

*DASD Forces & Resources*

**Remarks to the 1999 SO/LIC Symposium**

**February 18,1999**

**Good morning ladies and gentlemen. Welcome to the plenary session on SOF structure, modernization, readiness and resources.**

**Today we hope to inform you on the plans for keeping our nation's Special Operations Forces on the leading technological edge.**

**Let me begin by introducing my fellow panelists.**

**First, I would like to introduce Brigadier General Gary Heckman. General Heckman is the Director of the Force Structure, Requirements, Resources and Strategic Assessments Center of the U.S. Special Operations Command. Gary brings unique qualifications to this position through an extensive career in special operations at all levels of command and in programming,**

**plans, and operational requirements in air mobility. He last served as the Chief of Staff of USSOCOM.**

**The second panelist is Mr. Harry Schulte, Acquisition Executive and Senior Procurement Executive for USSOCOM. Harry has extensive acquisition experience as a program manager and program executive officer. He was program director for the AMRAAM Missile Program and the Air Force Program Executive Officer for Weapons.**

*For those of you who don't know me, I am Ray Dominguez and I serve as the Deputy Assistant Secretary of Defense for Forces and Resources within the Office of the Assistant Secretary of Defense for Special Operations and Low-Intensity Conflict.*

**In today's presentations and discussions we will provide you with an overview of the major modernization programs for SOF. However, before examining these programs, I would like to provide you with my view of the overall health of the Special Operations community.**

**At this time, SOF is healthy and well positioned to meet the challenges of the twenty-first century.**

**As most of you know, our nation faces numerous challenges that are not easily overcome through traditional military means. Our forces are charged with preventing the proliferation and use of weapons of mass destruction; deterring, preventing, and countering attacks against our critical infrastructure; enhancing international stability, peacekeeping, and combatting international terrorism in all of its forms.**

**Since it is infeasible to structure, train and equip conventional forces to perform all facets of these complex missions, SOF, because of their unique versatility and applicability to today's problems, are busier than ever filling the operational void.**

**I am happy to inform you that key leaders within the Pentagon are increasingly cognizant of the important capabilities special operations forces have to meet and overcome these challenges.**

**Unfortunately, this recognition comes at a time of increasing fiscal pressures throughout the Department of Defense.**

*[Graph 1] –DoD Budget*

**As you can see in this slide, resources are extremely tight within the department. In constant dollar terms the DoD top line has shrunk by nearly \$72 billion dollars over the past eight years.**

**Given that most of you have a connection with the defense industry, I am sure that you are not surprised by this fact. What may surprise you however, is what the magnitude of this figure represents. \$72 billion dollars could fully fund the MFP-11 Budget at its current level for twenty years... As you might imagine, this kind of reduction has been an extremely difficult burden for our forces to take on.**

**This era of tight fiscal constraints has been a formidable obstacle, preventing SOF from doing all of the things it would like to do to maintain and modernize itself. However, as General Schoomaker mentioned in his recent article *iNational Defense*,**

**this problem has helped us by forcing us to become “more efficient and more focused.”**

*[Graph 2 – DoD Budget Projection]*

**As you can see in this slide, the SOF Budget remains a very small portion of the DoD Budget.**

*[Graph 3 – MFP-11 as a Percentage of the DoD Budget]*

**Over the next six years MFP-11 ranges from a high of nearly 1.35% of the DoD budget, to a low of less than 1.26%. This apparent decrease in the relative size of the SOF budget does not reflect a decreased interest in SOF—on the contrary—interest in SOF has *never* been higher. In fact, the size of the SOF budget is planned to grow from \$3.5 Billion in FY 1999 to nearly \$4 Billion in FY 2005.**

*[Graph 4 – SOF Budget]*

**This increase is good news—but let me be clear that the increase will probably not be enough to fully meet the demands of the future. Today, demands in other competing and important areas (strategic missile defense, conventional force readiness, contingency operations) precludes the department’s ability to dedicate an additional \$300-\$500 million per year that SOF actually requires, particularly for RDT&E and modernization initiatives.**

