best protects our economy and guides us away from casually going to war. Monetary reform is something that we ought to be thinking about now.

Mr. Speaker, let me summarize. We in the Congress, along with the President, will soon have to make a decision that will determine whether or not the American republic survives. Allowing our presidents to wage war without the consent of Congress, ignoring the obvious significance of fiat money to a healthy economy, and perpetuating pervasive government intrusion into the privacy of all Americans will surely end the American experiment with maximum liberty for all unless we reverse this trend.

Too often the American people have chosen security over liberty. Allowing the President a little authority to deal with world problems under a U.N. banner has been easier than reversing the trend of the past 50 years. Accepting the financial bubble when on the short run, it helps everyone's portfolio, helps to finance government spending, is easy, even if it only delays the day of reckoning when the bills come due, as they already have in so many other countries in the world.

Giving up a little privacy seems a small price to pay for the many who receive the generous benefits of big government, but when the prosperity comes to an end and the right to privacy has been squandered, it will be most difficult to restore the principles of a free society.

Materialistic concerns and complacency toward the principles of liberty will undo much of what has been built in America over the past 200 years, unless there is a renewed belief that our God-given rights to life and liberty are worth working for. False economic security is no substitute for productive effort in a free society, where the citizens are self-reliant, generous, and nonviolent. Insisting on a limited government designed to protect life and property, as is found in a republic, must be our legislative goal.

A RESPONSE TO THE PRESIDENT'S PRESENTATION OF THE DEFENSE BUDGET TO CONGRESS

The SPEAKER pro tempore (Mr. SHIMKUS). Under the Speaker's announced policy of January 6, 1999, the gentleman from California (Mr. HUNTER) is recognized for 60 minutes.

Mr. HUNTER. Mr. Speaker, I rise today to respond to the President's presentation of his defense budget to the U.S. Congress. We listened to Secretary of Defense Cohen today as he made this presentation to us, and explained to us that we are in fact, according to him, increasing defense for the first time in many years.

I think it is important to respond to Secretary Cohen and to the President, because otherwise I think the American people will be somewhat misled with respect to his presentation.

First, we are not, I repeat, not, increasing the defense budget of the Clinton administration. The Clinton administration has cut defense since they took over in 1992 by $102 billion below what President Bush had planned for our country when he sat down with Colin Powell and other defense leaders. So he put together a blueprint for where he thought defense should go, and President Clinton, when he took over, decided to cut that blueprint by $102 billion.

So now he is coming up slightly in this year's budget with a $12 billion increase. I say it is $12 billion, even though they averaged a $112 billion increase, because the last half or two-thirds of that increase is not during his presidency. That means that he is giving us a recommendation that defense be increased by some other president some other time.

That means some president who is elected, who is out there in the year 2004, 2005, is, according to the recommendation of President Clinton, going to increase defense, but I do not think the American people nor the men and women who wear the uniform of the United States can count on that increase. All we can count on President Clinton doing is what he is capable of doing and has the legitimate right to do under his presidency. So let us focus on that.

If we look at Ronald Reagan's defense budgets back in 1986 and compare them with today's, our defense budget today is well over $100 billion less on an annual basis than it was in 1986. It is way under what it was in 1986.

Let us look at what has happened as a result of these defense cuts. First, Mr. Speaker, let me speak a little bit about what is happening with respect to mission capable rates. The mission capable rates are the rates at which your aircraft can fly out, fly from their carrier or from their home base, do their mission, and return to the United States or return to their home base.

That rate in 1991 was 83 percent for the Air Force. It is now down to 74 percent. It was 69 percent for the Navy. It is now down to 61 percent. For the Marine Corps it was 77 percent and it is now down to 61 percent.

That means that under the Clinton administration, the ability of our aircraft, for some reason, whether it is lack of pilot training, lack of pilots, lack of spare parts, lack of fuel, our aircraft are not able to rise off their carrier deck or rise off of their air base, go out and do their mission, and return home like they were just a few years ago. That is a very serious problem with our ability to project military power.

Mr. Speaker, let me talk about our equipment shortages a little bit. I am the chairman of the Subcommittee on Military Procurement. I looked at the President's military budget for this year. That budget calls for a six-ship building program this year.

Now, Navy ships have a life of 30 to 35 years, so that means that the President's budget is building toward a fleet of only 200 ships. When he came in we had 546 naval vessels. Now we are down to about 325. If we keep building at this low rate, we are going to be down to 200 ships in our Navy.

With respect to ammunition, we are $1,600,000,000 short in basic ammunition for the U.S. Army. We are $193 million short in ammunition for the Marine Corps. With respect to equipment our CH46s are 40 years old, our AAVs average about 26 years old. We have many, many pieces of equipment, right down to Jeeps and trucks and tanks, that are extremely old. Basically, we are living on what we had during Ronald Reagan's presidency, and we haven't replaced that equipment.

Now, the interesting thing is that most Americans have looked at the old pictures on television of our air strikes during Desert Storm, and they have the impression that we are able to wage a war like we waged in Desert Storm just a few years ago, but we are not able to do that.

The reason we are not able to do that is because we do not have the equipment and the force structure that we had just a couple of years ago. We have cut our military almost in half. That is, we had 18 army divisions in 1992. We are now down to 10. We had 546 ships during Desert Storm. We are now down to about 325. We have 346 on this poster. They have actually retired more ships since we made the poster. Active airwings were down from 24 airwings to only 13. If we include reserve airwings, we are down from 36 to only 20.

