

**STATEMENT OF
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COMMANDER, REPUBLIC OF KOREA-UNITED STATES COMBINED FORCES
COMMAND;
AND COMMANDER, UNITED STATES FORCES KOREA
BEFORE THE
HOUSE APPROPRIATIONS COMMITTEE
SUBCOMMITTEE ON MILITARY CONSTRUCTION, VETERANS AFFAIRS,
AND RELATED AGENCIES
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I. INTRODUCTION

Mr. Chairman and distinguished members of the subcommittee, I am honored to appear before you today. As the Commander of United Nations Command (UNC), the Republic of Korea – United States (U.S.) Combined Forces Command (CFC), and United States Forces Korea (USFK), it is a privilege to represent before you today the Soldiers, Sailors, Airmen, Marines, Department of Defense (DoD) Civilians, and associated family members who serve our country in the Republic of Korea (ROK). On behalf of these outstanding men and women, I want to express our thanks for the commitment this subcommittee has shown for supporting our operations in Korea. Your continued support allows us to promote peace and stability on the Korean Peninsula, improve the security of Northeast Asia, and enhance shared national interests between the ROK and U.S. I appreciate this opportunity to update you on the state of the command's I lead as well as to briefly discuss our plan for transforming and strengthening the ROK-U.S. Alliance. In particular, I will focus on the three overarching priorities for my Command and the status and future direction of military construction.

Since the Mutual Defense Treaty was signed almost 56 years ago the ROK-U.S. Alliance has played a key role in deterring aggression against the ROK. The Alliance has been instrumental in the ROK transforming from a country devastated by war in the 1950s to the world's 14th largest economy last year, where government leaders are chosen democratically through the conduct of free and fair elections.¹ The ROK has proven to be a strong ally of the U.S., deploying its military forces to serve alongside Americans in places such as Vietnam, Iraq,

¹ ROK gross domestic product (GDP) was valued at \$1.3 trillion in the year 2008 when measured at purchasing power parity. The GDP figure and ranking were obtained from the *CIA World Fact Book 2009*.

and Afghanistan, as well as a host of United Nations sponsored peacekeeping operations.² The ROK also shares our objective of denuclearizing the Korean Peninsula and preventing the proliferation of weapons of mass destruction. But the Alliance goes beyond just security issues. The ROK and U.S. have a robust economic relationship, where last year the ROK was our 7th largest trading partner for goods while we were the ROK's third-largest trading partner.³ There are also extensive social and cultural linkages between the two countries.

In the past year the ROK and U.S. have taken significant actions that have enhanced our combined military capabilities and reinforced trust and cooperation between our two countries. Agreement was reached at the presidential-level to maintain the current level of American military forces on the Korean Peninsula into the foreseeable future. This decision is a highly visible and clear demonstration of U.S. commitment to the bilateral Alliance. Additionally, our two nations concluded a new host nation cost sharing agreement last year that resulted in a multi-year Special Measures Agreement (SMA) that will provide Korean financial support for American forces stationed in the ROK over the next five years. This new SMA will bring stability to host nation support of USFK's presence in the ROK – something that was lacking in the past with a succession of one- or two-year agreements. And I want to thank you – the members of Congress – for passing legislation that elevated the ROK's Foreign Military Sales status to a level that is on par with countries of the North Atlantic Treaty Organization as well as

² The ROK currently has representation in six United Nations-sponsored peacekeeping operations. The six operations are: UNMOGIP (Pakistan), UNOMIG (Georgia), UNOMIL (Liberia), UNAMA (Afghanistan), UNMIS (Sudan), and UNIFIL (Lebanon). Additionally, the country has deployed the Cheonghae unit that consists of a 4,500-ton destroyer and an anti-submarine helicopter to the waters off Somalia for the conduct of anti-piracy operations.

³ Trade partner rankings were obtained from data published by the U.S. Census Bureau and Korea Development Institute.

other nations that are longstanding allies of the U.S. This legislation will go a long way in enhancing the Alliance's combined warfighting capability. Finally, the U.S. DoD approved proceeding with implementation of three-year accompanied tours for service members assigned to locations in the Korean cities of Seoul, Pyeongtaek, Osan, Daegu and Chinhae. Increasing the number of service members eligible for accompanied tours will make great strides toward improving individual morale, providing stability for service member's families and enhancing military readiness. All of the measures discussed above, taken individually as well as collectively, strengthen my ability to deter aggression against the ROK, defeat an attack directed at the ROK should it occur, promote peace and stability on the Korean Peninsula, and thus support security in Northeast Asia as a whole.

