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2013 REPORT TO
THE HOUSE ARMED SERVICES COMMITTEE
ON
THE POSTURE OF THE UNITED STATES MARINE CORPS
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I. Marines and the Nation's Defense

Our nation has long recognized the need for a ready expeditionary force, one able to deter those who would do us harm, swiftly intervene when they act to do so, and fight to win where the security interests of our nation are threatened. I am pleased to report that your Marines remain that ready force. Because of the faithfulness and trust of the American people, Marines are forward deployed today; on ships at sea, at our diplomatic posts, in key security locations, and alongside our allies. They are poised to respond wherever crisis looms. Thousands of your 21st Century Marines and Sailors remain deployed to Afghanistan where they are putting relentless pressure on a disrupted enemy, while setting the conditions for a transition of security responsibilities to the Afghans themselves. Marines here at home are in the field, training at their bases and stations. Wherever they serve, whatever their mission, your Marines are ready, motivated, and eager. Their professionalism and patriotism are undimmed by over a decade of combat. They carry the timeless ethos and deep pride Marines have built over 237 years of service to this nation. You can be proud of their service.

The need for this highly capable and ready force is more pressing now than ever. Today, we see a world marked by conflict, instability and humanitarian disaster. We see the disruptive changes that accompany a rapidly modernizing world; a world in which tyranny is challenged, power is diffused and extremism finds fertile ground in the disenfranchised. While America's continued prosperity and security are found in a stable global order; instability, extremism and conflict create disorder instead. In what has been described as a 'new normal,' extremism, economic disruption, identity politics and social change generate new potential security threats at

an accelerating pace. While we desire peace as a nation, threats to our citizens, allies and national interests compel our response when crisis occurs.

The unpredictable and chaotic security environment in which we find ourselves presents security challenges that are aligned exactly with the core competencies of the Marine Corps. While Marines have acquitted themselves well during two long campaigns ashore, our fundamental ethos and character remains that of the Nation's Expeditionary Force in Readiness. The Marine Corps is purpose-built for the very world we see emerging around us...purpose-built to intervene in crisis, purpose-built to forge partnerships in collective security, purpose-built to defend our nation from the wide range of security threats it faces today.

This unique role is grounded in the special nature of the individual Marine. America's Marines hold to a professional ethos anchored in honor, discipline, fidelity and sacrifice. Today's Marines are ethical warriors, forged in hard training and made wise through years of experience in combat. Courageous in battle and always faithful, Marines stand as pillars of just action, compassion, and moral courage. This ethos defines our warfighting philosophy and is the timeless scale upon which we continually measure ourselves...it has always been this way.

The Marine Corps remains first and foremost a naval service, operating in close partnership with the United States Navy. We share with them a storied heritage that predates the signing of our Constitution. Together, the two naval services leverage the seas, not only to protect the vast global commons, but also to project our national power and influence ashore where that is required. The world's coastal regions are the home to an increasing majority of the human population, and are thus the scene of frequent conflict and natural disaster. These *littoral* regions comprise the connective tissues that connect oceanic trade routes with the activities of

populations ashore. In an era of heightened sensitivities over sovereignty, and where large foreign military footprints are unwelcome, the seas provide maritime forces with a means of less obtrusive access. Maritime expeditionary forces can be located close enough to act when crisis threatens and hours matter, without imposing a burden on host nations. Expeditionary maritime forces can operate in the air, at sea, and on land, without the necessity of infrastructure ashore. They can loiter unseen over the horizon, and can move swiftly from one crisis region to another. Importantly, maritime forces also have the ability to rapidly return to the sea when their mission is complete.

This flexibility and strategic agility make Marine forces a key tool for the Joint force in major contingencies. Operating in partnership with the Navy, the Marine air-ground-logistics task force creates the strategic asymmetries that make the joint force so effective on the modern battlefield. Amphibious and expeditionary capabilities contribute to each of the ten mission areas of the joint force, and are directly responsive to the security demands articulated in the President's *Defense Strategic Guidance for the 21st Century*. By design, Marines smoothly integrate with the other elements of the joint force, enable our interagency partners in response to disaster or humanitarian crises, and provide a naturally complementary team when working with special operations forces.

As the nation prepares for an uncertain future, its expeditionary Marine forces provide a highly-utilitarian capability, effective in a wide range of scenarios. Marines remain a cost-effective hedge against the unexpected, providing a national "insurance policy" against strategic surprise. Thanks to the support of American people, the Marine Corps remains responsive to its Congressional mandate to be the "most ready when the nation is least ready."

2012 Operational Highlights

This past year, Marines have been actively engaged in every corner of the global security environment. The Marine Corps continued to meet operational commitments in Afghanistan, while simultaneously working with more than 90 allies and partners to train, to learn, and to build effective security institutions. In addition to forces committed to Operation Enduring Freedom (OEF), our Marine Expeditionary Units (MEUs), in partnership with Navy Amphibious Ready Groups (ARGs), continued to patrol regions of likely crisis. Other task-organized Marine Air Ground Task Forces (MAGTFs), operating from expeditionary locations, supported US national security objectives through forward presence, deterrence, multinational theater security cooperation exercises, and building partner capacity. Marines have been active in every geographical combatant command, serving as a key component of the joint force. Even under fiscal restraint, we will continue to support these strategically important activities to the greatest extent possible.

Afghanistan

Our number one priority remains providing the best-trained and best-equipped Marine units to Afghanistan. As long as we are engaged there, this will not change. Active and Reserve Marines continue operations in Helmand Province, comprising approximately 7,000 of the 16,000 Coalition personnel in Regional Command Southwest (RC-SW). By the end of this year, we expect our contribution will be closer to half its current size. Through distributed combat operations conducted with their Afghan counterparts, Marines have continued to deny the Taliban safe haven. Your Marines, with Coalition partners from nine nations and the Afghan National Security Force (ANSF), have restored stability in one of the most critical regions of

Afghanistan, creating breathing space for the establishment of effective tools of governance. These combat operations have been marked by the continued bravery and sacrifice of American, Coalition, and Afghan service members.

One measure of our battlefield success is the continued progress in implementing the mechanisms of effective governance in Helmand Province. In 2012, citizens of Helmand conducted three successful elections for district community councils, with more than 5,000 participants vying for approximately 45 council seats. There are new district governors in twelve of fourteen districts, and new provincial authorities in the capital of Lashkar Gah. Within the provincial judicial system, the numbers of judges, prosecutors and defense counselors are steadily growing.

Provincial social conditions also show marked improvement. Marines have helped open 86 schools, providing a new normal of daily classroom participation by over 121,000 children. This total includes more than 28,000 female students, a 432 percent increase since 2005.

Healthcare is another area of vast improvement. In 2006, only six health clinics served the needs of the population of Helmand province, an area nearly twice the size of Maryland. Six years later, 57 health care facilities provide basic health services to more than half of the population. Infrastructure improvements currently underway include a \$130 million major electrical power system project and additional major road construction projects.

Transitioning from counter-insurgency operations to security force assistance in Afghanistan, we are adjusting our force posture into an advisory role in support of the ANSF. US-led missions have given way to US-Afghan partnered missions; and now are transitioning once again to missions conducted entirely by Afghan forces with only advisory support from US

forces. As nearly all Districts in RC-SW have entered the transition process, the next year remains a delicate and extremely important time. Afghan local authorities, supported by the ANSF and their citizens, have welcomed their responsibility to lead and are taking it upon themselves to contribute to the transition process.

I recently returned from visiting your Marines in Helmand province, and I can attest to the progress there. Marines have given the people of Helmand a vision for a secure and prosperous society, and the responsibilities that come with that freedom. The Marines are proud of what they and their predecessors have accomplished, and want to see this mission through to completion.

That mission is not complete until the massive project of retrograding our equipment from our dispersed operating locations across southern Afghanistan is completed. I am happy to report to you the tremendous progress our Marines have made in recovering and redeploying our equipment. Our logisticians have spearheaded a recovery effort that has been proactive, cost-effective, and in keeping with the high stewardship of taxpayer resources for which the Corps is known. Much of our equipment, unneeded in Afghanistan but required for home-station training, has been successfully returned to the United States, where it can be refurbished and reissued. We are proud to preserve our reputation as the frugal force.