What we have done under this administration is we have cut America's force structure of our Armed Forces almost in half. The tragedy is, Mr. Speaker, that while we have cut it in half, the half that we have left is not ready. It is not ready to fight.

Mr. Speaker, let me get to another very critical area. We are 18,000 sailors short right now in the Navy. That means that the few sailors that we have left, and this is manning a very, very reduced fleet, the few sailors that we have left now have to shift back and forth between ships.

It also means that when a sailor comes home to be with his family, he may be called the next week and told, ''Instead of getting that 1- or 2- or 3-month reprieve and being able to stay home with your wife and family, you are going to have to head out again, because we don't have enough people to man all of our ships. You are going to have to go back out and join the fleet again, and go back into these strenuous operations without seeing your family.''

That is called personnel tempo. That is the amount of time—basically it reflects the amount of time that a soldier or sailor or airman or marine spends away from his family.

That means that, for example, with the Marine Corps, we are seeing a higher personnel tempo, marines away from their families more than they have ever been since World War II. That is

important to us as a U.S. Congress that is in charge of raising the Army and the Navy and the marines and maintaining it, because we have an all-volunteer service. If people will not join, we cannot draft them, so we have to have a service that is attractive enough to get people to join.

One aspect of that attractiveness has to be quality of life. Quality of life can mean a lot of things. It can mean having a nice home for your family if you live on base, if you are an enlisted person, for example, or an officer. It can mean having a good barracks, if you are a single enlisted person, or a good bachelor officer's quarters, if you are an officer. It can mean having enough of a housing allowance to live in a fairly nice place in the community that your base is located in. It can mean having decent pay. We will talk about that in a minute. But it also means having some time with your family. That means not being constantly deployed.

The interesting thing about the Clinton administration is they have deployed their people more often than any other president. While they have deployed these people more often than any other president, they have cut the number of people that we have; that is, the force structure: the number of ships, the number of sailors, the number of army divisions, the number of marines. They have cut that force structure so much that we have this thin line of American defenders literally running around the world, running themselves ragged.

What does that mean? It means that people are not reenlisting. I think in our marine aviators, we have 92 percent of the pilots not reenlisting, which is remarkable for us, because they have always reenlisted in record numbers; in much higher numbers, up in the forties. It means that we are the 18,000 sailors short that I spoke of. It means that we are going to be 700 pilots short in the Air Force this year.

It is very, very difficult to keep these people in the service, and it is very difficult to build people in these technical skills if you do not have a lot of time and a lot of money. It costs as much as $1 million, $2 million, to build some of the technical skills to give these folks all the schools they need, and once that person walks out the door, he takes with him that enormous investment.

Then our other problem is once a person walks out the door, we now have the problem of going out and recruiting another person to take his or her place. That person is looking at a domestic job market which is quite good right now; looking, for example, if they are a pilot, at the prospect of going into the airlines; if they are a mechanic, looking into going into an automotive industry; if they are an electronics technician, looking at going into one of those areas on the outside in the civilian sector. It is more and more difficult to bring people into the military.

□ 1845

Once again, this Congress does not want to have to be faced with the prospect of having to draft people. That means we are going to have to treat our people better. That means we are going to have to slow down OPTEMPO and Personnel Tempo, not stretch our people so thin, not run them so ragged, pay them better money. That means get them up in a much higher bracket so that they cut into what is now a 13 percent pay gap between people who are in the service and people who are in the private sector.

When Ronald Reagan came into office in 1981, we had a 12.6 percent pay gap, and we closed that pay gap in a very short period of time. Well, today we have a 13 percent pay gap. The Clinton administration is offering a 4.4 percent pay raise, but that is not nearly enough to pay for that major gap that has people leaving in droves, and at the same time bring up the modernization, the spare parts, ammunition, and all the other things that we need to make our military work.

Mr. Speaker, let me go to one other aspect of national security that I think is very important. The President now realizes that we have indeed a problem with missile defense. We know and we knew ever since those scud missiles hit our barracks in Saudi Arabia that we had a problem with not being able to stop those missiles coming in. Those are very slow missiles. Those were the Model Ts of ballistic missiles. Today, many years later, we still have very little capability in terms of stopping missiles.

There are several classes of missiles. We hear about the intercontinental ballistic missiles. Those are the missiles that can be launched from Russia or China and presumably hit a city in the United States. It is a long-range missile that goes very fast.

One also has short-range missiles, and those missiles go a little slower. But what they can hit are our troop concentrations in Korea or Saudi Arabia or other places.

We have to build and maintain a missile defense. So far, we do not have that defense. This budget, Mr. Speaker, is not going to allow us to proceed fast enough to build that missile defense before our adversaries build the offensive missiles that can overwhelm that defense.

When I talk about that, what I am saying is we need to look at the North Korean missile that was just launched over the Sea of Japan. We realize now it is a two-stage missile, that it could hit some parts of the United States if it took in its full flight, built by North Korea. We know that China is moving ahead on its strategic weapons program.

We know that we have to place our troops in concentrations all over the world just like we had troops in Saudi Arabia. We had troops in Kuwait. We have troops right now in South Korea. We have to be able to maintain those troops.

If missiles can be launched from long range to hit those troops with concentrations of chemical or biological weapons, then it is going to be very, very difficult to convince America's moms and dads that we should be allowed to keep their youngsters in the military, move them into foreign theaters which are very, very dangerous, and expect them to stay in the uniform.

So it is going to be very, very difficult to recruit people unless we have a way to protect them in foreign theaters. That means we have to have missile defense. This administration, in slashing the defense budget dramatically, has not put enough money into missile defense.

