uniform must have first class equipment, adequate materiel for training and maintenance, decent barracks, modern family quarters, and suitable working conditions.

Second, we must develop the capabilities to defend against missiles, terrorists and the complex set of threats to our information systems and our all-important assets in space. U.S. power in the field is unparalleled. Many of our enemies have determined that in order to move against us, they must be able to strike us at home. Some have chosen to develop long-range missile systems. Others have chosen to support or direct terrorist attacks --- with conventional devices, weapons of mass destruction, or cyber weapons --- against our nation, our forces, or our diplomats abroad. We must do everything in our power to stop them.

Third, the Department of Defense must take advantage of the technological revolution to help us create a military for the 21st century. To this end, at the direction of the President, Secretary Rumsfeld has already launched a review of our defense strategy and

programs designed to provide a sound understanding of the state of our Armed Forces and their readiness for the 21st century security environment. This work must be done quickly, and it must be done before we can know what our true defense resource requirements are. President Bush and Secretary Rumsfeld believe, as the Secretary puts it, that we need to "engage our brains before we open the taxpayer's wallet." I strongly support that approach and will work hard to shape a prompt and effective review.

In addition to that review, to support and make progress on the President's goals, the Secretary has set five key objectives for the Department of Defense:

First, we must fashion and sustain a new form of deterrence appropriate to the new strategic environment. The proliferation of missiles and weapons of mass destruction is a key element in the new strategic environment. We need new concepts and forms of deterrence to deal with it. We need a deterrence based less on massive levels of punishment or retaliation, and more on the use of both defensive and offensive means to deny our adversaries the opportunity and benefits that come from the use of weapons of mass destruction.

Second, we must assure the readiness and sustainability of our Armed Forces, now and into the future. This will require not only spending to bring up current readiness levels, but also investment in the re-capitalization and modernization efforts that our forces need to avoid being caught in the trap of making ever-increasing expenditures to maintain aging equipment.

Third, we must modernize our command and control, and space capabilities to support our 21st Century needs. Our command, control, communications, and intelligence infrastructure is the foundation of American military strength. That infrastructure is essential for current operations and indispensable for adapting today's force to take advantage of new technology to meet 21st century challenges. As Secretary Rumsfeld has said, we must significantly improve our intelligence and space capabilities, as well as our ability to protect them against various forms of attack.

Fourth, we must begin reshaping the U.S. defense establishment to meet new challenges and take advantage of new opportunities. We face the demanding task of preparing for an uncertain future where there are many individual, unpredictable threats but no single major adversary to focus our efforts. We will have to make a stronger effort to define the key tasks and, begin to move, as President Bush has said, "beyond marginal improvements to replace existing programs with new technologies and strategies."

Building on the superb human capital of the current force, we must fashion a future force that is at once more agile, more lethal, and more rapidly deployable. It must be able to operate over increasingly longer ranges. It must integrate the capabilities of all of the services so that field commanders have the best possible combination of air, sea, and land weapons for each situation; and it must have the best technology that America can offer. Our dedicated soldiers, sailors, airmen, marines and coast guardsmen deserve no less.

Finally, we must reform Department of Defense structures, processes, and organizations. We need to seek greater efficiencies not only to safeguard the taxpayer's money, but also because that will allow us to create better weapons systems and invest more in the cutting edge of our nation's defenses.

There is no more solemn responsibility that the American people entrust to the federal government than --- in the words of the Constitution --- "to provide for the common defense." There is no group of Americans who deserve more respect and honor from their fellow citizens than the men and women of our Armed Forces, who daily put themselves in harm's way for that constitutional purpose. It is both exciting and humbling to be asked again to help lead them in their work for the common defense.

Mr. Chairman, it is more than just an honor to be nominated by the President to be Deputy Secretary of Defense, it is also a great responsibility. I appreciate the trust that President Bush and Secretary Rumsfeld have placed in me. If confirmed, I look forward to continuing to work closely with this committee to achieve our common goals. Indeed, I pledge to you that I will work with the Services, the Congress, and the defense industry to help the President and the Secretary prepare our Armed Forces to meet the challenges of the 21^{st} Century.

Thank you. I look forward to your questions.