**You might be asking yourself why I believe that SOF will require so much additional funding when the SOF budget is already growing by an average of \$83 million dollars per year through FY 2005.**

**Here’s why. If we look at the SOF Budget in more detail we can see that the real growth is primarily in the Personnel and O&M accounts. This follows a traditional pattern for SOF. Because we place our emphasis on retaining good people and performing current operations, we as a community, find it extremely difficult**

**to set resources aside for the purpose of modernizing our capabilities.**

**USSOCOM's rigorous strategic planning process has allowed it to make some difficult trade-offs in operational capability—but these trade-offs will become more painful in the future as we begin to examine alternatives for modernizing our major infiltration, strike, and information warfare capabilities.**

**Over the past several years SOF has shown that an additional \$300-\$500 Million per year is needed to meet its R&D and Procurement requirements. Given these trends, I am fairly comfortable in predicting that SOF will continue to have unfunded requirements of at least this magnitude for the foreseeable future.**

**So, you ask, what are we doing to ameliorate this situation? I do not want to steal any of General Heckman's thunder, so I will be brief.**

**First, we have increased our focus on the SOF community's future requirements. The CINC has established a Future Concepts Working Group that has already influenced where the command is expending its resources. This group is tasked with the development of future concepts that will drive the SOF community's future operational requirements.**

**Secondly, USSOCOM has reorganized its staffs and organizational processes to improve its capabilities to assess the development of requirements, technology and acquisition programs. From Joint Mission Analysis to Strategic Planning to development of the USSOCOM Program, SO/LIC remains fully engaged as a partner with the command to ensure that our nation's special operations forces have the best equipment that money can buy.**

**Thirdly, we are working closely with the Military Departments to ensure that our delicate infrastructure remains capable of meeting our needs. USSOCOM, the Theater Special Operations Commands, and each of the component commands are**

**absolutely reliant upon the Military departments to provide their base operations support needs.**

**In the past, USSOCOM has had to cover Base Operations Support when the Military Department's budgets have fallen short of meeting all of SOF's requirements. Absorbing these costs has taken its toll—adversely impacting both the operational readiness and the long-term capability of SOF. As we move into a future of scarce resources, we must remain vigilant that MFP-11 resources are not expended for purposes that should be borne by the military departments. MFP-11 was never intended as a tool for buying general-service repair parts or for conducting general facility maintenance.**

**Let me conclude by assuring you that the SOF community is pursuing a robust modernization effort to replace aging and less capable systems. We are incorporating cutting-edge technologies and developing new capabilities through carefully tailored acquisition programs and advanced concepts, doctrine and organizations. Through proactive leadership, USSOCOM's**

**research, development and acquisition (RD&A) responsibility has supported activities that will provide the best equipped SOF in the world.**