So Mr. Speaker, this President has said that he is increasing defense dramatically. Let us put it in perspective. Most of the $112 billion that he has proposed to increase is supposed to be done by some other president at some other time.

It is like handing a blueprint of a house to our neighbor and saying, ''After I am gone from this neighborhood, I want you to build this house on that lot over there.'' And our neighbor says, ''Do you have any legal right to make me build it?'' And you say ''No, but it is my recommendation that you build this house over here after I am gone.''

The President is recommending to some president who has not even been named yet, has not been elected yet, that he build this defense, rebuild national defense on his watch after President Clinton is gone.

So the President cannot increase defense $112 billion in 2005 because he will not be the President then, and he has no control over the President at that time. All he can do is offer a suggestion.

Of course, if the future president looks at what this President did rather than what he says with respect to defense, he will not increase defense at all because this President has not increased defense at all.

What we have to do in the U.S. Congress, Democrats and Republicans, is listen to the Joint Chiefs of Staff, that is the services, the Army, the Air Force, the United States Marines, and the Navy, and give them the equipment that they say they need.

The Army says they need $5 billion worth of equipment per year. They need $5 billion worth of increased funding per year for equipment and for people. The Navy says they need an additional $6 billion a year. The Air Force says they need $5 billion. The Marines say they need $1.75 billion. And that excludes this pay raise that we all agree our service people need of $2.5 billion per year.

If we add those numbers together, that is $20 billion this year that we need. The President has only offered $12 billion. We have to come up with the difference.

So then, as Republicans and Democrats put this budget together, it is incumbent upon us to listen to our armed services, listen to the men and women who serve in the military, and make sure that they are well equipped and that they have quality of life and that they have decent pay.

Mr. Speaker, I ask unanimous consent to yield the balance of my time to the gentleman from South Carolina (Mr. SPENCE) so that he might control it.

The SPEAKER pro tempore (Mr. SHIMKUS). Without objection, the gentleman from South Carolina (Mr. SPENCE) will control the balance of the time.

There was no objection.

GENERAL LEAVE

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of this Special Order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. SPENCE. Mr. Speaker, Article I, Section 8 of our Constitution says that the Congress shall have power to provide for the common defense of the United States, to raise and support armies, to provide and maintain a navy, to make rules for the government, and regulation of the land and able forces.

My highest priority as an American, a Member of Congress, and as chairman of the Committee on Armed Services is to ensure that our Nation is properly defended.

This world is a dangerous place. Most people are unaware of the serious threats we face in this world and how unprepared we are to properly defend against them.

I wonder how many people, Mr. Speaker, remember Pearl Harbor. Looking back on it, all the warning signs we should have had that something big was going to happen, and we did not listen, we did not learn, and we see what happened.

Remember Korea. No one expected that to happen, and it did. I am sure that people in those days felt as confident, if not more so, than we feel today that we are in a world that we can handle, we can deal with all these problems. All of a sudden, this world changes real fast.

Imagine if, all of a sudden, all the lights went out in this place, not only here, but throughout the area, the automobiles would not start, the radios would not work, televisions would not work, no telephone communications, the computers were down. These things can happen just that fast.

There is something called EMP, electromagnetic pulse effect. If a nuclear weapon had exploded up in the atmosphere, all these things can happen on the earth without killing anyone, but shutting down all these systems that I said; and one can see how paralyzed we would be. This could happen. Russia, as a matter of fact, had it in their order of battle. Other terrorist groups could use this as a way of rendering us impotent, immobile.

Or imagine if people all around us started getting sick and dying; and by the time we found out what was happening, it was too late, but we found out that someone had released over Washington, D.C. about three pounds of something called Anthrax from a civilian aircraft and destroying or killing between 1 million and 3 million people within 24 hours because we could not vaccinate enough people fast enough to take care of them.

Or imagine an accidental launch of an intercontinental ballistic missile with a nuclear warhead. In 1995, the Norwegians launched a weather rocket into the atmosphere. The sensors in Russia mistook that for a missile launched from one of our strategic missile systems. They were within a few minutes of launching nuclear weapons against us in retaliation before they found out their mistake and did not do it. We were that close to a nuclear war.

We have no defense against one of those type missiles even launched accidently, and there are thousands of them in the world.

This is truly a dangerous world in which we are living. We have other threats. Weapons of mass destruction we hear about so much today. Chemical and biological and bacteriological warheads can be put on shorter ranged ballistic missiles and launched against us and our troops and our friends and our allies. These are cruise missiles that can be bought across borders today by anyone. And these types of warheads can be put on them.

These weapons of mass destruction can be put together in laboratories in inexpensive low-tech ways. One does not have to be a superpower to produce these things. Terrorists can use them and bring all of us under the threat of these dangerous types of weapons.

The point is this is a very dangerous world, and we are unprepared to defend against these threats. We only have limited defenses against shorter range ballistic missiles and none whatsoever against intercontinental ballistic missiles.

We have a national strategy that says we are supposed to be able to fight two nearly simultaneous regional contingencies, something like a war with Iraq and Iran and North Korea about the same time.

We have cut back so much on our defenses since Desert Storm, the Persian Gulf conflict that we had back in the early 1990s, we have cut back so much since that time, I doubt very seriously that we could do one today, just one, certainly not with the same degree of efficiency that we did back then.

This is a very dangerous world, and we are unprepared to deal with it sufficiently. At the same time, we have been cutting back. We have charts, which I could show my colleagues, all over the world of nations which have the capability of launching these types of threats against us. Take one's pick: Iraq, Iran, Syria, Libya, China, North Korea, Russia, and the list goes on and on.