It should be noted that the ROK sits at the center of a region – Northeast Asia – where the U.S. has significant national interests. Northeast Asia is home to five of the world's 19 largest economies that had a combined gross domestic product (GDP) in the year 2008 of \$16.6 trillion, a value that constituted 23.5 percent of global GDP in that year.⁴ Countries in the region are also key trading partners with the U.S. In the year 2008, trade with China, Japan, the ROK, and Taiwan accounted for 22 percent of all U.S. trade in goods that year.⁵ The U.S. direct investment position in Northeast Asia was valued at \$220 billion in 2007.⁶

⁴ GDP at purchasing power parity in 2008 for the countries of Northeast Asia were as follows: China \$7.8 trillion; Japan \$4.48 trillion; Russia \$2.22 trillion; ROK \$1.3 trillion; Taiwan \$757 billion; North Korea \$40 billion; and Mongolia \$9 billion. World GDP in 2008 was valued at \$70.6 trillion. Source: *2009 CIA World Fact Book*

⁵ US trade in goods during 2008 was valued at \$409.2 billion with China, \$205.8 billion with Japan, \$82.9 billion with the ROK, and \$61.6 billion with Taiwan. Total US trade with these four countries of Northeast Asia was valued at \$759.5 billion in 2008, accounting for 22.3% of total American foreign goods trade of \$3.4 trillion. Source: U.S. Census Bureau.

⁶ Direct investment position figure obtained from the United States Bureau of Economic Analysis.

Beyond the economic dimension the US has other important security interests in Northeast Asia. The region houses four of the world's six largest militaries⁷ and two proven nuclear powers, China and Russia. The U.S. has security agreements with Japan and the ROK and maintains certain defense ties with Taiwan. Potential instability in Northeast Asia based on historical animosities, territorial disputes, competition over resources, and the struggle for regional hegemony pose a long-term security challenge not only for the states of Northeast Asia but for the world at large. The ROK influences and is influenced by an emerging China, resurgent Russia, challenging North Korea, and a prosperous Japan.

U.S. presence in the ROK is not only a long-term investment in peace and stability on the Korean Peninsula but in Northeast Asia as well. Specific regional objectives for the U.S. include promoting the spread of democracy and free market economic activity, preserving peace and stability, engaging with other regional actors, and setting the conditions for denuclearization and peaceful unification of the Korean Peninsula. A strong ROK-U.S. Alliance, buttressed by the presence of American military forces, is a key factor needed to achieve these objectives. But the American military presence in the ROK is not a static one – it is changing as conditions in the ROK and region at large change. We are in the process of transforming our units and headquarters into more modern and capable organizations. Additionally, we are preparing to assume a doctrinally supporting role to the ROK after the ROK retains wartime operational control on April 17, 2012. An enduring American force presence in Korea after the ROK retains wartime operational control in 2012 will ensure a strong ROK-U.S. Alliance that is fully capable

⁷ The world's six largest militaries in terms of number of personnel are: China #1 (2.1 million personnel); US #2 (1.54 million); India #3 (1.28 million); North Korea #4 (1.2 million); Russia #5 (1.02 million); and the ROK #6 (687,000). Source: *The Military Balance 2009*, produced by the International Institute for Strategic Studies.

of deterring and defeating aggression on the Korean Peninsula and promoting peace, stability, and security in Northeast Asia.

II. COMMAND PRIORITIES

Now, I would like to briefly lay out the three priorities for my Command. These three priorities are: 1) be prepared to fight and win; 2) strengthen the ROK-U.S. Alliance; and 3) improve the quality of life for personnel under my command. I will briefly address each of these priorities, focusing on how MILCON supports mission execution and improves the quality of life for U.S. service members and their families.

Prepared to Fight and Win

My first priority as Commander of UNC, CFC, and USFK is to maintain trained, ready, and disciplined combined and joint commands that are prepared to fight and win. Facing any number of challenges that could arise on the Korean Peninsula with little warning, our commitment to the ROK-U.S. Alliance spans the entire spectrum of conflict, from major combat operations under conditions of general war through multiple instability possibilities to the provision of humanitarian assistance. MILCON has and will continue to play a major role in the ability of U.S. forces to meet these warfighting requirements.