Global Crisis Response

Concomitant with our Afghan commitments, Marines have been vigilant around the globe, responding to crises ranging from civil conflict to natural disasters. Crisis response is a core competency of your expeditionary force in readiness. The Marine Corps provides six MEUs operating from the continental US, and one operating from its bases in Japan. Teamed

with Navy ARGs, these expeditionary forces provide a rotational forward presence around the globe. Special-purpose MAGTFs, capable of rapidly responding when conditions deteriorate, augment the MEUs from forward security locations in key regions. The recent deployment of our 24th MEU and the Iwo Jima ARG is instructive. As this Navy-Marine expeditionary team transited the Mediterranean Sea and operated off the horn of Africa, they participated in their normal syllabus of exercises and operations to include African Lion with the Moroccan military, Eager Lion with the Jordanian Navy and the International Mine Countermeasures Exercise that included more than 30 international partners. While forward deployed participating in these partnership initiatives, however, they also provided an essential response capability for our national leadership when US interests or citizens were threatened due to violence in Syria, Gaza, Sudan, Libya, Egypt and Yemen. These forces planned against a variety of scenarios and were poised to swiftly intervene from the sea in each of these cases. Although past the end of their scheduled deployment, this Navy-Marine team was extended on-station, and maneuvered throughout the region in order to ensure our nation could respond if crisis necessitated intervention to protect our citizens. If even one of these smoldering situations had ignited into the flames of crisis, our Marines would have been quickly on the scene, protecting human life, preserving our interests, and evacuating our citizens. For our diplomats and citizens in these troubled parts of the world, there is no substitute for the capabilities brought by forward deployed Marines and their Navy partners. Their ability to quickly respond to a variety of missions gave decision makers at all levels time to develop their plans, created options for execution, and provided assurance that there was a force ready to be called-on if needed. This utility, flexibility and forward presence is an essential feature of our nation's ability to respond to crisis at a moment's notice.

In 2012, our diplomatic posts and embassies remained highly visible symbols of US presence and commitment. In the threat environment posed by the new normal, the protection offered by host states is often threatened by groups and organizations that do not respect the conventions of the state system. Marines are a key component in ensuring the security of these most vulnerable nodes of US presence. Marine Security Guards are currently deployed to 152 embassies and consulates around the world. With Congressional guidance, we are seeking to increase this number in close coordination with the State Department. Marine Embassy Security detachments and Fleet Anti-terrorism Security Teams (FAST), alongside their State Department colleagues, also protect our diplomatic missions against a range of threats. During 2012, specialized FAST Marines deployed to reinforce U.S. diplomatic missions abroad, providing physical security and force protection. Last year we provided each Geographic Combatant Commander with FAST support to aid in protecting U.S. interests worldwide. These teams provided immediate relief in Libya following the deadly terrorist attack on the consulate that claimed the lives of the Ambassador and three other Americans. As demonstrations spread across the Middle East and North Africa, Marines from an additional FAST platoon deployed to Yemen when violent protests threatened American diplomatic personnel. These specially trained Marines remain forward deployed at naval commands around the globe, poised to respond on short notice when our citizens and diplomats are threatened.

Humanitarian Assistance and Disaster Relief

Over the past decade, in the Asia-Pacific Area alone, major natural disasters have claimed the lives of an average of 70,000 people each year. American leadership in response to global natural disaster is a clear and unambiguous demonstration of our strength, our values, and our good intentions. This demonstration gives credibility to our security promises, strengthens the value of our deterrence, and creates goodwill among our potential partners. Although built for war and maintained forward to protect our security interests, the utility of expeditionary Marine forces makes them a natural response option when disaster strikes. Forward deployed Marines responded to numerous natural disasters over the past year, smoothly integrating as a contributor to multiagency and multinational relief efforts. As an example, just this last December, Marines from the III Marine Expeditionary Force supported a USAID-led response by providing disaster relief in the aftermath of super typhoon Pablo in the Philippines. When hours mattered and the survival of large populations was at stake, Marines from their forward bases in Japan quickly organized and executed their participation in the US relief effort. KC-130J Hercules transport planes delivered critical food packages and other supplies to Manila for distribution by the Philippine military. This is but one example of a regular feature of the global security environment, and the utility of your forward-postured Marines.

Defense Support to Civil Authorities

In a similar vein, when Hurricane Sandy struck our own nation in October 2012, more than 300 Marines and Sailors from the 26th Marine Expeditionary Unit provided critical recovery and relief operations in support of Americans in need in New York City and Long Island. Marines were one part of a multiagency response that included ships of the USS Wasp

ARG and other military assets. Marine aviation conducted disaster relief assessments and provided the necessary airlift for Marines to deploy into the hardest-hit areas. On the ground, Marines successfully coordinated with local leaders and residents for priority relief requirements, providing critical supplies and assisting with clearing debris and helping restore normalcy to people's lives. The swiftness of the Marine response, and their ability to conduct relief efforts from the sea made them an important contributor, without imposing additional strain on the roads, airfields and infrastructure supporting the broader relief effort.

Security Cooperation

In 2012, Marines participated in more than 200 security cooperation engagements, including multilateral and bilateral exercises, training, and military-to-military engagements. Forward-deployed MEUs participated in joint and coalition exercises around the globe from Morocco to the Philippines, strengthening our partnerships with allies such as Kuwait, Oman, Saudi Arabia, United Arab Emirates, Jordan, Thailand, Malaysia, Indonesia, Korea, and Japan.

In Europe, Marine trainers deployed to support battalions of the Georgian Army, strengthening a decade-long partnership with that nation. Because of this small investment of Marines, Georgian battalions have been effectively fighting alongside US Marines in Afghanistan since 2008. Marines continue to provide forces and leadership to activities such as the Black Sea Rotational Force, an annual US European Command initiative with the Romanians, Bulgarians, and other Black Sea regional allies.

In Africa, a Special Purpose MAGTF, tailored to conduct theater security cooperation in support of OEF-Trans Sahara, trained counter-terrorism forces and supported coalition forces combating al-Qaeda affiliates across the Maghreb region. This MAGTF also trained with forces

from the African Union Mission in Somalia (AMISOM), providing well-trained African peacekeeping forces that are currently countering the Al Shabaab terrorist group in Somalia.

In Australia, our new rotational units continued to expand the training and partnership opportunities offered by one of our strongest and oldest allies in the Pacific. This past year, Marine Rotational Force Darwin conducted bilateral training with their hosts on the superb training ranges available in Northern Australia. The partnership of our Australian allies is a cornerstone of our Pacific rebalance. Marines are natural partners for an Australian military that continues to expand its expeditionary capabilities. As the Australians take delivery of their new big-deck amphibious ships, US Marines look forward to more combined training opportunities and reinforced crisis response capabilities. From Darwin, Marines embarked aboard USS Germantown to participate in the annual Landing Force Cooperation and Readiness Afloat Training (LF CARAT) amphibious patrol of the Southeast Asian neighborhood. Through LF CARAT, Marines conducted training exercises with our partners in Thailand, Indonesia and Malaysia.

Maintaining a sound international economic system and a just international order are the foundations of our nation's Defense Strategic Guidance. Your Marines remain forward deployed around the world, projecting U.S. influence, responding to contingencies, and building strong international relationships. By doing so, we significantly enhanced the security and stability of the global commons and contributed to the mechanisms of collective security that underpin the global economy and our own return to prosperity.

II. Fiscal Year 2014 Budget Submission Highlights

As we move into FY 2014 and beyond, our budget submission balances our force structure, our readiness and our capability to meet national security commitments. A critical measure of the effectiveness of our Marine Corps is its readiness. Our readiness is preserved through a careful balance of high quality people, well-trained units, modernized equipment, well-maintained installations and a force level sufficient to accomplish our many missions. Failure in any one of these pillars of readiness begins to set the conditions for an eventual hollowing of the force. We will do everything within our power to avoid this outcome, and request your continued support. The linkage between resources and readiness is immediate and visible, and our fiscal restraint has caused us to pay keen attention to our priorities. To guide us as we optimize investments and readiness in our force, our priorities are as follows:

- We will continue to provide the best trained and equipped Marine units to Afghanistan
- We will continue to protect the readiness of our forward deployed rotational forces within the means available
- We will reset and reconstitute our operating forces as our Marines and equipment return from more than a decade of combat
- We will modernize our force through investments in human capital and by replacing aging combat systems
- We will keep faith with our Marines, our Sailors and our families

This year we are seeking \$24.2 billion to fund our baseline operations. This funding allows the Marine Corps to continue to provide forward deployed and engaged forces, rapid

crisis response capabilities, and the necessary training to ensure readiness for our forces to fulfill strategic demands. In addition, this funding provides adequate resources for us to reset our combat-worn equipment, rebalance to the Asia-Pacific region, and keep faith with our Marines, Sailors and their families.