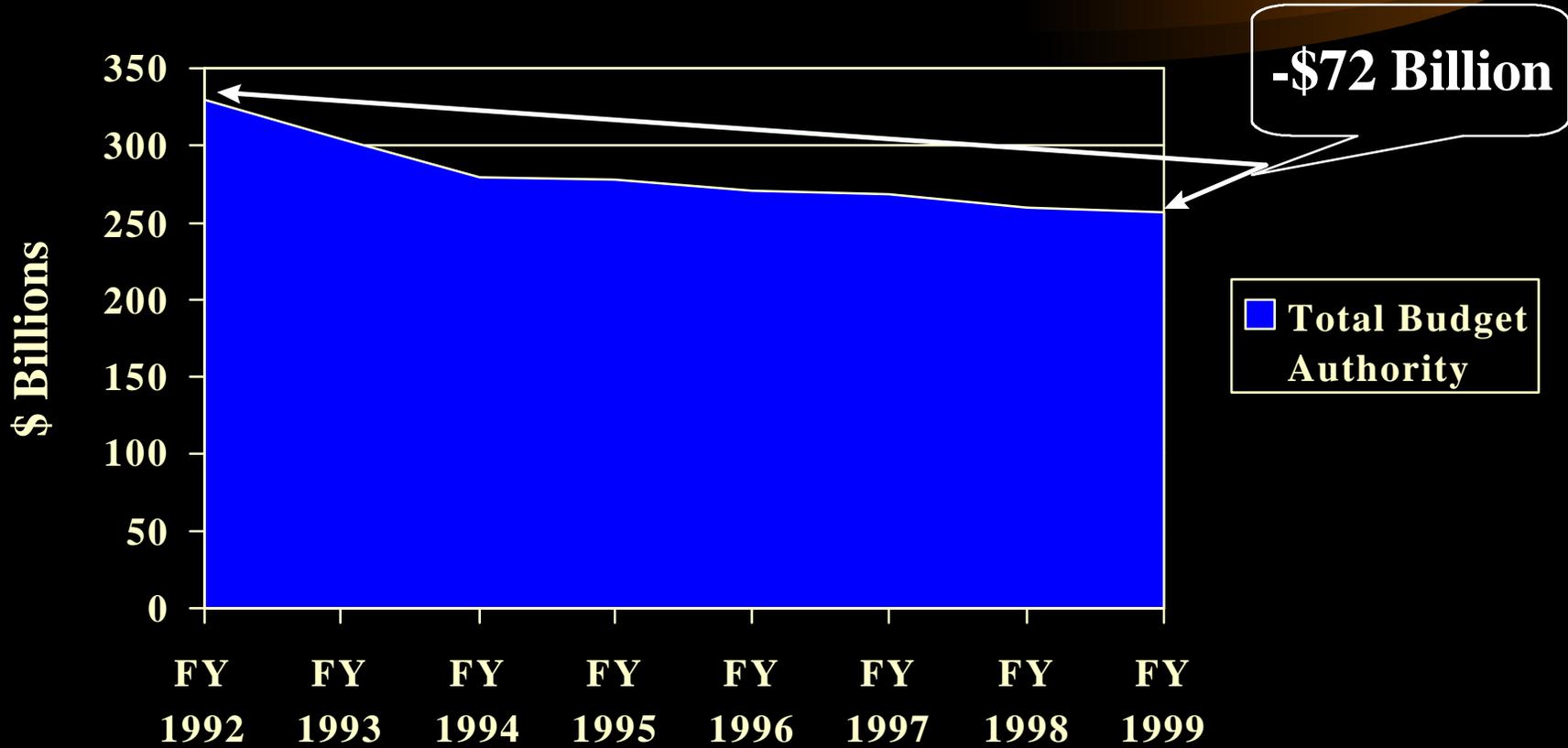
**Our technological superiority continues to enable our small, highly trained teams or individuals to successfully accomplish tasks that would be too costly or physically impossible for larger forces. However, time has shown that technology does not resolve all of our problems.**

**Because of constrained resources, USSOCOM has adopted a process of prudent innovation, choosing carefully which technological paths to take and fully leveraging the research conducted by the military departments, national laboratories, other government agencies, and the private sector. Furthermore, USSOCOM applies commercial, off-the-shelf components and non-developmental items, whenever possible, to reduce development time and cost.**