As the former director of the CIA said with the end of the Cold War, ''It is as if we have slain a dragon and suddenly found a jungle filled with many very poisonous snakes.'' What have we done to prepare for these threats?

The President's fiscal year 1999 budget request represented the 14th consecutive year of declining defense budgets. As defense spending declines, the downsizing of our military forces has been dramatic.

Since 1987, active military personnel have been reduced by more than 800,000. Since 1990, the active duty Army has shrunk from 10 to 8 divisions. Since 1988, the Navy has reduced its ships from 565 to 346. Since 1990, the Air Force has shrunk from 36 to 20 fighter wings, active and reserve. Since 1988, the United States military has closed more than 900 facilities around the world and 97 major bases in this country.

At the same time, the United States military force has been shrinking, operations around the world are increasing. We remain forward deployed with 125,000 troops per day that are overseas on forward exercises or operations.

The Army conducted 10 operational events during a 31-year period from 1960 to 1991, but 26 operational events in the 8 years since 1991.

□ 1900

The Marine Corps participated in 15 contingency operations during the 7-year period between 1982 and 1989, with 62 contingency operations just since the fall of the Berlin Wall in 1989.

The competing pressures of a smaller military, declining defense budgets, aging equipment and the increased pace of operations are stretching our forces to the breaking point. Today, they do more with less environment is eroding readiness and risking the ability of the military to successfully perform its missions.

Our deployed units, the pointed end of the spear, may be ready. But ready for what? Deployed units are getting peacekeeping training, not high intensity warfare training. Pilots are not able to get enough training to maintain air combat skills.

The national military strategy, as I said earlier, calls for us to be able to fight and win wars, and we are training for peacekeeping missions. Many believe that we cannot conduct, as I said, just one of these type operations because of it.

The Army tells us it takes 9 months to retrain people when they come back from a place called Bosnia because they are not getting warfighting training.

Although President Clinton admitted the Nation's military was confronting serious problems just recently, after us

trying to tell him for a long time, and he recognized that increased defense spending would be necessary to address these problems, the fiscal year 2000 defense budget falls well short of the mark. The President's budget request addresses only about 50 percent of over $150 billion in critical readiness, quality of life and modernization shortfalls that the Nation's military leaders, the Joint Chiefs of Staff have identified.

Much of the proposed funding is also budgeted after both the President's term and the balanced budget agreement expires.

Our military confronts real problems that require real solutions, not halfway measures and budget gimmicks.

The President's fiscal year 2000 budget request has been touted as a $12.6 billion increase, but it is not. The increase is primarily the result of internal adjustments and reprogrammings within the defense budget. Of the alleged $12.6 billion increase for fiscal year 2000, only $4.1 billion is new money. The remaining $8.5 billion result from optimistic economic assumptions, spending cuts and budget gimmicks, including $3.8 billion in savings based on unusually low inflation rates and extremely low fuel costs; $3.1 billion cut in the already underfunded military construction accounts that provide decent housing for our troops and their families; approximately $2.5 billion in recisions of prior year defense funds, including almost $1 billion of recisions to missile defense and intelligence funds to offset the cost of the Wye River Agreement.

Even if all of these assumptions, spending costs and cuts and gimmicks are counted, earlier this year the chairman of the Joint Chiefs of Staff, General Shelton testified before the Committee on Armed Services, that the President's budget request would still result in a shortfall of approximately $8 billion in fiscal year 2000 alone.

If the assumptions, spending cuts and gimmicks are invalid, the President's budget falls $70 billion short of meeting the service's most critical unfunded requirements over the next few years, 6 years.

The service's unfunded requirements are real; while savings associated with the optimistic economic assumptions and gimmicks may never be.

I would yield this time to other Members who can elaborate on what we have been talking about.

Mr. RYUN of Kansas. Mr. Speaker, I would like to add some points with regard to national defense, offer an example of how our armed forces are continuously being asked to do more with less.

Within the district that I represent, which is the Second District of Kansas, resides the 190th Air Refueling Wing of the Kansas Air National Guard. Now, this Wing is responsible for a variety of support operations, including air refueling of operations worldwide, support of the no-fly zones in Iraq, organizing disaster and humanitarian relief and various other community outreach programs.

In the past year, under the stress of continued deployments, the Wing has sent personnel and aircraft to various places such as Iceland, Germany, France, Turkey and to Alaska. However, Mr. Speaker, the newest KC–130 aircraft used by the 190th was built in 1963. The oldest aircraft was built in 1956.

The President's budget forces this Wing that has extensive activities around the world to use these aircraft until the year 2040. That would make the existing aircraft 80 years old.

Now, I have had the privilege of addressing a panel of experts during a hearing in the Committee on Armed Services, and I asked them the question then, would you feel comfortable flying an 80 year old aircraft? In fact, would you feel comfortable putting your son or daughter in that particular aircraft and asking them to fly?

They gave me the same answer if I had put one of my sons or daughters in there. No, they did not feel comfortable with that.

We must make that change. We must not ask our brave pilots to go into combat into aircraft that would be considered antiques in any other area. We must increase defense spending to give our military personnel the equipment they need to remain the world's premier military force. So I know there is much we need to do.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from Indiana (Mr. BUYER), the chairman of our Subcommittee on Military Personnel.

Mr. BUYER. Mr. Speaker, I thank the chairman for yielding to me.