Two years ago, the Marine Corps initiated a Force Structure Review (FSR) whose mission was to re-shape the Marine Corps for a Post-OEF environment. This FSR sought to find ways to meet our national security responsibilities in the most resource-efficient manner possible. Our goal was to provide the most ready, capable, and cost-effective Marine Corps our nation could afford. Last year, we reported on our approved multi-year plan to draw down the Corps from the end strength of 202,100 in FY12 to 182,100 by the end of FY16. I am pleased to report that these reductions are being made in a measured and responsible way, maintaining our commitment to provide adequate transition time, effective transition assistance, and family support for our Marines who have given so much to our Nation...we remain committed to doing so.

We will continue to reshape the force, ever mindful of our operational requirements and our responsibility to keep faith with the Marines that fulfill them. As the nation's principal crisis response force, we must maintain a continuous high state of readiness in both our forward deployed and ready forces at home station. Maintaining an expeditionary force in a high state of readiness creates a hedge against the unexpected, giving the nation the ability to swiftly contain crisis, respond to disaster, and buy time for strategic decision-makers. For us, a hollow force is not an option. This not only enables joint success, but also allows selected follow-on capabilities of the joint force to be maintained at more cost-effective readiness levels. Marines are poised to swiftly fill the temporal gap between crisis initiation and when the joint force is fully prepared to

conduct operations; buying time for the deployment of the larger joint force in major contingencies. Readiness is a key to making this possible.

This high state of readiness is necessary for security of our global interests, but financing near-term readiness has caused us to continually decrement our modernization and infrastructure accounts. To meet strategic guidance during the current period of fiscal austerity, the Marine Corps has funded near-term manpower and readiness accounts at the cost of significantly increased risk in longer-term equipment modernization. Over the long-term, resourcing short-term readiness by borrowing-forward from long-term investment resources is unsustainable, and will eventually degrade unit readiness to an unacceptable level. Full implementation of sequestration and the associated cap reductions in the coming years will require a top to bottom re-examination of priorities, missions and what it will take to continue to be the Nation's Expeditionary Force in Readiness.

The current period of fiscal austerity significantly pressurizes each of our appropriation accounts, especially operations and maintenance, equipment modernization, and military personnel. Our challenge in balancing modernization and end-strength costs is especially acute, as we invest nearly 60 cents of every appropriated dollar on our most vital assets, our personnel. Our ground materiel modernization investment accounts comprise a mere 10 percent of our baseline budget. Because of this significant variance between personnel and ground modernization funding, even proportional cuts across the Services have disproportionate impacts on our already pressurized small investment programs. In the Marine Corps' ground investment portfolio, the top 25 programs consume 60 percent of the available budget, while the remaining 40 percent supports 171 small programs. These small programs are essential to equipping individual Marines and providing their qualitative edge. These programs, and the small

businesses they support, have limited flexibility to respond to reduced funding, and are increasingly vulnerable as resource shortfalls become more acute.

Sustained combat operations in the harsh environments of Iraq and Afghanistan have also significantly degraded the readiness of our existing ground equipment. Our combat equipment has aged far faster than it would have given normal peacetime utilization rates. Accordingly, we are requesting funding to support the reset and restoration of our equipment to ensure we provide Marines the most combat ready equipment needed to respond to future crisis and contingencies around the world.

We are proud of our reputation for frugality, and will always remain good stewards of every defense dollar we are entrusted with. In a period of budget austerity, we offer a strategically mobile force optimized for forward presence and rapid crisis response for a notably small portion of the Department of Defense (DoD) budget. The Marine Corps will remain ready to fulfill its role as the crisis response force of choice for our nation's leaders.

III. Shared Naval Investments

The Department of the Navy's (DON's) investment in amphibious warships, maritime prepositioning ships, ship-to-shore connectors, mine countermeasures, and the Navy Expeditionary Combat Command (NECC) represent critical Navy investments that also support the Marine Corps. Due to current fiscal challenges, we have agreed to take risk in the number of amphibious ships to a fiscally constrained fleet of 33 amphibious warships, producing 30 operationally available ships if readiness levels are significantly improved. Thirty operationally available amphibious warships allow for the employment of two Marine Expeditionary Brigades

(MEBs), the minimum capability and capacity necessary to fulfill our Combatant Commander commitments for sea-based forcible entry. This represents a minimal capacity for a maritime nation with global interests and key dependencies on the stability of the global system. By way of comparison, a two brigade force was necessary to wrest control of the mid-size city of Fallujah from insurgents in 2004. Two brigades of forcible entry capacity are required to create access for the rest of the joint force should defense of our interests make it necessary. There are no acceptable substitutes for this capability within our national defense inventory. This fiscal year, the total amphibious warship inventory will rise to 31 ships with the delivery of LPD-25. Within the next two years, the inventory will decline before rising to an average of 33 amphibious warships across the 30 year shipbuilding plan.

The Navy's programs and plans to sustain fleet quantities of landing craft include the Landing Craft, Air Cushion (LCAC) Service Life Extension (SLEP), LCAC Fleet Maintenance Program (FMP), and the Ship-to-Shore Connector (SSC) program which will produce the replacement LCAC-100 class craft to maintain the non-displacement ship-to-shore capability of the fleet. The LCU Sustainment Program is the single program to maintain the displacement component of the connector fleet. The Surface Connector (X) is Navy's planned program to replace and recapitalize the aging LCU. These Navy programs are important to Marines, and are essential for our nation's ability to project its influence from the sea. Additionally, we support the Navy's idea to extend the life of select LCAC SLEP craft for 10 years to reduce inventory shortfalls in the 2020s. The Marine Corps actively supports and depends upon these programs.

To complement our amphibious capabilities, the Maritime Prepositioning Force (MPF) program is designed to rapidly deploy the combat equipment and logistics required to support Marine Air Ground Task Forces from the sea. The MPF provides the capability to rapidly equip

MAGTF personnel, who fly in to marry up with their gear. Although Maritime Prepositioning Ship Squadron One (MPS Squadron One) - home ported in Rota, Spain - was eliminated in 2012, efforts are currently underway to enhance MPS Squadron Two (Diego Garcia) and MPS Squadron Three (Guam) to ensure the two remaining squadrons are optimized for employment across the full range of military operations. The current 12-ship inventory has been re-organized into two Maritime Prepositioning Ship Squadrons that possess new sea basing-enabling capabilities, including at-sea selective offload of equipment and supplies, thereby providing Combatant Commanders a greater range and depth of sea-based capabilities. An additional two ships will be added during FY 15, for a total of 14 ships, seven in each MPS Squadron. Additionally, the Marine Corps Prepositioning Program in Norway (MCPN) is being reorganized to provide Combatant Commanders with balanced MAGTF equipment set for training and operations. This combination of prepositioned equipment locations, afloat and ashore, greatly enhances our ability to swiftly establish critical combat capabilities in times of major crisis.

IV. Investing in Our Marines

The core of our overall readiness and combat effectiveness resides in the individual Marine. Recruiting and retaining high quality people is essential to attaining a dedicated and professional Marine Corps. Recruiting provides the lifeblood of our Corps; the foundational step in making Marines. To maintain a force comprised of the best and brightest of America's youth, the Marine Corps uses a variety of officer and enlisted recruiting processes that stress high mental, moral, and physical standards. We retain the most qualified Marines through a competitive career designation process for officers, and a thorough evaluation process for

enlisted Marines. Both processes measure, analyze, and evaluate our Marines performance and accomplishments for competitive retention.

Our ability to attract young men and women is tied directly to our ability to establish and foster a dialogue with the American people. We do this through an aggressive outreach and advertising campaign that seeks to reach all sectors of American society. We continue to seek qualified young men and women of any race, religion or cultural background who are willing to commit to our demanding standards.

Marine Reserve Forces continue to serve as a strong force multiplier of the total force, and are a high-payoff investment in capability. Since September 11, 2001, more than 60,000 Marine Reservists, from all across the United States, have participated in over 80,000 activations or mobilizations. Our Reserve Marines are uniquely well-positioned to seamlessly integrate with the active component, to reinforce our service priorities, and to provide a reservoir of capacity for future national emergencies. Our Reserve Marines are well-equipped and highly trained professionals, providing an essential shock absorber for the active component in the uncertain global environment.

Professional Military Education (PME) is designed to produce leaders who are proficient in the thinking skills necessary to face the complexity of conflict we expect in the future. As such, PME represents a key, cost-effective investment in our most valued resource - our Marines. Marine Corps University (MCU), a part of Training and Education Command (TECOM), is a regionally accredited, degree-granting institution committed to providing world-class educational opportunities through both resident and distance/outreach programs. Marine Corps University is a globally recognized, world-class PME institution that is designed to advance the study and

application of the operational art. Our commitment to improve the quality of our PME programs and advance the PME opportunities for our Marines is unwavering. Beginning in FY11, military construction projects totaling \$180 million have helped dramatically improve MCU's educational facilities, to include staff non-commissioned officer academies across our installations as well as an expansion of our primary campus in Quantico. In addition, we will continue to improve the quality and quantity of our active duty and civilian faculty.