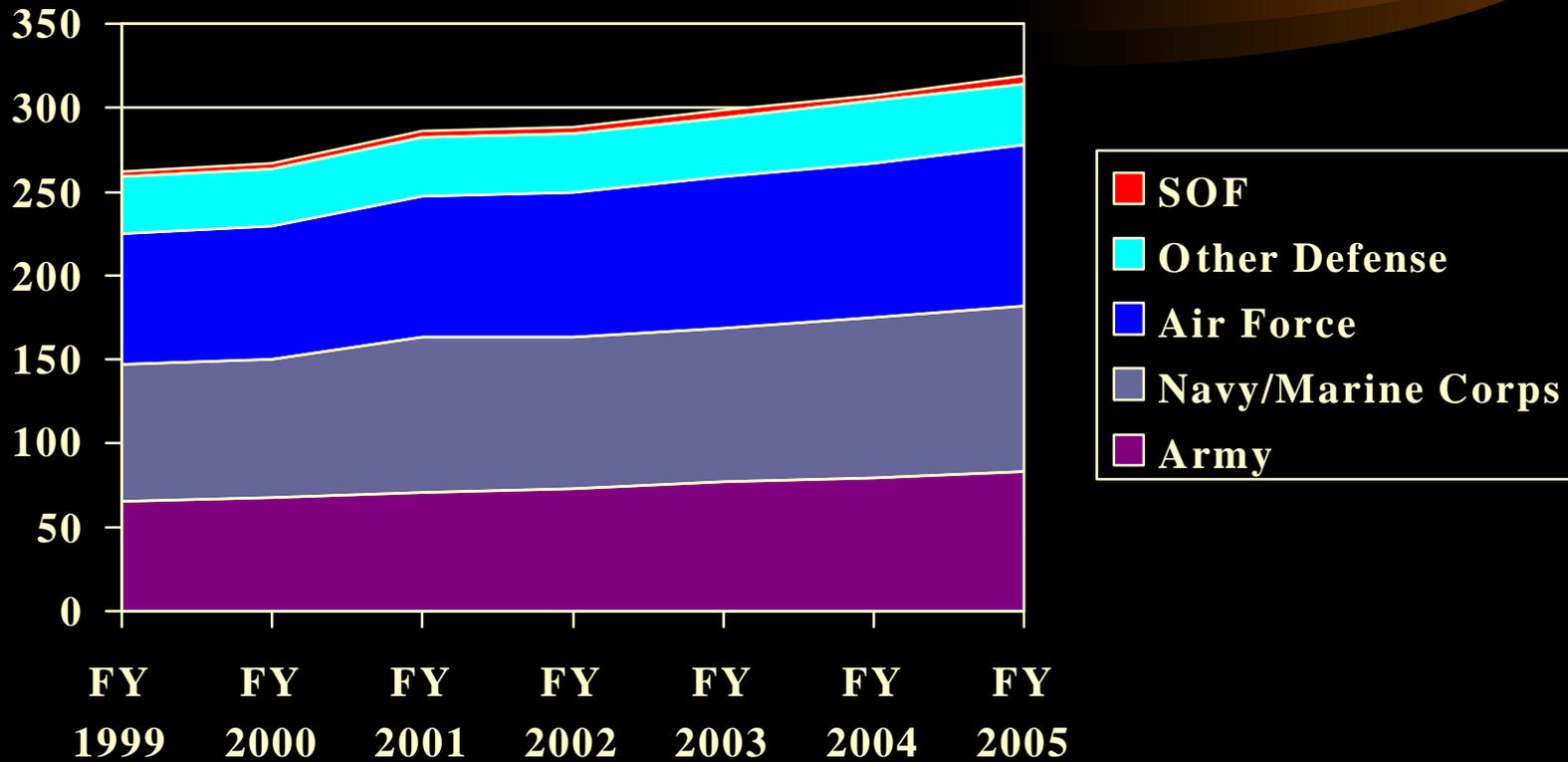
**Special Operations Forces provide a unique and cost-effective military forward presence in pursuit of U. S. national security goals. As unconventional threats proliferate, it is vital that we ensure they remain robust, well-trained, and well-equipped.**