Mr. Speaker, first I would like to commend the gentleman from South Carolina (Mr. SPENCE) for scheduling this very important special order. As chairman of the Subcommittee on Military Personnel, I am deeply concerned about maintaining the quality of our force that has been the hallmark of our military.

We have entered an era where the ability of our military to attract and retain quality young Americans is no longer assured.

On the issue of recruiting, Mr. Speaker, military recruiting can no longer be described as an unfavorable trend. Notwithstanding the significant increases in funding by the Services and by Congress for recruiting operations, advertising and incentives, the booming job market, erosion of the military pay and benefits package over the years have made military service increasingly unattractive for America's youth and made it questionable for those who are presently in the military to say it is worth it to spend their 20 years in the military, which causes retention also as an issue.

Let me stick with recruiting here for a moment and take it one service at a time. With regard to the Army, traditionally it is the first service to feel the pressure from downturns in recruiting. It began with the process of what I have noticed, what the military has done here to address the issue is they began a process of cutting recruit quality standards.

Now, they did that in March of 1997 by reducing the goal for diploma high school graduates. Even with the reduced recruit quality and additional funding, the Army failed to meet its recruiting objective for fiscal year 1998 and fell below the Congressionally set minimum troop strength.

Currently, during the first quarter of the fiscal year 1999, Army recruiting again is failing, and that is quite disturbing to me. If recruiting is not improved this year, the Army end strength would fall approximately 6,000 below the Congressionally authorized troop strength by year's end. So let this be a warning signal to the Army.

With regard to the Navy, during the fiscal year 1998, when recruiters missed their recruiting goal by approximately 7,000, approximately 13 percent, the Navy failed to meet the Congressionally set minimum end strength. During the past year, the Navy calculated that there were approximately 22,000 vacant positions, of which 18,000 were sea going billets.

Now, with regard to the 327 ships out there, when there are many billets open on the ships, these ships are now setting for sea at levels of readiness strength at C2, and we ought to question is it C2 plus 1? So before the ship even leaves harbor they may now be at a C3 level, which would be very concerning because what this does is then place great stress on the sailors who are actually running the ship. We are asking them to do more with less.

On January 15th of 1999, the Navy announced that they will follow the Army's lead by reducing its recruiting goal for diploma high school graduates. Even with this change, the Navy could miss both its recruiting goal and Congressionally set end strength for fiscal year 1999, and I have expressed my disappointment to the Navy for reducing its quality and its standards.

With regard to the Air Force, the Air Force has long been considered immune to recruiting problems but, again, the Air Force missed its recruiting objective during the first four months of fiscal year 1999. The Air Force now projects that recruiting and retention problems will result in the service coming to 4,800 under the end strength floor set by Congress for fiscal year 1999.

I am beginning to sound like a broken record, but these Services are not meeting their goals, nor the end strength as mandated by law and set forth here by Congress.

The Marine Corps continues to meet its recruiting goals, but only after adding funding to recruiting advertising, incentives and operations. In addition, the Marine Corps continues to lead all services in stress on recruiters with 75 percent of recruiters reporting that they work over 60 hours a week. I will

extend compliments to the commandant of the Marine Corps.

With regard to retention, today with the drawdown, and I want to be cautious, Mr. Speaker, to say with the drawdown at near an end, because the drawdown seems to always continue but there are clear signals that the potential retention problems that first captured the attention of the committee several years ago are now becoming the leading edge of the retention crisis, and the chairman, the gentleman from South Carolina (Mr. SPENCE), warned many of us several years ago that the edge is near and the crisis is approaching, and we are now feeling those signs from the military.

Like any of life's decisions, the current retention problem stems from a complex series of issues. Throwing money, more money at this problem, is not going to be the sole answer. The current high operations tempo, the time away from home, long working hours, eroding value of pay and allowances, reduction in retirement benefits, lack of resources and the facilities to do the job, erosion of health care benefits, and the perception of others, the loss of confidence in the military and civilian leadership are all factors, both perceived and real, that contribute to the environment that is driving people from the military.

When you add that to the economy that continues to provide a significant pull on the high quality of men and women, you create a retention environment that could degrade the military readiness that this Nation so vitally relies.

In the Navy, Navy retention problems extend across the force, both officer and enlisted. The aviator, the quote, take rates, end quote, for aviation continuation pay are running well behind the force sustaining levels. Even retention of junior officers in the surface warfare and special operations communities are running well behind their required levels. Enlisted retention for all career groups in the Navy is also running at a minimum of 10 percent behind the force sustaining rates.

Retention of mid-career personnel is in the area of great concern with a current rate of 45 percent against the goal of 62 percent. This has prompted the Chief of Naval Operations to declare retention of quality personnel the Navy's highest short-term readiness priority.

In the Air Force, retention concerns in recent years have been focused on pilots, where the current shortage of 850 is expected to increase over 1,300, and that is 10 percent, by year 2000.

□ 1915

Air Force enlisted retention has now eroded to the point where it rivals the pilot retention problem. The mid career reenlistment rate has dropped from 81 percent in 1994 to 69 percent in fiscal year 1998. The reenlistment rate for the most junior personnel also continued to slide from a high of 63 percent in 1995 to 54 percent in 1998, below the 55 percent objective for the first time in 8 years for the Air Force. That should be a wakeup call to everyone because the Air Force generally does not have this concern.

The Army for the first time is experiencing a pilot retention problem with a shortage of 140 Apache attack helicopter pilots. The Army Chief of Staff has also noted a negative trend in the retention of junior officers over the last 3 years. Although the Army has been achieving overall enlisted retention objectives, the rate of first-term attrition has risen sharply to 41 percent, a contributing factor to the Army's failure to meet the congressional end strength floors of the Department of Defense bill.