V. Investing in Ready Units

The Marine Corps will continue to meet the requirements of strategic guidance while resetting and reconstituting the force in-stride. Our reconstitution efforts will restore our core combat capabilities and will ensure units are ready for operations across the spectrum of conflict. Sustaining combat operations for more than a decade has required the use of a large share of the available assets from our home bases and stations. This has produced ready forces where they have mattered most, but has taken a toll on non-deployed Marine units. Currently, 65 percent of non-deployed units are experiencing degraded readiness due to portions of their equipment being redistributed to support units deploying forward. While necessary in times of crisis, this commitment of our 'seed corn' to current contingencies degrades our ability to train and constitute ready units for their full range of missions over time. Unbalanced readiness across the force increases risk to timely response to unexpected crises or large-scale contingencies. We will continue to emphasize our reset and reconstitution efforts that cost-effectively restore combat equipment and return it to units for training.

Vital to maintaining readiness is the operations and maintenance (O&M) funding to train in our core missions and maintain our equipment. MAGTF readiness continues to improve with larger scale naval exercises that are maximized to enhance our ability to operate from the sea. Over the next two years, we anticipate incremental increases in the core training readiness of units as Marines return home from Afghanistan and have time to train to their full range of capabilities. The peacetime availability and readiness of amphibious warships and maritime prepositioning ships are critical dependencies for training readiness, and for supporting expeditionary, amphibious operations around the globe.

The Geographic Combatant Commanders (GCCs) continue to register an increased demand for crisis response and amphibious forces in order to meet requirements across the range of military operations. Forward deployments provide deterrence, reassure our allies, posture our forces for crisis response, and enable rapid contingency response to major conflict. GCCs recognize and appreciate the agility and operational reach of ready expeditionary capabilities. As we construct the forces for the next decade, we will continue to seek cost-effective ways of saying 'yes' to joint commanders on the leading edge of our national security effort, while preserving skills and training necessary for larger contingencies. The multi-purpose nature of Marine forces makes them a cost-effective investment for a wide range of application.

In addition to our traditional crisis response and expeditionary capabilities, the Marine Corps has reinforced its contributions to our Marine Special Operations Command (MARSOCC) and Marine Forces Cyber Command (MARFORCYBER). The demand for our expeditionary MARSOCC forces remains high as these Marines provide critically needed capability and capacity to theater special operations commands supporting both Special Operations Command (SOCOM) and the GCC operational requirements. Marines have excelled as special operators,

combining the Marine ethos with the training and skills of the special operations community. Additionally, the Marine Corps continues to expand its capability and capacity for cyberspace operations; including offensive and defensive cyber capabilities. The Marine Corps Information Operations Command (MCIOC) supports deployed MAGTFs, integrating information operations in support of forward deployed forces and joint commanders.

VI. Investing in Modernization

Across the spectrum of conflict, our adversaries have adapted their tactics to counter our significant technological advantage. Even many ‘low-end’ threats are now equipped with modern technologies and weapons. Our adversaries oppose us with tools of the information age, including modern communications, intelligence and cyber capabilities. While state-sponsored opponents continue their development of advanced technologies, non-state threats have likewise become increasingly sophisticated and lethal. An increasing number of threats now possess intelligence capabilities, precision munitions, and unmanned systems. This ‘rise of the rest’ erodes the technological advantage we have enjoyed for decades, making the qualitative advantages of the modern Joint force even more important. This situation creates an imperative for maintaining our investments in new equipment, better technology, research, and development.

Our desire for our Marines to maintain a qualitative edge over their opponents applies equally to both our large-scale weapons programs, and the numerous small programs that equip our individual Marines with modern capabilities. This modernization mandate is a fundamental

pillar of a ready force, shared by all of the services. With the smallest modernization budget in the Department of Defense, the Marine Corps continually seeks to leverage the investments of other services, carefully meting-out our modernization resources to those investment areas which are the most fiscally prudent and those which promise the most operationally effective payoffs.

Innovative war-fighting approaches and can-do leadership are hallmarks of the Corps, but these cannot overcome the vulnerabilities created by our rapidly aging fleet of vehicles, systems and aircraft. Long-term shortfalls in modernization will have an immediate impact on readiness and will ultimately cost lives on the battlefield. At some point, sustaining fleets of severely worn vehicles becomes inefficient and no longer cost-effective. This inefficiency reduces available modernization resources from an already small account, degrading our ability to effectively operate in today's complex security environment. Our modernization investment requires a balanced approach across the Air-Ground-Logistics Team.

Aviation Combat Element Modernization

On average, more than 40 percent of our aviation force is deployed at any time, with an additional 25 percent preparing to deploy. All told, this means two-thirds of Marine Aviation forces are currently deployed or preparing to deploy. This creates an increasing cost burden as we work to sustain our heavily used and rapidly aging fleet of aircraft.

Accordingly, even as we invest in new aircraft as a part of our aviation modernization, we must take every opportunity to drive down operations and sustainment (O&S) costs while ensuring the continued safety, reliability, and operational relevance of our "legacy" and recently fielded platforms. The F/A-18A-D, originally designed for a 6,000-hour service life, has reached an average usage of 6,800 hours. Ongoing upgrades and analysis have extended service life to

8,000 hours, but this buys only limited time. A service life extension program to increase service life to 10,000 hours would rely heavily on depot capacity, rapid engineering assessment, and adequate funding. Our aging AV-8B fleet depends on careful stewardship of its supply chain and targeted capability enhancements to keep it relevant through the mid twenties. Similar oversight and investment in the CH-53E, UH-1N, and AH-1W will keep our helicopter fleet operating while the next generation is fielded. On a positive note, the MV-22 program has continued to excel in combat and crisis environments, even as it has reduced flight hour costs by 18% over the past two years. We intend to find similar savings throughout Marine aviation.

To do so, we will use our Aviation Plan – a phased, multi-year approach to modernization that encompasses aircraft transitions, readiness, aircraft inventory shortfalls, manpower challenges, safety and fiscal requirements. The following programs form the backbone of our aviation modernization effort:

F-35B: As we modernize Marine fixed-wing aviation assets for the future, the continued development and fielding of the short take-off and vertical landing (STOVL) F-35B Joint Strike Fighter remains the centerpiece of our effort. The capability inherent in a STOVL jet allows the Marine Corps to operate in harsh conditions and from remote locations where few airfields are available for conventional aircraft. It is also specifically designed to operate from amphibious ships – a capability that no other tactical fifth-generation aircraft possesses. The ability to employ a fifth-generation aircraft from 11 big-deck amphibious ships doubles the number of “aircraft carriers” from which the United States can employ this game-changing capability. The expanded flexibility of STOVL capabilities operating both at-sea and from austere land bases is essential, especially in the Pacific. Once fully fielded, the F-35B will replace three legacy aircraft – F/A-18, EA-6B, and AV-8B. Training continues for our F-35B pilots. In 2012, we

flew more than 500 hours and trained 15 pilots. Just recently, in November 2012, we established our first operational squadron, VMFA-121, at MCAS Yuma. Continued funding and support from Congress for this program is of utmost importance for the Marine Corps as we continue with a plan to “sundown” three different legacy platforms.

MV-22B: The MV-22B Osprey has performed exceedingly well for the Corps and the Joint Force. This revolutionary tiltrotor aircraft has changed the way Marines operate on the battlefield, giving American and Coalition forces a maneuver advantage and an operational reach unmatched by any other tactical aircraft. The MV-22B has successfully conducted multiple combat deployments to Iraq, six deployments with MEUs at sea, and is currently on its seventh deployment to Afghanistan. In the Pacific, we have fielded our first permanent forward-deployed Osprey squadron, VMM-265, in Okinawa. Our squadron fielding plan continues apace as we replace the last of our Vietnam-era CH-46 helicopters. The MV-22B’s proven combat capability reinforces the necessity that we continue to procure the full program of record quantities. The record of performance and safety this aircraft brings in support of Marines and the joint force on today’s battlefields has more than proven its value to the nation.

CH-53K: The CH-53K is a new-build heavy lift helicopter that improves on the legacy CH-53E design to increase operational capability, reliability, maintainability, and survivability; while reducing cost. The CH-53K will transport 27,000 pounds of external cargo under high altitude/hot conditions out to 110 nautical miles, nearly three times the lift capacity of the legacy CH-53E. It is the only naval rotorcraft able to lift all Marine Corps air-transportable equipment from amphibious warships and the Maritime Prepositioned Force. Our Force Structure Review has validated the need for a CH-53K program of record of eight CH-53K squadrons.