Given this wide range of potential challenges, it is imperative that our forces maintain the highest possible level of training and readiness. The U.S. Army and U.S. Marine Corps possess adequate training resources on the Korean Peninsula to maintain unit combat readiness including the conduct of robust amphibious operations. USFK and the ROK are working to overcome the

challenges of insufficient training range capacity and capability needed to maintain the readiness of our air forces.

Strengthening the Alliance

After being prepared to fight and win, my second command priority is to strengthen the ROK-U.S. Alliance. In addition to improving combined military capabilities, strengthening the Alliance also requires actions that adapt to changes in the operational environment. One action we are taking to adapt the Alliance's security arrangement to changes in the operational environment is the realignment of U.S. forces stationed in the ROK. Under the Yongsan Relocation Plan (YRP) – signed by the U.S. and ROK in 2004 – American forces stationed at U.S. Army Garrison (USAG) Yongsan in Seoul will relocate to USAG Humphreys near the city of Pyeongtaek (approximately 40 miles south of Seoul). The majority of costs associated with this move will be paid by the ROK. One exception to this is the \$125 million of appropriated MILCON funding we received in FY2009 for the construction of family housing units at USAG Humphreys. I would personally like to thank the subcommittee for support of this important construction work.

A separate realignment plan for U.S. forces stationed north of Seoul – the Land Partnership Plan (LPP) – provides for relocation of the 2nd Infantry Division from positions located near the Demilitarized Zone to USAG Humphreys. Costs associated with the LPP will be shared by the U.S. and ROK. SMA burden sharing will fund a significant portion of the costs associated with this realignment. Relocation of U.S. forces in Korea through the YRP and LPP initiatives offers several advantages that adapt to changes in the operational environment. First, under the YRP U.S. military forces will be moved out from the city of Seoul and its high

population density, assuming a less intrusive footprint at USAG Humphreys. Second, the consolidation of U.S. forces onto two enduring hubs under the LPP not only returns valuable land to the Korean people, but also streamlines USFK's command and control, removes the preponderance of U.S. forces from North Korean artillery range, and facilitates the execution of noncombatant evacuation should that be necessary. Finally, through the expansion of USAG Humphreys and the construction of modern and improved facilities there, significant improvements will be made in the quality of life for our service members and their families stationed in Korea.

Over the last year we have achieved a new long-term cost sharing agreement with our Korean partners. The new SMA covers the years 2009-2013, where the ROK has committed itself to providing 760 billion won (\$741 million) toward the sustainment of U.S. forces in Korea during the year 2009, with subsequent annual contributions through the year 2013 increased by changes realized in the ROK Consumer Price Index.⁸ The ROK and U.S. also agreed to transition Korean funded construction payments from being primarily in the form of cash to the "in-kind" provision of material and services. Under this arrangement the ROK will construct facilities needed by USFK and covered by SMA payments to American specifications and standards in accordance with mutually agreed principles and priorities. This long-term SMA cost sharing agreement will provide a predictable and stable funding stream for the Command that is essential to the successful completion of our force relocation plans.

Cost sharing payments are advantageous to both the ROK and U.S. For the U.S., Korean funded construction projects satisfy critical infrastructure requirements that would otherwise be

⁸ DoD official 2008 exchange rate of 1,025.7 won the U.S. dollar was used for currency conversion.

borne by American taxpayers. For the ROK, nearly all SMA payments are spent locally in the Korean economy through the payment of wages to Korean national employees working for the Command, the supply of Korean service contracts, and the provision of projects for Korean construction firms. In the year 2008 ROK SMA payments provided 315.8 billion won (\$307.9 million) for the payment of Korean national employee wages, funding the majority of costs associated with this crucial component of the workforce on American military facilities in the ROK.⁹ The ROK also provided 161.5 billion won (\$157.5 million) in support of U.S. logistics requirements last year through the granting of contracts to Korean companies for the provision of critical warfighting functions such as equipment repair, maintenance, and munitions storage. Finally, ROK SMA funds in the year 2008 are being used to conduct 264.2 billion won (\$257.6 million) worth of construction work for my command.

