I am privileged to report to Congress on the state of the United States Armed Forces.

As they were a year ago, our Nation's Soldiers, Sailors, Airmen, Marines and Coastguardsmen are currently operating within our borders and around the globe with dedication, courage and professionalism, alongside our Coalition partners, to accomplish a variety of very demanding missions. Global terrorism remains a serious threat, and the stakes in the GLOBAL War on Terrorism remain high.

Over the past year, I have told you that with the patience, will, and commitment of our Nation we would win the War on Terrorism. The support we have received from the Congress has been superb. From Congressional visits to deployed personnel, to support for transformational warfighting programs, to funding for security and stability operations, to improved pay and benefits for our troops, your support for our servicemen and women has enabled us to make significant progress in the War on Terrorism.

We are winning. Saddam Hussein no longer terrorizes the Iraqi people or his neighbors; he is in custody awaiting justice. The Iraqi people are well on their way to establishing a prosperous and peaceful future. They have already assumed a significant role in providing for their own security, and the list of important accomplishments in every sector—education, medical care, business, agriculture, energy, and government, to name a few—is long and growing. We have made substantial progress in Afghanistan as well. The recent Constitutional Loya Jirga is an encouraging example of democracy in action. In both countries, as in the Horn of Africa and other areas, US and Coalition personnel work together to capture or kill terrorists, while at the same time improving infrastructure and economic conditions so that peace and freedom can take hold.

Despite the operational demands on our forces, we remain ready to support the President's National Security Strategy to assure our allies, while we dissuade, deter and defeat any adversary. The draft National Military Strategy (NMS), developed in consultation with the Service Chiefs and Combatant Commanders describes the ways we will conduct military operations to protect the United States against external attack and aggression, and how we will prevent conflict and surprise attack and prevail against adversaries. The strategy requires that we position the forces to defend the US homeland and deter forward in four...
reserve component forces, and Federal, State and local authorities. We are conducting similar exercises across the country.

In regards to anti-terrorism and force protection measures, the Joint Staff is working to ensure that Combatant Commanders at home and abroad have the resources to mitigate threats and respond to emergent requirements through the Combating Terrorism Readiness Initiatives Fund. My staff is involved in developing and updating anti-terrorism standards and policies to reflect current worldwide operations and lessons learned so that we can address any vulnerabilities. We coordinate with various agencies in the areas of training, planning, operations and intelligence sharing, all essential for developing sound anti-terrorism policies.

In an effort to improve the security of US military installations and personnel around the world, the Joint Staff has created the Antiterrorism Enterprise Portal, an evolving web-based portal that aggregates the resources and programs required to support the DOD Antiterrorism Program. This portal is fast becoming DOD's one-stop location for antiterrorism/force protection information.

A program that complements this portal capability is the Joint Protection Enterprise Network (JPEN). Operated by NORTHCOM, this network provides the means to share unclassified force protection information rapidly between military installations in the Continental United States, increasing their situational awareness and security significantly. Although currently operating only on military installations, JPEN has the potential to be expanded to share terrorist information with Federal, State and local agencies as well.

The WOT requires collecting relevant data and turning it into knowledge that will enable us to detect and preempt the plans of an elusive, skilled enemy dispersed across the globe. Although many obstacles remain, we are making significant progress in the area of information sharing. The Joint Intelligence Task Force for Combating Terrorism (JITF-CT) at DIA is a prime example of effective intelligence cooperation in the WOT. In the area of counterterrorism, we are making significant progress toward transparency and full information sharing. JITF-CT has experts from 12 intelligence and law enforcement organizations, and JITF-CT personnel are embedded in 15 other organizations, including some forward deployed personnel.

**Readiness for Future Operations**

Our Nation's number one military asset remains the brave men and women serving in our Armed Forces. This past year, they demonstrated to the world their dedication, perseverance and compassion as they liberated the Iraqi people and worked to bring peace and prosperity to the region. The Administration, Congress and DOD have made raising their standards of living a top priority. The 2004 budget provided an average military pay raise of 4.15 percent and targeted increases of up to 6.5 percent for some enlisted personnel. The 2005 budget's proposed reduction of out-of-pocket housing expenses from 3.5 percent to 0 is a sound investment, as are future pay increases based on the Employment Cost Index plus .5 percent.

DOD has a focus group that continues to look at programs to enhance the combat effectiveness and morale of service and family members associated with OIF and OEF. Areas where we have made significant progress are Rest and Recuperation Leave, danger area benefits to include incentive options for extended tours of duty in Iraq and Afghanistan, exchanges, childcare and communications initiatives.


3/10/2004