UH-1/AH-1: The H-1 program, composed of the UH-1Y utility and the AH-1Z attack helicopters, is a single acquisition program that leverages 85 percent commonality of major components between the two platforms. This commonality enhances deployability and maintainability while reducing training requirements and logistical footprints. Both aircraft are in full rate production. The H-1 procurement objective is 160 UH-1Ys and 189 AH-1Zs for a total of 349 aircraft. Currently, 181 H-1 aircraft are on contract, with 72 UH-1Ys and 30 AH-1Zs delivered to date. The UH-1Y has supported sustained combat operations in OEF since November 2009. The AH-1Z completed its first deployment alongside the UH-1Y in June 2012 as part of the 11th MEU. The AH-1Z performed extremely well on its initial MEU deployment. These aircraft had high Mission Capable (MC) readiness rates while deployed (89.9% MC for AH-1Z, 94.4% MC for UH-1Y). All subsequent West Coast MEUs are sourced with UH-1Y and AH-1Z aircraft. The continued procurement and rapid transition to these two platforms from legacy UH-1N and AH-1W assets in our rotary-wing squadrons remains a priority.

KC-130J: The new KC-130J Hercules has been fielded throughout our active component, bringing increased capability, performance and survivability with lower operating and sustainment costs to the Marine Air Ground Task Force. Using the Harvest HAWK weapon mission kit, the KC-130J is providing extended endurance Close Air Support to our Marines in harm's way. Currently, we have procured 48 KC-130Js of the stated program of record requirement totaling 79 aircraft. Continued procurement of the program of record will allow us to fully integrate our active and reserve force with this unique, multi-mission assault support platform.

Unmanned Aerial Systems (UAS): Marine Corps operations rely heavily on a layer of small UAS systems that complement the larger systems provided by the joint force. These

smaller systems provide direct support for forces operating from sea-based platforms, and enable critical low-altitude and immediate responsiveness that enable small units on the ground. The RQ-7B Shadow unmanned aircraft system has provided excellent intelligence, surveillance, reconnaissance, and battlefield management capabilities in Afghanistan. The RQ-21A Small Tactical Unmanned Aircraft System is uniquely capable of operating from ship or shore, is transportable by High Mobility Multi-Purpose Wheeled Vehicles (HMMWV), and will be an integral part of the future MAGTF. We remain committed to these two critical programs.

Ground/Air Task Oriented Radar (G/ATOR): The TPS-80 G/ATOR system is the three dimensional short/medium range radar designed to detect low observable/low radar cross section targets such as cruise missiles, UAS, aircraft, rockets, mortars, and artillery shells. G/ATOR replaces five legacy radar systems and supports air surveillance, fire finding, and air traffic control missions. G/ATOR provides fire quality data that supports the integrated fire control concept and the extension of defensive and strike capabilities from the sea to landward in the littorals.

Ground Combat Element Modernization

Age and operational tempo have taken a toll on our Ground Combat Element's (GCE) equipment, creating a requirement to recapitalize and modernize key components. Essential to modernizing the GCE is a comprehensive technologically advanced vehicle portfolio. Two key initiatives to modernize the GCE are the Amphibious Combat Vehicle (ACV) and the Joint Light Tactical Vehicle (JLTV). These systems, coupled with the recapitalization of our Family of Light Armored Vehicles (LAV), a refurbishment of a portion of our legacy High Mobility Multi-Purpose Wheeled Vehicle (HMMWV) fleet, and improvements in advanced simulations systems,

are critical to sustaining individual and unit combat readiness while ensuring core capabilities of the GCE.

Amphibious operations are a core mission of the Marine Corps. Amphibious operations is a category which includes a broad range of missions including reinforcing diplomatic facilities from sea-based platforms, conducting strikes and raids against terrorism targets, delivering aid in the case of humanitarian disaster, and conducting forcible entry where our forces are not invited. The future security environment dictates that we maintain a robust capability to operate from the sea, placing special demands on our equipment. When operating in a maritime environment, Marine systems are exposed to the effects of salt water and extreme weather. Our operational concepts depend on rapid maneuver in littoral waters by which we avoid threat strengths and exploit weaknesses. Thus, our combat systems must bridge the gap between sea and land. Our tactics exploit swift action by Marines ashore, mandating a seamless transition from maneuver at sea to maneuver on land. In every operating environment we must provide a modicum of protection for our Marines while preserving all-terrain mobility and minimizing weight. The specialized craft utilized by Marines support the unique missions of the sea-based crisis response force, and are essential for swift maneuver and forcible entry across a range of environments.

Amphibious Combat Vehicle (ACV): Many of our systems show the signs of age, but none more than the current Amphibious Assault Vehicle (AAV) which has been in service since 1972. The legacy AAV has served the Corps well for over 40 years, but faces multiple component obsolescence issues that affect readiness, sustainment costs, safety, and our ability to respond from the sea. The Amphibious Combat Vehicle (ACV) is needed to replace this aging fleet. To meet the demands of both amphibious crisis response and forcible entry, the ACV program will develop and field an advanced generation, fully amphibious, armored personnel

carrier to Marine Corps expeditionary forces. The ACV will provide the ability to maneuver from the sea and to conduct amphibious operations and combat operations ashore by providing the capability to self-deploy from amphibious ships and to seamlessly transition between sea and land domains. The ACV will enable the efficient, tactical mobility of infantry combat forces from ships to inland objectives across beach landing zones under uncertain, non-permissive, or hostile conditions in order to facilitate the rapid buildup of combat power ashore. Bridging this sea-land gap with surface vehicles is a necessary complement to the maneuver capabilities brought by our MV-22 aircraft. Our objective in the ACV acquisition program is to provide a sufficient quantity of vehicles to ensure we can meet the requirement of the surface assault force for forcible entry and sustain MAGTF operations.

During the interval in which we design, build and field the ACV, we must ensure the continued safety, reliability, and operational capability of our “legacy” AAV. The current AAV platform faces significant maintenance challenges and obsolescence issues. Accordingly, AAV sustainment efforts, to include the AAV Upgrade program, remain a top Marine Corps recapitalization effort priority until fielding of the ACV.

Joint Light Tactical Vehicle (JLTV): The Joint Light Tactical Vehicle (JLTV) will provide the Marine Corps with modern expeditionary light combat and tactical mobility while increasing the protection afforded our Marines in the light utility vehicle fleet. Working closely with the Army as the lead Service, the Marine Corps is a partner in developing this key system for the tactical-wheeled vehicle fleet of the Joint Force. A relatively light system is necessary to retain our expeditionary capabilities aboard amphibious warships, and to support transport by rotary wing aircraft. The program also seeks to provide a level of protection that is an improvement over the HMMWV. As a reflection of a constrained fiscal environment, our initial

planned purchase is 5,500 vehicles, only enough to meet critical needs in the most dangerous combat mission profiles of the light vehicle fleet. The JLTV development will benefit from early user and life cycle cost analysis to ensure its long-term cost-effectiveness. The Marine Corps also seeks funding to refurbish the balance of the HMMWV fleet that will be retained. This is a cost-effective strategy to use these older vehicles in mission profiles where a lack of the advanced capabilities of the JLTV can be mitigated.

Light Armored Vehicle (LAV): The Family of Light Armored Vehicles (LAVs) enables combined arms reconnaissance and security missions in support of the GCE. This family of vehicles has proven itself over more than two decades of combat, and is an essential element of the combat power of the MAGTF. Heavily utilized in crisis response, conventional combat, irregular environments and stability operations, this fleet now requires robust recapitalization and modernization in order to sustain its capabilities. Additionally, obsolescence issues with several critical components threaten the sustainability of the LAVs through the expected end of service. Funding is requested to maintain the operational availability of these platforms and provide upgrades to adapt to the current and anticipated operating environments.

Ground Training Simulation Systems: Modernization efforts in ground training simulation systems have capitalized on advancements in technology developed over a decade of preparing Marines for combat deployments in Iraq and Afghanistan. Leveraging our success with these programs, we will further enhance combat training to maintain our readiness for the current and future security environments. These critical simulation systems develop combat unit proficiency in core skills such as command and control, leadership decision-making, and combined arms coordination. They develop proficiency in individual skills through combat convoy vehicle operator training, advanced gunnery training, and individual marksmanship.

These systems complement necessary live ammunition and range training, but allow the fundamentals of these capabilities to be practiced in a much more cost-effective manner. Training simulation systems conserve training and maintenance funds, reduce ammunition expenditures, and mitigate limited availability of training ranges.