Improving Quality of Life

Improving the quality of life for service members, DoD civilians, and their families is my third command priority. My goal is to make the ROK an assignment of choice for all service members – both single and accompanied. A central part in achieving this goal is allowing the majority of these service members the opportunity to serve normal three-year tours in Korea accompanied by their families. This is an important goal and full implementation of tour normalization supports all three of my Command priorities. It improves our preparedness to fight and win by keeping trained and ready forces in the ROK for a longer period of time, improving continuity, stability, and unit cohesion amongst the force. Tour normalization also demonstrates a strong, visible, and enduring U.S. commitment to security of the ROK,

⁹ DoD official 2008 exchange rate of 1,025.7 won to the dollar was used for currency conversion.

supporting my goal of strengthening the Alliance. The Alliance will be further strengthened by the greater number of American families in Korea and the increased opportunities for substantive interaction between Americans and Koreans that would result from tour normalization for accompanied service members. Additionally, for accompanied service members, quality of life will improve by eliminating the long and frequent separation between the two that often characterizes our military operating environment today – a key source of stress for these families. Paramount to success in normalizing tours is ensuring our service members, both accompanied and single, have the necessary facilities required to live and work. A sound sustainment, restoration and maintenance program for existing facilities is also an integral part of improving the quality of life goals in my Command.

Tour Normalization

Due to the importance I place on tour normalization let me focus on this topic for a moment. For service members with families, current stationing practices in Korea needlessly contribute to prolonged separation, exacerbating the strains already in place by operations in Iraq and Afghanistan. There are currently just over 4,000 U.S. service member families in the ROK. Of those, 2,135 families are command sponsored, meaning that they are authorized relocation to the ROK at U.S. government expense.¹⁰ The remaining families – many undoubtedly motivated by the prospect of separation during future combat tours – have decided to accompany their service members to Korea at their own expense. While we provide a housing allowance for off-post quarters and medical care, relocating families to Korea without command sponsorship is a significant financial burden incurred by these service members. We ultimately seek to expand

¹⁰ As of 4 December 2008 there were 4,044 service member families in the ROK. Of this total, 2,135 were command sponsored while 1,909 were not.

command sponsorship so that the majority of service members assigned to the ROK have the opportunity to bring their families with them at government expense.

We are making progress in this regard. In December of 2008, DoD increased accompanied tour lengths from two- to three-years for service members assigned to U.S. military facilities in the cities of Pyeongtaek, Osan, Daegu, Chinhae, and Seoul. The new stationing policy maintains one-year unaccompanied tours for all locations in the ROK and authorizes two-year accompanied tours at two new locations, the cities of Uijongbu and Dongducheon. In accordance with this policy change, command sponsorship will expand as the infrastructure, services, and base support functions needed to accommodate a larger number of service member dependents is realized. Existing infrastructure will allow me to increase the number of command sponsored positions to 4,350. The number of command sponsored positions will increase as the appropriate infrastructure such as education and medical facilities is expanded. Public-private ventures and burden sharing funds will play a key role in this process; however, the expansion of family member support infrastructure could be expedited if additional appropriated funding were made available for this purpose. Our goal is to eventually increase the number of command sponsored positions to about 14,250. Thus, I ask for the subcommittee's support in making the needed resources available to fully implement normalized tours in Korea, which in the end will have a positive effect on the quality of life for all service members – whether single or accompanied while serving in Korea.

Sustaining, Restoring, and Modernizing Existing Infrastructure

While we continue to commit funding toward our ongoing relocation efforts under the YRP and LPP, we must not lose sight of the urgent need to maintain our existing infrastructure

and facilities that support our operations today. Some of our facilities in Korea are the most dilapidated in the U.S. military apart from those located in active combat or peace enforcement zones. This regrettable situation is not in keeping with our commitment to the men and women who selflessly serve our nation. We must commit appropriate resources to the recapitalization of our enduring facilities and infrastructure in the ROK.

Over one-half of the buildings on Army facilities in Korea are between 25 and 50 years of age and another quarter are classified as “temporary” structures. Long-term shortfalls in sustainment, restoration, and modernization funding for our facilities in the ROK have created a condition of continued deterioration, where many buildings have accumulated substantial deferred maintenance requirements. Sustainment funds will be applied to existing facilities as needed until units relocate to the enduring hubs; restoration and modernization funds will be applied to enduring facilities. The subcommittee’s commitment to our sustainment, restoration, and modernization program requirements supplemented by ROK SMA contributions will enhance force readiness and improve the quality of life for American service members and their families in Korea.