With regard to the Marine Corps in retention, the Marine Corps is not immune from the pilot retention problems that plague all the services. Pilot retention rates within the individual weapons systems are running 8 to 21 percent below the rates required to sustain the force. The Marine Corps continues to meet its enlisted retention objectives although the retention objectives for the Marine Corps are lower than the other services and are becoming increasingly more difficult to maintain.

With regard to the President's plan, Mr. Speaker, the recruiting and retention problems confronting the military are real and are deserving of the urgent attention of Congress. That is why I compliment the gentleman from South Carolina (Mr. SPENCE) for holding this special order. I am sure that there are some Members of Congress that are going to be aghast that we would be increasing defense funding. Well, it is about time we are increasing defense funding. I will extend a compliment to the chiefs because we have been beating up the chiefs at each of the services asking for their candor. Now they have come forward and they have talked about the shortfalls and they have given us their requirements. But now that they have set forth their requirements, the President has not even funded their requirements. We here in the Congress have a responsibility, and that is to fund the requirements the military need to satisfy the national military strategy as set forth to meet the President's national security objectives. We play a vital, important role in that function. I compliment the gentleman from South Carolina for holding this special order. We will do our part in the personnel committee. We will begin by focusing not only on the recruiting and retention, the pay and the pensions issues, and we will start by a personnel hearing at Norfolk to focus on the Navy, and the other services will also be there.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from North Carolina (Mr. HAYES), a new member of our committee.

Mr. HAYES. Mr. Speaker, I want to take this opportunity to thank our distinguished chairman the gentleman from South Carolina (Mr. SPENCE) for his leadership and guidance in pointing out to the Congress, the administration and the American people the shortfall in the President's year 2000 defense budget proposal. The public deserves to know. More importantly I commend the chairman and my colleagues on the Committee on Armed Services for their enduring commitment to the men and women who serve our Nation in the armed forces. Their attention and diligence to the steady decline of our country's military under this administration were brought to light during last month's State of the Union address. At last the President took heed of the advice from Congress and professed to the American people his intention to reverse current trends of reduced defense spending. President Clinton's emphasis on a strong defense was applauded by Members on both sides of the aisle. His acknowledgment of the military's needs and his vow to restore teeth to our Nation's defenses served notice to our men and women on the front line, their families and the American people that this country protects her own.

Unfortunately, Mr. Speaker, as we have seen today, the President's pledge rings hollow. I do not intend to repeat what my colleagues have so eloquently made clear, but I do want to reiterate that Mr. Clinton's defense budget does not, as he claims, represent a $12 billion increase for fiscal year 2000. It certainly does not reflect a $112 billion increase over the next 5 years. I will mention, however, that I am particularly disappointed by the gimmickry the administration used in its military construction budget. They have literally, as Secretary Cohen confirmed today, borrowed from one account to bolster another. I am not sure if David Copperfield could create a better illusion. The President's partial funding of scores of construction projects gives false hope of starting and no expectation for completion of vital military construction.

In North Carolina's 8th District, Fort Bragg and Polk Air Force Base have been promised only 23 percent of their needs. In my district, the 8th of North Carolina and countless others, this is unacceptable. After review of the administration's budget, it is clear that we as authorizers have a great deal of work ahead. It is my sincere hope that the President will work with us to make good on his promise to shore up defense spending. It is irresponsible to play politics with our Nation's security by playing games with the budget. I look forward to his cooperation.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from Missouri (Mr. TALENT), a very valuable member of our committee and also the chairman of the Committee on Small Business.

Mr. TALENT. I thank the gentleman for yielding. Beyond that I want to thank him for his leadership on this issue. If ever there was a voice more or less in the wilderness, it was the voice

of my friend and the friend of America's safety and America's greatness the gentleman from South Carolina (Mr. SPENCE) who ever since I have been in the Congress has been sounding the alarm about what is happening to America's military and finally people are beginning to listen. Let us hope that they have not begun to listen too late.

Mr. Speaker, the American military is broken. Everything my colleagues have heard tonight, the statistics, the charts, the passionate speeches, the details offered by Congressmen and women who are in a position to know. That is what it all amounts to. America's military is broken. If the Joint Chiefs of Staff were in a position to tell the unvarnished truth, that is exactly what they would say, that America's military is broken, and they have been saying it, using the language of the Pentagon, for the past several months. I am very glad that they are saying it. Wisdom is always welcome, even if it comes late in the game.

It is no surprise and it should come as no surprise to anyone that America's military is broken. It is the inevitable result of a series of decisions taken over the last 10 years and accelerated by the administration. It had to happen and it has happened. We have had 13 years of declining defense budgets. That chart shows it. Nobody argues this. Nothing I am going to say today and nothing that has been said tonight is going to provoke any argument as to the facts of what happened.

At the same time as America's spending on defense was going down, we were cutting the size of America's force by approximately one-third. We have a military that is approximately one-third less than it was 10 years ago. And at the same time as we have been doing that, we have been increasing the responsibilities of America's servicemen and women around the world. There were 10 deployments of America's military in the Cold War era till the fall of the Berlin Wall. There have been 28 since then. They have been costly and they are ongoing and nobody expects that trend to stop. We have asked our servicemen and women to do more and more and more, and we have given them less and less and less to do it with. As a result, the American military is broken.