Joint Nonlethal Weapons Program: As DoD's Executive Agent for the Joint Nonlethal Weapons Program, the Marine Corps also continues its efforts, in concert with the other Services, to advance nonlethal technologies, and to provide capabilities in support of operational commanders and our Allies to minimize collateral damage and unnecessary loss of life. These capabilities are becoming increasingly relevant in the security environment of the new normal of instability, non-state actors, and a desire to minimize collateral damage.

Logistics Combat Element Modernization

Our logistics modernization efforts include the Global Combat Support System-Marine Corps (GCSS-MC) as the Information Technology enabler for logistics supply chain management throughout the Marine Corps. When fully developed, GCSS-MC will provide an unprecedented capability for inventory accountability, providing accurate logistics data to commanders and logisticians in near real-time at any location in the world.

The past decade's operational tempo and the continuing evolution of warfare have also emphasized the importance of engineer equipment modernization. Explosive Ordnance Disposal (EOD) capability has become increasingly important with the rise of the improvised explosive device as the enemy's weapon of choice. Development of the Advanced EOD Robotics System and Route Reconnaissance and Clearance Sets have proven themselves in combat, saving lives and preempting casualties.

Energy Modernization

Expeditionary Energy is a multi-year initiative integrated with our approach to amphibious and expeditionary operations. Over the last decade of combat, Marines have increased their lethality and situational awareness, but at the expense of increased requirements for fuel and batteries. These dependencies increase the logistics footprint and combat weight of our force, impairing our expeditionary responsiveness. The Marine Corps takes seriously the necessity to increase energy efficiency, deploy renewable energy technology where it makes sense, and train Marines to employ resources more efficiently. We have made tremendous strides in weaning ourselves from external energy dependencies, and we remain committed to continue our investments in expeditionary energy. For expeditionary Marines operating in austere environments, these energy efficiency measures represent a significant increase in combat effectiveness.

VII. Investing in Installations and Infrastructure

Infrastructure Sustainment

Marine Corps Installations are a foundational support element to our Air-Ground-Logistics teams. Our bases and stations serve as launch platforms for our combat deployments, and are host to the realistic training and facilities that make our Marines successful on the battlefield. Our installations also provide for the safety and support of our military families, our combat equipment, and our civilian workforce. The quality of life for our Marines, Sailors, and families is measurably impacted by the condition of our facilities. Our installation commanders are required to be good stewards of their properties, to respect natural and cultural resources and to operate in a manner that sustains the environment and their mission. We will continue to

ensure that Marine Corps facilities are well planned, built, and maintained, and that they cost-effectively support Marine Corps readiness. To maintain our physical infrastructure and the complementary ability to train and deploy highly ready forces, we must adequately resource the sustainment and readiness of our bases and stations.

In FY14, the Marine Corps Facilities Investment strategy ensures that our infrastructure can adequately support Marine Corps' needs. The proposed FY14 budget provides \$653 million for facilities sustainment of Marine Corps facilities and infrastructure, maintaining funding at 90 percent of the sustainment model requirement. Our budget request adequately supports environmental compliance, family housing improvements and the replacement of inadequate and obsolete facilities across our installations. The FY14 budget request provides proper stewardship of Marine Corps infrastructure. Sequestration necessitates significant cuts in facilities investments and subsequent degradation in infrastructure conditions and readiness.

With over \$800 million requested in FY14 for required Military Construction projects, we are prioritizing funding to support new mission and new platform requirements, force structure repositioning, replacement of aging infrastructure, and support to enduring missions. Our efforts to improve force protection, safety, and physical security requirements are continuous.

The FY14 budget provides \$69 million for military construction and \$31 million for operations and maintenance funding to continue improvements in our installations energy posture. This funding will target energy efficiency goals established by the Energy Independence and Security Act of 2007 aimed at reducing consumption by 30 percent from a 2003 baseline. Additional efficiencies will be gained by decentralizing older, inefficient steam

heating plants and by improving our energy management and control systems. Overall, our planned investments are intended to increase energy security on our installations while reducing the cost of purchased utilities. Lean and efficient basing infrastructure allows us to put every precious dollar to use making Marines and deploying them where they are needed most.

To enable essential changes in training requirements as well as new weapon systems, we are seeking Congressional support to expand the Combat Center at Twentynine Palms, California, extend the existing withdrawal of land for the Chocolate Mountain Aerial Gunnery Range, California, as well as purchase private property to expand the Townsend Bombing Range in Georgia. At Twentynine Palms, we are requesting the withdrawal of approximately 150,000 acres from the public domain as well as the purchase of approximately 2,500 acres of California State Land and 10,000 acres of privately held land enabling it to support training and exercises for a Marine Expeditionary Brigade size force. The Marine Corps is also requesting to extend the existing withdrawal of land for the Chocolate Mountain Aerial Gunnery Range in southern California. The current withdrawal expires in 2014 and requires renewal by Congress so that this vital range can continue its use for air and ground training. Finally, the current 5,000 acre Townsend Bombing Range, adjacent to Savannah, is not large enough to meet the required safety or space requirements for use of precision guided munitions. We are seeking to purchase privately held land to increase this facility as well, allowing us to drop a wider range of ordnance in training. This is a critically important Marine Corps aviation training requirement that would be safely supported with the proposed expansion by approximately 28,000 acres. For decades, Townsend Range has been used by the joint aviation community as a centrally located and preferred Air-to-Ground training facility on the east coast; the fielding of the F-35 Joint Strike Fighter to all three Services makes the expansion of Townsend Range even more critical.

VIII. Orienting to the Future

Rebalancing Toward the Pacific

As the world's leading democracy and largest economy, the United States is a global nation with economic and security interests inextricably linked to the Asia-Pacific. The arc extending from the chain of our own Alaskan islands down the Asian continent follows a vast littoral and archipelagic swath that is home to close allies, emerging partners and potential threats. It contains vast resources, vibrant populations, and great cities. It continues through the narrow straits of Southeast Asia and extends all the way into the Indian Ocean. Our return to prosperity as a nation (and thus achieve our lasting security) depends on the restoration of global growth. No engine of growth is more powerful than the Asia-Pacific. Rebalancing to the Pacific theater is a central element of strategy. Geographically, culturally, economically, even by name, the "Pacific" is a maritime theater. The vast stretches of ocean, the thousands of small islands that dot its map, and the vast inland waterways that shape its demography are all artifacts of this maritime character, and have implications for the types of forces required to achieve our security there. The tyranny of distance underscores the value of forward deployed maritime forces in the Pacific region. The Navy-Marine Corps team is uniquely suited to operate in this vast blue water and littoral environment. Marines have a long legacy of serving in the Pacific; it is where the Marine Corps 'came of age.' We are proud of our heritage in that theater through a world war and the many smaller conflicts, crises and contingencies that have followed. Strategic imperatives demand that our nation continues to build on the presence of Sailors and Marines who operate daily throughout this region.

As we draw down our presence in Afghanistan we will reset in stride, resuming our Unit Deployment Program in Okinawa and re-establishing our force posture in the Pacific. The Marine Corps has developed a comprehensive campaign for a future force lay down in the Pacific that retains the ability to contribute a stabilizing presence, continues to contribute to deterrence and regional stability in Northeast Asia, revitalizes our traditional partnerships while developing new ones, and postures forces to take advantage of key partnership opportunities in Southeast Asia. Our desired end state through this rebalance is four geographically distributed and operationally resilient Marine Air Ground Task Forces (MAGTFs) trained and prepared to conduct combined arms and amphibious operations in support of the global requirements of the joint force.

In the Pacific, forward presence is a key necessity for timely response to crisis. Where hours matter, a response measured in weeks or months wanes in relevance. Expeditionary Marine forces operating in the Western Pacific can trim two weeks off the response time of units coming from the continental US. Forward naval presence and training with our Pacific allies demonstrates our commitment to the region, and builds trust that cannot be surged during times of crisis.

Innovation and Experimentation

The Marine Corps has remained at the forefront of innovation, especially during the last decade. Through experimentation and realistic training, the Marine Corps has adapted to the challenges of the modern operating environment, and has developed new concepts, tactics, techniques and procedures to ensure Marines are prepared to meet the challenges of the future. Two key components of our training innovation are our Marine Corps' Tactics and Operations

Group (MCTOG) and our Marine Corps Logistics Operations Group (MCLOG). These organizations represent the collective wisdom of years of combat operations rapidly turned directly into our training curricula. Combined with the Marine Aviation Weapons and Tactics Squadron One (MAWTS-1), we are implementing a professionalization syllabus and certification process for our mid-level combat leaders.