III. MILITARY CONSTRUCTION

Now that my three overarching command priorities have been reviewed, I would like to focus in on my military construction (MILCON) priorities. USFK MILCON priorities are focused on transforming USAG Humphreys into a modern installation capable of accommodating American forces that will relocate there under the YRP and the LPP initiatives. Appropriated MILCON funding remains an important component of our overall funding strategy

for this transformation, where resources will also be obtained from host nation construction funding, construction activity provided on an in-kind basis by the ROK, and investment from the commercial sector. I ask for your support of future appropriated MILCON funding requests that will provide facilities essential to the success of the ongoing relocation of U.S. forces to USAG Humphreys.

Under the YRP initiative, the ROK agreed to fund and construct the majority of facilities and infrastructure required at USAG Humphreys and is required to move the units from USAG Yongsan to those facilities. The ROK has already spent over two billion dollars on these requirements that includes the purchase of 2,300 acres of land at USAG Humphreys and the development of 133 acres. The U.S., on the other hand, agreed to provide the majority of family housing. Fulfilling this family housing obligation will display American determination to improve the quality of life for our service members stationed in the ROK and strengthen the ROK-U.S. Alliance by meeting an agreement made with a long-time ally.

In FY 2009 the Army received \$125 million to fund the construction of 216 family housing units at USAG Humphreys.¹¹ This represents a necessary start, and I appreciate the Congressional support that made this funding possible, noting that it sent a powerful message of commitment to our Korean allies. The Army has developed a commercial investment program, named the Humphreys Housing Opportunity Program (HHOP), to fulfill the remaining U.S. YRP family housing requirement. The HHOP involves private sector development, financing, design, construction, operations and maintenance, and long-term property management of new family

¹¹ Note that a total number of 2,974 units will be built at USAG Humphreys. This total is composed of: 331 ROK-funded units; 216 US-funded units; and 2,427 units to be built under the HHOP program.

housing units at USAG Humphreys. The program requires no capital construction investment by the Army and housing units will be rented by soldiers through use of their overseas housing allowance. The HHOP will ultimately provide 2,427 new family housing units at USAG Humphreys. I fully support this Army initiative, as it provides a cost-effective alternative solution to our YRP housing requirement and affords the opportunity to meet our commitment to service members and their families. As discussed earlier, additional family housing will be required to support full tour normalization in the ROK. The HHOP represents a mechanism that can be used to provide quality housing for a growing number of service member families in Korea as my tour normalization initiative progresses. USFK will continue to identify the requirements for the out years and I ask for the subcommittee's support as we progress with these important and beneficial programs.

IV. CONCLUSION

The ROK-U.S. Alliance has been the key to stability on the Korean Peninsula and has greatly enhanced the security posture in Northeast Asia since the Korean War Armistice Agreement was signed in 1953 and the Mutual Defense Treaty effectuated in 1954. Since the 1950s we have seen several evolutions in Alliance institutions. In 1978, Combined Forces Command was created, which gave the ROK and U.S. a unified command structure. Evolution occurred again in 1994 when the peacetime operational control over ROK forces was fully retained by the Koreans. In 2012 the military alliance will evolve once again, when the ROK retains wartime operational control over all of its forces. This latter evolution will mark the start of a new era of cooperation between the ROK and U.S., an era marked by the ROK assuming

wartime responsibilities that are commensurate with its capabilities and sovereign rights. After the year 2012, the ROK-U.S. Alliance needs to remain strong in order to sustain its role of preserving peace and stability on the Korean Peninsula and enhancing security in the broader region of Northeast Asia.

I am extremely proud of the Soldiers, Sailors, Airmen, Marines, DoD Civilians, and families serving in the ROK who selflessly support US national interests, the ROK-U.S. Alliance, and help deter aggression against the ROK on a daily basis. I have mapped out the priorities of my Command in general and the direction we are heading with respect to military construction in particular. To restate them once again, my three priorities are to maintain a force prepared to fight and win, strengthen the ROK-U.S. Alliance, and improve the quality of life for personnel serving under my command. In the area of military construction, my top priority is to transform U.S. Army Garrison Humphreys into a modern installation that is capable of accommodating American forces that will relocate there under the YRP and LPP. Sustainment of existing facilities is critical for continuity of current operations while modernization of enduring facilities must also occur. Our normalization goals could be accelerated if additional appropriated funds were made available for this purpose.

I thank you for the opportunity to present this statement and the support this subcommittee has shown for my Command in the past. I hope for your continued support as the FY2010 budget is established and the Future Years Defense Program formulated. I look forward to working with you on my Alliance transformation efforts and believe you will agree with me that our men and women in uniform deserve the very best working, living, and training environment in Korea, and we should do everything in our power to provide it.