It is not their responsibility. What have they done? What have the services done in response to these trends? They did the only thing they could do. They had to make the dollars go further. So they cannibalized units that were not deployed, units that were here in the United States, they took key personnel away from them, they took key pieces of equipment away from them in order to bring up to readiness those units that have been deployed all around the world, in Bosnia and in Haiti, and everyplace else. They borrowed from the long-term accounts, the procurement accounts, the modernization accounts, things that we needed for the future, they borrowed from them in order to meet the immediate needs of today. And so we have not recapitalized the force as we should. We have in a few years a huge bill to pay. In fact we are in a position where we are beginning to have to pay it now. I am going to talk about that in just a minute with the chairman's indulgence. We are going to have to pay for the ships and the aircraft and the tanks that we should have been paying for all along in addition to those that have to be replaced in the normal course of events.

And then the services did something else they did not want to do and it may be most tragic. They bled the people. They took the money away from personnel. We just heard the gentleman from North Carolina (Mr. HAYES) talk about the shortage of military construction in his district. We have made the servicemen and women live in facilities they should not have to live in because we do not have the money to build them decent barracks. They have not had the pay increases they should have because we do not have the money for that. We have underfunded systematically their health care system, not just for them but for the retirees. We have broken the promise we made to them because we did not have the money because we were trying to do more and more with less and less and playing this essentially dishonest trick on them and on the American people. We forced them to do more without giving them the funds that they needed. It is amazing that they have done it.

We have held up as well as we have held up because we have the finest people ever to serve in the history of humankind in the military in America's Army, Navy, Air Force and Marines. But the train is reaching the end of the line, Mr. Speaker. The chairman of the Joint Chiefs of Staff has come before the House Armed Services Committee and the Senate Armed Services Committee in the last few months, the Secretary of Defense came before the House Armed Services Committee today and affirmed that we are $148 billion short over the next 5 years of the minimum necessary funding to provide for minimum readiness for America's military in the short and long term, $148 billion, $30 billion a year over the next 5 years. It did not just happen overnight. It happened as a result of these decisions and the neglect on the part of the government that owed more to its servicemen and women.

What is the impact on the average serviceman, the average servicewoman? Mr. Speaker, I flew to Washington today and on my airplane I met a couple of men who were coming up to do work for the Air Force. They are pilots. They are in the reserves now. They told me the story. I have heard this 100 times. The people in the reserve components, in the Guard and the Reserve, they sign up to do a very important job. They sign up to be ready and to go to war if we have a war. And they are being involved in all these deployments all over the world.

I said to them, what is happening as a result of that? They said people are leaving. We are 18,000 sailors short in the Navy. So when an aircraft carrier task force comes steaming home from the eastern Mediterranean, another one is steaming out to take its place, we have to take sailors off the decks of the carriers that are coming in and put them on the decks of the carriers that are going out. They have just been at sea 6 months, they have got to go out for another 6 months. Mr. Speaker, this is a volunteer force. These are highly qualified, highly trained people. They do not have to stay. Most of them have families. They love their country and they love their duty, but they cannot do it year after year after year after year while we play games here not giving them what they need. It is terrible for this country and, more than that, it is just wrong.

What does it mean to the American people? Well, it means this force is going hollow. If we do not do something about it, it is going to be hollow and it is going to be hollow fast, and a hollow military is very bad for you and me and your families. It means we cannot effectively counter the growing power of China or fight a war against terrorism the way we should around this globe. It means we cannot defend the Korean peninsula. We could not fight another Desert Storm without unnecessarily high risk and high casualties. It means we have no missile defense. If these rogue nations get long-term missile capability as fast as we now believe they will, we cannot defend our allies or ourselves because we have not been doing our duty in this government and in this body. It means, Mr. Speaker, that war is more likely to happen and more likely to kill an unnecessarily high number of servicemen and women if it does happen. And it is wrong. We have given these years over to the locusts and given the men and women who count on us in this country and in the services over to the locusts with it and it is wrong. It is worse than wrong. It is just shameful.

What do we do now? We do the one thing that will make a difference. We put our money where all our mouths have been tonight. We step up to the plate, this Congress, this year, not 2 or 3 or 4 years from now when many of us are out of office and we can make promises on behalf of successor Congresses and successor administrations, we step up now and we put enough money in this budget to enable these people to do what we have asked them to do on our behalf and on behalf of our families.

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And not smoke and mirrors, not a couple billion dollars in projected increases, and then the rest of it is supposed to come out of existing spending authority. We do not assume that fuel costs are going to be 27 percent less

next year than they are now and say, therefore, we are going to be able to spend more money on other things. We stopped the dance; we have been doing that long enough.

This issue is vital to America's safety, it is vital to our commitment to our men and women, and it is vital to our greatness, and we have to do something now. That is why the chairman is here organizing this special order. That is why those of us on the committee on both sides of the aisle are so concerned. That is why this House has to act in the people's House.

Mr. Speaker, I thank the chairman for holding this special order, and I thank him for his tireless efforts, his persistence year after year in sounding this alarm. You were right, Mr. Chairman. I bet you wish that you had not been right, but you were right.

Now we have a chance to do something. There is no stronger signal that we can send to the men and women in uniform that we care about them than to do something.

Now I am going to close with a story from my first year on the Committee on Armed Services. It was then under the chairmanship of the gentleman from South Carolina's predecessor, Mr. Ron Dellums, our friend from California, an outstanding and gracious gentleman. We had a hearing on a very contentious issue, and there was a retired officer who testified, and he talked about the issue, and then he talked about the military life.

