

STATEMENT OF
THE HONORABLE MICHAEL WYNNE
UNDER SECRETARY OF DEFENSE
ACQUISITION, TECHNOLOGY & LOGISTICS

BEFORE THE

DEFENSE BASE CLOSURE
AND REALIGNMENT COMMISSION

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Good afternoon, Mr. Chairman and distinguished members of the Commission. Thank you for the opportunity to testify before you regarding the Defense Department's BRAC 2005 process. I have been involved in BRAC 2005 in a number of roles: as a member of the Infrastructure Executive Council (IEC); as Chairman of the Infrastructure Steering Group (ISG); and as Chairman of the Industrial Joint Cross-Service Group. Additionally, the Secretary delegated to me the authority to issue operating policies and detailed direction regarding conduct of the BRAC 2005 analysis.

I would like to build upon the Secretary's remarks regarding the context of BRAC 2005, its goals and its results; and discuss how this BRAC process worked and how strategic considerations informed the BRAC process.

How BRAC 2005 Worked

As the Department entered into BRAC 2005, we organized the effort to focus maximum energy on the Secretary's transformational agenda. We were aware that the restructure of common support functions and exploration of joint basing options would be challenges, and that the Department's earlier attempts during BRAC 1995 had yielded few results. With this experience in mind, we divided the Department's missions and installations among ten proponents, giving each primary responsibility to develop BRAC proposals within its terms of reference.

Our operational forces and the installations that primarily support them remained the responsibility of the Military Departments, just as they were in previous BRAC

rounds. The Department's support missions, its common business-oriented support areas –and the installations that primarily support these functions –were assigned to seven Joint Cross-Service Groups (JCSGs). Each JCSG was chaired by a senior executive or flag officer, and had strong representation from each of the Military Services, the Joint Staff, and relevant Defense Agencies. These groups were:

- Education & Training; chaired by Mr. Charles Abell, Principal Deputy Under Secretary of Defense (Personnel and Readiness);
- Headquarters & Support; chaired by Mr. Don Tison, Assistant Deputy Chief of Staff of the Army, Programs;
- Intelligence; chaired by Ms. Carol Haave, Deputy Under Secretary of Defense, Counter Intelligence and Security;
- Medical; chaired by Lt. General George Taylor, Surgeon General of the Air Force;
- Supply & Storage; chaired by Vice Admiral Keith Lippert, Director, Defense Logistics Agency;
- Technical; chaired by Dr. Ronald Sega, Director, Defense Research and Engineering; and,
- Industrial; chaired by myself.

Each group was tasked with conducting the full range of BRAC analyses, and proposing realignment and closure recommendations for its portfolio of functions and installations. As proponents of these actions, each JCSG collaborated with the Military Services and defense agencies to ensure that its recommendations were consistent with

BRAC initiatives that were being developed by the Services. That consultation also ensured that each JCSG took full account of the Reserve Components in its deliberations. Throughout the BRAC process, there was a lively give and take amongst all ten proponents as they worked to develop recommendations that balanced sometimes-competing objectives to arrive at the solution that achieved the highest military value and was consistent with the other BRAC constraints.

Investing full proponentcy with the JCSGs was an innovation of BRAC 2005. Each JCSG has its own set of recommendations and its own explanatory volume in the overall BRAC Report. Each JCSG is prepared to discuss its recommendations with the Commission and they will be appearing before you later this week. As chairman of one of the JCSGs, I have a full appreciation of the challenges these groups encountered.

The challenges of the new strategic environment suggested that BRAC 2005 would be a difficult task, even as it was an important opportunity. With this in mind, the Secretary established two senior groups – the Infrastructure Steering Group (ISG) and the Infrastructure Executive Council (IEC) – to oversee the BRAC process. This structure proved effective in providing senior military and civilian leadership at every step along the way.