Through a rigorous process of wargaming, technological assessment, and experimentation, the Marine Corps Warfighting Laboratory (MCWL), works closely with the Office of Naval Research and other partners to produce material and non-material solutions for our operating forces. This mix of combat veterans, technical experts and forward thinkers conducts timely innovation to meet current needs and emerging threats. We intend to build on this ability to adapt and innovate through MCWL and the Marine Corps University. Leveraging the human capital represented in a combat-proven generation of Marines is essential for our future force.

Large Scale Exercises

Nations around the world, many of whom are our allies, are purchasing and constructing amphibious capabilities at an increasing rate. Even as total fleet numbers decline, the number and tonnage of amphibious fleets is on the rise, and the growth of expeditionary maritime capabilities is similarly resurgent. Our allies and partners, especially in the Pacific, continue to improve amphibious arsenals and realize the importance for this capability, as do our competitors and potential adversaries. The forward deployed Navy-Marine Corps amphibious team continues to be a significant power projection capability and a compelling model for other

countries to emulate. Our ability to train with and mentor this global force development is essential.

In 2012, the Navy-Marine team conducted a number of large-scale amphibious exercises to revitalize, refine and strengthen our core amphibious competencies. Exercises such as Bold Alligator on the US East Coast, Cobra Gold in Thailand, and Ssang Yong in South Korea each draw significant international participation. Our allies have seen the broad utility of expeditionary forces in achieving national security objectives, and are investing to achieve these capabilities themselves. These large exercise series, and others like them, leverage the explosive growth of amphibious capabilities among our allies and partners. They contribute not only to the training readiness of our own forces, but also achieve combined training objectives with our allies. They demonstrate our collective ability to provide the mechanisms of collective security in the global commons. The investment of operating funds to conduct these large-scale exercises not only trains forces, but also builds strong security relationships.

IX. Keeping Faith with our Marines, Sailors and Families

Family Readiness

The Marine Corps remains acutely aware of the critical relationship between quality of life and Marine Corps combat readiness. The strong support of Congress in providing quality of life funding continues to yield needed enhancements in family support programs. Our Marine Corps Family Team Building (MCFTB) trainers and Family Readiness Officers support the Unit, Personal and Family Readiness Program to ensure Marines and their families maintain a high level of family readiness. Over the last year, we have made significant strides in making our entire syllabus of MCFTB training available online via computer based training modules. As of

1 March, families are now able to register for an account and utilize computer based training on our Marine-Net training website. With over 227,000 subscribers and growing, our online family readiness website, e-Marine, continues to be a valuable and innovative tool to securely and safely share family readiness information while improving lines of communication within individual commands. Marines, family members, and unit commanders can access documents, view photos and videos, participate in forums, and receive important information about their Marine's unit from anywhere in the world.

Wounded Warriors

The Marine Corps' Wounded Warrior Regiment (WWR) is a fundamental component of the Marine Corps' pledge to "keep faith" with those who have served. The WWR supports Marines wounded in combat, those who fall severely ill, and those injured in the line of duty. The WWR administers the Marine Corps' Recovery Care Coordination Program that ensures medical and non-medical needs fully integrate with programs such as the Warrior Athlete Reconditioning Program. Facilities such as our new Warrior Hope and Care Centers provide necessary specialized facilities that allow us to support our wounded warriors and their families.

Key to this care is ensuring Marines execute recovery plans that enable their successful return to duty or reintegration to their civilian communities. Around the country, we have established District Injured Support Cell Coordinators who assist Marines transitioning from active duty to veteran status. Our WWR Medical Staff provides medical subject matter expertise, advocacy, and liaison to the medical community. The Sergeant Merlin German Wounded Warrior Call Center conducts an average of 7,000 outreach calls per month and receives calls for assistance 24 hours a day from both active duty and veteran Marines. Our

contact centers conduct outreach to Marines who remain with their parent command ensuring their needs are met. Depending upon the individual Marine's requirements, these programs and services are coordinated for optimal care delivery, proving that Wounded Warrior care is not a process, but a persistent relationship between the Marine Corps and our Marines.

One of my greatest concerns is the long-term care and support for our wounded veterans. Many of our young men and women have sustained injuries that will necessitate support for the remainder of their lives. Given the youthfulness of this wounded population, this represents a debt to our nation's warriors that will have to be paid for several decades. Our Wounded Warrior capabilities are an enduring measure of our commitment to keep faith with our young men and women, and we expect this capability will continue well beyond our return from Afghanistan.

Resiliency

We continue to invest, treat and care for our Marines with Post Traumatic Stress (PTS) and Traumatic Brain Injury (TBI). We are working to ensure that Marines understand that, "it's OK to not be OK." Our efforts will continue to ensure that Marines seek help and are provided effective care when they need it. We stress that all Marines and Sailors have a responsibility to look out for one another and to assist anyone who might be struggling.

PTS and TBI are invisible enemies we cannot ignore. We are thoroughly screening all Marines and Sailors prior to deployment, enhancing the delivery of care in theater and identifying and testing all at-risk personnel as they return from deployment. Enhanced resilience, achieved through training and improved physical, spiritual and psychological fitness, can decrease post-traumatic stress, decrease incidents of undesirable and destructive behaviors,

and lead to greater likelihood for future good health. Most service members who seek and receive psychological health support improve, and are eligible to remain on active duty.

Since January 2010, we have been building Operational Stress Control and Readiness (OSCAR) teams at the unit level. These teams consist of selected unit Marines, leaders, medical and religious personnel, and mental health professionals who work together to provide a network of support. This model empowers Marines with leadership skills to break stigma and act as sensors for the commander by noticing small changes in behavior and taking action early. OSCAR teams strengthen Marines, mitigate stress, identify those at risk and treat those who need support, with the goal of swiftly re-integrating Marines back into the force. This investment comes at a cost, and places increased demand on an already stressed Navy medical capacity.

In Fiscal Year 2013, we will continue to advance our Marine Total Fitness concept to develop Marines of exemplary physical, psychological, spiritual, and social character. Marine Total Fitness infuses fitness-based information and concepts into all aspects of a Marine's training and readiness and prepares Marines to successfully operate in and respond to the rigors, demands, and stressors of both combat and garrison.

Sexual Assault Prevention and Response (SAPR)

Sexual assault is a crime. Like other serious crimes, it is incompatible with our core values, negatively impacts individual Marines, and directly undermines readiness, unit cohesion, and morale. Protecting our Marines and eradicating sexual assault from our ranks are top priorities for me and our Corps. I believe we are making real and tangible progress. Over the last year, we have taken deliberate and substantive steps toward dramatic changes in our sexual assault prevention and response capabilities. The focus of effort has been on changing our

culture - specifically, changing the behavior of those who might commit sexual assault and the actions of those who respond to it. We believe that all Marines are part of the solution, from small unit leaders to peer and bystander intervention, to legal professionals, to unit commanders. In April 2012, I handpicked a two-star general to lead an Operational Planning Team (OPT) comprised of our Corps' most credible officers and senior enlisted Marines. They were tasked with defining the sexual assault problem in our Corps and providing me recommendations on how we could eliminate it from within our ranks. This study led to our Sexual Assault Prevention and Response Campaign Plan. While recognizing that there is no single solution to preventing and responding to sexual assault, this plan makes every Marine accountable in our fight against it. We reconfigured the entire SAPR program at the Headquarters level, assigning oversight to a General Officer and a newly established team of experts. In an unprecedented move, we pulled one of our very best Colonels from his operational command to implement the initiatives outlined in the Campaign Plan. We brought back all of our General Officers to Quantico in July for two days of training and cross-leveling of their responsibilities in turning this crime around. On the heels of that effort, the Sergeant Major of the Marine Corps brought all of his top senior enlisted leaders back to D.C. in August to deliver the same message.

The campaign's first phase consisted of 42 tasks, including new large-scale training initiatives at all levels. It was comprised of Command Team Training for senior leaders, bystander intervention training for Non-Commissioned Officers, and All Hands training for every single Marine. In these training sessions, we employed ethical decision games and interactive discussions to engage all Marines in this difficult topic. To achieve long-term cultural change, this training will be sustained through enhancing the training curricula in all of

our professional schools, customizing the training based on the rank and experience of the individual Marine.