He said, you know, it is hard being in the military; we move a lot, it is a big strain on our families, it is very difficult. He said we have to put our lives on the line, we have to contemplate the fact we may have to go to war and die, and it is not easy. He said we are glad to do it because we care about our country and we care about the traditions of our services. He said we are glad to do it. And then he looked up at the Armed Services Committee, all three tiers of us sitting there, and there I was on the lowest tier over on the side because I was a freshman. And he looked at us, and he said:

But we count on you to protect us. We count on you.

They count on us, Mr. Speaker, and we have let them down. It is time to stop letting them down. We need to do it this year, now, not on the next guy's watch.

Mrs. BONO. Mr. Speaker, today I rise to speak to this body and the nation, especially those in California's 44th district, about the President's FY 2000 budget for Defense.

Since 1985, Mr. Speaker, Defense spending has gone down in this country. When the Constitution was drafted, it was based upon the doctrine of limited government. Those powers that were not granted the federal government were reserved to the States. One of the primary, and exclusive powers, of the federal government is to provide for the national defense. This means fully funding our military to make them the strongest, best trained, best equipped, and, not to mention, the best taken care of force in the world. Many of those who live in the district I proudly represent are or were in the military. The sacrifices they made or are making should never be forgotten; for they contribute to the freedoms we now enjoy.

The President's budget claims to increase defense spending in Fiscal Year 2000 by $12.6 billion and $112 billion over the next 5 years. Due the Administration's creative accounting and their rosy forecasts for the economy, the reality is that this ''increase'' is really $4.1 billion in FY 2000 and $84 billion over those same 5 years. I applaud the Administration for the increase, but it falls way short of what the military needs. In fact, two weeks ago, the Joint Chiefs of Staff testified before the House Armed Services Committee, under the questioning of my Chairman of Procurement, DUNCAN HUNTER, about what they will need in budget authority this year to fund their requests at the bare minimum. The total came to $20 billion. Even assuming the Administration's funding projections were accurate, that would still leave the military $8 billion short of what they require. Maybe the Administration could have displayed their commitment to the armed forces by coming up with the extra $8 billion.

What we need to do is make a real commitment to the men and women of the Armed Services. We need to get back to what this country, this body, our President, was chartered to do: to provide for the national defense. I, also, want to save Social Security, reform Medicare, enhance education, but I also want to get our men and women in the armed services good health care, modern equipment, time with their families and decent pay and retirement. But more importantly than that, I want this nation to make a solid commitment to the defense of this country with a domestic missile system. So our people will know that if, and I pray to God that this will never happen, a rogue nation were to fire a missile onto this country, we will have the defenses to protect our citizenry.

Unfortunately, Mr. Speaker, the Administration's budget proposal does not go far enough to meet those goals.

NO U.S. MILITARY BASES IN AZERBAIJAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I rise today to draw the attention of the Members of this House and the American people to a potentially alarming development in our foreign policy. As was reported in this Sunday's New York Times, the Republic of Azerbaijan has made what the newspaper called a startling offer. It wants the United States to open a military base there. The article notes that American oil companies have invested billions of dollars in Azerbaijan, and the New York Times also makes a particularly relevant point that such a partnership might draw the United States into alliances with undemocratic governments.

This story has also been picked up by Reuters and the Journal of Commerce, among other media outlets, and while the State Department and Defense Department denied plans to construct a military base in Azerbaijan or to move an existing facility from the Republic of Turkey into Azerbaijan, unnamed U.S. officials were mentioned in press accounts as not ruling out the need for an undefined arrangement to ensure the security of a future pipeline to deliver oil from the Caspian Sea to the Turkish oil depot at Ceyhan.

Mr. Speaker, I cannot imagine a worse idea. While I strongly support new approaches to U.S. international engagement in the post-cold war world, this proposal would not advance U.S. interests or American values. The only justification for this proposal is to make U.S. foreign policy and our military forces a tool for protecting a new and, I would say, unproven supply of oil, and to try to placate the two countries that are deemed essential to the extraction and delivery of those oil supplies; that is, Turkey and Azerbaijan, two countries, I might add, with terrible records in terms of democracy and human rights.

Mr. Speaker, for some time now I have been critical of what I view as the administration's apparent determination to see the pipeline from Baku to Ceyhan constructed. Ironically, the oil companies themselves are balking at this arrangement. The proposed pipeline is too long and costly, particularly as oil prices continue to drop. One major international consortium led by the American firm, Pennzoil, has announced that it will terminate its test drilling operations in the Caspian near Baku after finding only half the volume of oil and gas necessary to assure profitable exploitation. Today the Wall Street Journal reports that another group led by Amoco and British Petroleum is cutting personnel and deferring development on Caspian oil exploitation due to disappointing test results and declining oil prices.

It is becoming apparent that the new pipeline proposal lacks commercial viability. It is a boondoggle whose only purpose is to placate the demands of Turkey and Azerbaijan, to give those two countries the power and prestige of controlling what some see as an important source of energy resources. And now apparently Azerbaijan craves the further benefits of a U.S. military commitment, and some unnamed U.S. officials are apparently toying with this idea.

Mr. Speaker, this week I will be circulating a letter among my colleagues asking them to join me in making it clear to President Clinton, Secretary of State Albright and Secretary of Defense Cohen that we consider a U.S. military presence or commitment in Azerbaijan unacceptable.

And yes, Mr. Speaker, the administration is right to identify the Caucasus region as an important American interest, but it is wrong to make oil the major, not only the only basis for our engagement in that region, and I hope we can stop this train before it leaves the station.