The ISG, which I chaired, met over sixty times. By including the Vice Chairman of the JCS, the Vice Chiefs of the Services, and the Military Department Assistant Secretaries for Installations matters, the ISG was a forum to consider the complex issues involved in base closure. The ISG was the focal point for the application of senior military judgment and authority necessary for the decision making required to make a

BRAC round realize its potential. The application of this ISG's authority and judgment was absolutely critical in this regard as a joint evaluation of any complex function requires a careful evaluation of the tradeoffs. The previous rounds lacked a body with this authority and the results achieved suffered. I am grateful for the time and attention each member of the ISG devoted to this work during this 30 month process.

The IEC met infrequently during the early stages of the BRAC analytical process, but became fully engaged during the later stages when candidate recommendations were being carefully scrutinized. Ultimately, the IEC met over twenty times. Active participation of the Chairman, Joints Chiefs of Staff, as well as the civilian and military leaders of each Military Department, meant that controversial issues could be aired at a level that encouraged resolution.

JCS participation in each level of BRAC proponency and oversight, from the JCSGs through the IEC, meant that the war fighting implications of BRAC proposals were explicitly assessed at every step of the process. The Combatant Commanders were kept informed throughout the process, and provided important input. The BRAC 2005 process had greater joint involvement than any previous BRAC round.

How Strategic Considerations Informed the BRAC Process

By statute, the BRAC process and results rest upon three foundations: the 20-year Force Structure Plan, the Department's facility inventory, and the BRAC selection criteria. The Force Structure Plan (FSP) formed the basis of the initial work as proponents began the assessment of current capacity to support each mission area. The

Interim FSP used in the early part of the BRAC process flowed from the 2001 Quadrennial Defense Review that established the Department's force transformation agenda; the new strategic plan that called for a capabilities based force; and the Integrated Global Presence and Basing Study that laid out changes needed in overseas force posture.

As capacity analysis progressed, the proponents ensured that assessments of excess physical capacity took account not only of the needs of a static force, but also contingency, surge, and mobilization requirements. In their capacity analysis reports to the ISG, the proponents were required to address how these additional requirements were identified and supported. Planning assumptions unique to each mission area were thoroughly explained.

As proponents moved to military value analyses, they took a very long-term view of the installations in their portfolio. The Department's base structure needs to support not only current forces, but also the dynamic needs of capabilities-based forces that, by their nature, would rapidly change as threats and opportunities evolve. As in previous BRAC analyses, proponents took a worse case approach, being careful to retain enough capacity to support not only the force planned to be stationed in the U.S., but also those forces that were to remain overseas. Similarly, proponents took care to retain those installations whose unique physical characteristics would make it impossible to replicate them, even with investment or reliance on the private sector. Fully empowered JCSGs analyzed a segment of the Department's base structure that had received less attention in the past. Using the leverage of technology and modern business practices such as just-in-time delivery and e-commerce, several JCSGs were able to recommend significant

restructuring in mission areas such as supply, medicine, and headquarters and support. Other groups like intelligence, technical, and education and training were able to restructure functions to increase joint possibilities and enhance physical security while saving base operating support expenditures. In a departure from earlier BRACs, a very significant share of the overall savings comes from the restructuring of the support infrastructure.

We continue to create more joint opportunities. BRAC 2005 recommends important new joint proposals, but only a portion call for truly joint activities. I believe that we made important advances towards jointness in BRAC 2005 and the collocation of similar functions among the Services will eventually develop into truly joint activities.

Conclusions

The BRAC process has been an important opportunity for the Department to reassess its base structure – how its installations can assist the transformation of its operational forces and how its support base can streamline in light of today's opportunities for restructuring. Individually and as a package, the BRAC 2005 recommendations will make the Department stronger, more capable, and more efficient.

The Department appreciates the challenges some of these recommendations make to local communities that face closure or realignment of a major military activity, or the rapid buildup of a military presence. In all instances, the Department stands ready to apply its considerable experience to assist in these transitions.

Finally, the Department and its ten BRAC proponents stand ready to assist the Commission in its deliberations. We appreciate the difficult work you and your staff have before you, and pledge our support as you move the BRAC 2005 package closer to approval and implementation.