# Total Budget Authority

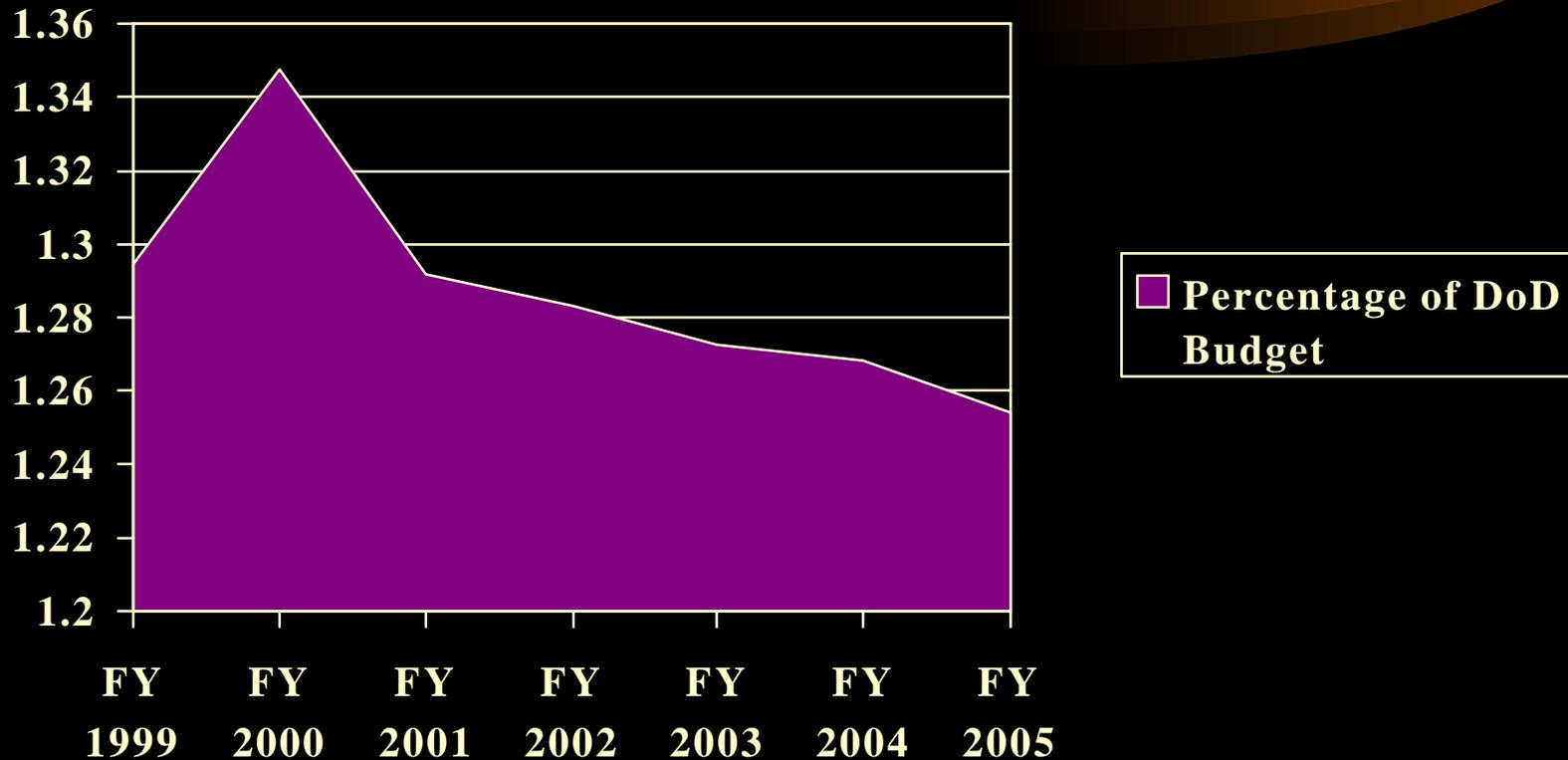
(Constant 1998 Dollars)



# *DoD Budget*



# *MFP-11 as a percentage of DoD Budget*



# *SOF Budget*

