

U.S. Army Gen. Martin E. Dempsey, the chairman of the Joint Chiefs of Staff, right, answers a question during a town hall meeting with service members, families and civilians in Seoul, South Korea, on Sept. 30, 2013. Dempsey and his wife, Deanie Dempsey, visited with more than 300 military community members stationed throughout South Korea, where they spoke about the goals and challenges of the Department of Defense. (Army photo by Staff Sgt. Luke A. Graziani)

## Military Must Slow Growth of Pay, Health Care Costs

By Jim Garamone

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EOUL, South Korea – The military has to look at the entire package of compensation, health care and retirement, Army Gen. Martin E. Dempsey told a U.S. Forces Korea Town Hall meeting Oct. 1.

The chairman of the Joint Chiefs of Staff and his wife, Deanie, spent an hour answering questions from the joint service audience. Budget issues were a main concern for the service members.

Personnel costs have to be brought under control, the chairman said. He assured the service members that any changes to military retirement would be grandfathered. "So the question is what do we do with retirement for

the next generation of Soldiers, sailors, airmen and Marines," he said. "But compensation ... and health care costs are growing at rates that are unsustainable to the all-volunteer force."

This does not mean cuts, the chairman said. "We may not actually have to reduce pay and benefits, but we have to slow the growth."

Last year, for example, DOD recommended a 1-percent pay raise for military personnel. Congress upped the total to 1.8 percent. Slowing the rate by just that much would have saved DOD \$13 billion. Instead, the money to pay for the raise came out of readiness accounts, the chairman said.

In an interview with reporters traveling with him, Dempsey expanded on this. He noted he has been through three drawdowns in his career that began in 1974: the post-Vietnam drawdown, the post-Cold War drawdown and the current one. This one is alarming to him because it is the steepest drawdown he has seen.

"The steepness of it puts us in a position to not exert enough control on balancing our requirements across all the accounts, whether they are manpower accounts, modernization, maintenance, training, family care," he said. "It's extraordinarily challenging to try to balance the budget because of the steepness of this drawdown."

He is worried about the long-term effects. Under sequester, the DOD must cut an additional \$52 billion from the budget in fiscal 2014. "If I were able to shrink the force, close some unnecessary infrastructure, potentially cancel some weapons systems that we don't think are as important as others, I think I

can probably balance it and not affect readiness to the extent we are," he said.

But Congress will not allow another base realignment and closure process, and Congress has continued some weapons systems the department has specifically said it does not need. "Because there are parts of the budget that are untouchable to me at this point," he said. "Unless I can touch some of those things, it all comes out of readiness, which means the next group to deploy will be less ready than they should be.

"That's not a position that our armed forces should be in as the greatest military on the planet serving the greatest nation on the planet."

And sequestration could continue to be a year-by-year process, and that is dangerous "because we are asking the force to live with uncertainty and do it a year at a time," he said. "Eventually I think they are going to lose faith if we do it a year at a time."



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