Protection of the victims of sexual assault, even while cases make their way through the legal system, is an immediate and enduring requirement which we take very seriously. Regarding response to sexual assault, we professionalized our victim advocate community by revising our advocacy training and implementing credentialing requirements for SAPR personnel. Additionally, we have added 47 full-time Sexual Assault Response Coordinator and Victim Advocate billets for FY13. We have completely reorganized our legal community to improve our ability to successfully prosecute these complex cases after they have been investigated. The centerpiece of this new model is the Regional Complex Trial Team, which ensures we have the right prosecutor on the right case. Our complex trial teams are staffed with experienced military prosecutors and augmented by civilian - Highly Qualified Experts - giving us a wealth of experience to prosecute complex sexual assault cases. These teams will not only be able to prosecute “special victims” type cases, but all types of complex cases.

This effort complements our Campaign Plan’s central Phase II initiative: the establishment of Sexual Assault Response Teams (SARTs). SARTs will be established regionally to prevent a fragmented approach to victim care. This requires continued collaboration with various entities, such as the US Navy Bureau of Medicine and Surgery and Naval Criminal Investigative Service (NCIS), adding to the enhanced training and surge capability that NCIS has already implemented to expedite assault investigations.

Perhaps counter-intuitively, one potential manifestation of our intensified institutional response will likely be an increase in unrestricted reported cases. If this represents an increase in

the bonds of trust between our junior Marines and their chain of command, I will consider that a successful step on the path to eliminating this issue in the Marine Corps. Eliminating sexual assault in our ranks is our ultimate goal, and I will stay personally and actively engaged in leading this campaign.

Suicide Prevention

During 2012, the Marine Corps experienced a rise in suicides and suicide attempts after two encouraging years of declining numbers. During Calendar Year 2010 and 2011, 37 and 32 Marines, respectively, died by suicide. For Calendar Year 2012, the number of suicides increased to 48. We remain committed to preventing this great tragedy. Suicide is an issue that belies simple or quick solutions; it is an important issue that demands our continual attention. We have learned that the most effective methodology for us to prevent suicides is vigilant and persistently engaged leadership at every level. Proactive leaders are alert to those at risk for suicide and take action to help Marines optimize their physical, psychological, social and spiritual aspects of their lives. To counter suicide, affirming and restoring the indomitable spirit of Marines is an enduring mission.

Our primary challenge remains teaching Marines to engage our many services early, before problems worsen to the point where they contemplate or attempt suicide. Last year we signed the first formal policy and procedural guidance for the Marine Corps Suicide Prevention Program. *Never Leave a Marine Behind* suicide prevention training focuses on how Marines can help one another, and how they can seek help early before a situation becomes a crisis. In 2012, we also expanded our successful - *DSTRESS* - Line worldwide, which provides anonymous 24/7 counseling services to any Marine, Sailor or family member. Additionally, we have trained and

implemented Suicide Prevention Program Officers for every battalion and squadron. We will continue focusing our efforts on preserving the health of our greatest and most cherished resource, our Marines, Sailors and their families.

Civilian Marine Workforce

Civilian Marines exemplify our core values. They embrace esprit de corps, teamwork, and pride in belonging to our nation's Corps of Marines. The 95 percent of our civilian workforce that is employed outside the Headquarters element in the Pentagon, are located at our installations, bases, and stations; they are the guards at our gates, the clerks who pay our bills, the therapists who treat our wounded, the experts who repair our equipment, our information technology support, and the teachers who instruct our children. Sixty-eight percent of our civilian Marines are veterans who have chosen to continue to serve our Nation. Of those, a full 13 percent have a certified disability. Still, our civilian workforce is very small in comparison with similar organizations. The Marine Corps maintains a very frugal ratio of one civilian to every ten active duty Marines. Our civilian non-appropriated funded workforce continues to steadfastly provide vital support to our Marines, reserve Marines, their families, and our wounded, ill and injured. Since 2009, the Marine Corps has taken proactive measures to prioritize civilian requirements and realign resources to retain an affordable and efficient workforce directly linked to our mission. In our effort to restrain growth, we implemented a hiring freeze from December 2010 through December 2011 to achieve our appropriated funded civilian end strength commensurate with a goal of 17,501. We started into this era of budgetary uncertainty not fully recovered from the hiring freeze and we have no chance of recovering in fiscal year 2013. In pursuit of the leanest possible institution, the Marine Corps' 2013 budget restrains growth in our civilian Marine workforce; our 2014 and beyond budget plans are based

on a stabilized workforce. Further civilian reductions will severely jeopardize our ability to meet mission requirements.

Women in Service Restriction Review

The Marine Corps continues its efforts to review the laws, policies, and regulations that restrict the service of female Marines. As our policies evolve, we must ensure the effectiveness of our combat units, the long-term physical well-being of all of our Marines, and the broadest possible career opportunities for all. To that end, I initiated a measured, deliberate, and responsible research effort to provide the meaningful data necessary to make fact-based recommendations to the senior leadership of the Department of Defense and Congress. Our research efforts will continue as we implement the 24 January 2013 Secretary of Defense decision to rescind the 1994 Direct Ground Combat Definition and Assignment Rule. Additionally, in order for us to collect performance data in our most demanding and rigorous ground combat skills training environment, female graduates of our Basic Officer Course at The Basic School are afforded the opportunity to volunteer to attend our Infantry Officers Course. That effort is ongoing and will continue into 2016 as we collect the necessary data.

During this past year, we requested and received approval for an exception to the 1994 Ground Combat Exclusion Rule. Under this Exception to Policy (ETP), the Marine Corps opened 371 Marine and 60 Navy positions in combat arms units previously closed to females. These 19 previously closed operational units include artillery, tanks, assault amphibians, combat engineers, and low altitude air defense communities. The assessments and feedback from these units to date has been encouraging.

Following SECDEF's required notification to Congress later this spring, we intend to further expand the ETP beyond these original 19 battalions to include opening Military Occupational Specialties (MOSs) within Air-Naval Gunfire Liaison Company units and the 0203 Ground Intelligence Officer MOS. During 2013, ETP participants and Commanders will continue to provide assessments which will afford our leadership the opportunity to address issues such as optimum cohort size, mentorship and career development. Currently, 90 percent of our military occupational specialties are open to females.

Additionally this year, the Marine Corps will continue our measured, deliberate and responsible research effort by completing our review and validation of standards for those MOSs with the greatest physical demands. Once complete, our goal is to correlate and norm these proposed physical standards with our already established Physical Fitness Test (PFT) / Combat Fitness Test (CFT). The goal is to develop a safe, predictive mechanism to use during the MOS assignment process for all Marines, both male and female, to ensure they are assigned where they have the greatest likelihood to excel to their fullest potential.

Returning Quality Citizens

It is vital that we meet the needs of our Marines who transition from service. In March 2012, we implemented the new Transition Readiness Seminar (TRS) to maximize the transition-readiness of all service members. In accordance with the Veterans Opportunity to Work (VOW) to Hire Heroes Act, TRS revolutionized our approach to meet the individual goals of each Marine as he or she transitions to the next phase in their life. The seminar is a week long program which includes a mandatory standardized core curriculum and also provides four well defined military-civilian pathways: (1) College/Education/University, (2) Career/Technical

Training, (3) Employment or (4) Entrepreneurial. Each pathway has associated resources and additional tools to better prepare our Veteran Marines. An essential feature of the TRS is that it allows Marines to choose and receive transition information and education in line with each Marine's future goals and objectives.

X. Summary

Even in challenging times, our great nation remains the world's largest economy and an indispensable leader in the global community of nations. Our interests span the globe, and our prosperity and security are to be found in the protection of a just international order. That order is threatened daily by the instabilities of a modernizing world, putting our citizens, our interests, and our allies at risk. While we seek peace as a nation, the headlines remind us that those who would do us harm continue to bring conflict to our doorstep. The Marine Corps remains the nation's ready hedge against unpredictable crises, an insurance policy that buys time when hours matter. In special partnership with the Navy, and on the ready leading edge of the larger Joint force, your Marines provide the capability to respond to today's crisis, with today's force...TODAY. The American people can rest assured that their Marines are poised around the globe, ready to respond swiftly when danger, difficulty or disaster strikes.

I pledge that your Marine Corps will continue to work with Congress and the Department to provide the nation's ready expeditionary force with economy, frugality and good stewardship. Through Congress, the American people entrust us with their most-precious capital: their sons, their daughters, and their hard-earned resources. With your continued support, we will carefully invest this capital to provide young Marines with the ethos, training and equipment that have made them successful for over two centuries. We will uphold high standards of training,

leadership and discipline. We will keep faith with our Wounded Warriors. We will care for our families. Most importantly, we will ensure that your Marines are ready when the nation needs us the most. We will do this all with dignity, humility, and a keen sensitivity to the sacred trust the American people have placed in us. Thank-you for your continued faith in us. We remain...Semper Fidelis.