

2013:

YEAR ONE OF 10?

Meet the new normal. It will probably include tiered readiness, abandoned missions, grounded squadrons, and canceled classes.

By Amy McCullough, News Editor

“We’re going to get smaller and we’re not going to get a whole lot more new stuff,” Chief of Staff Gen. Mark A. Welsh III bluntly told airmen when describing the damaging, long-term effects of sequestration during stops in Japan and South Korea last August.

Most people assumed that indiscriminate, 10 percent across-the-board cuts would never be allowed to actually take effect. Not only have they taken effect, but political gridlock on Capitol Hill means most observers have done “a 180” and now believe sequestration will last for the full 10 years it was written into law. Sequestration is here to stay. There is little doubt about that.

Exactly what the Air Force’s new leaner force will look like is still being worked out, but sequestration quickly damaged the Air Force’s ability to go to war, its modernization plans, and its surge capabilities. Less readiness meant less ability to protect the nation.

In 2013, the Air Force reaffirmed its commitment to the F-35 strike fighter, the KC-46 tanker, and the Long-Range Strike Bomber. However, ev-

everything else—including the possibility of vertical cuts of entire weapon systems, such as the A-10 close air support platform—remains vulnerable to cuts, USAF leaders emphasized repeatedly last year.

What follows is a look at sequestration’s impact on the Air Force during its first year of forced efficiency.

For more than a year, DOD leadership resisted the temptation to plan for sequestration, assuming that if they stated their case clearly enough,



USAF photo by Desiree N. Palacios

F-16s of the 388th Fighter Wing on the flight line at Hill AFB, Utah, in September 2013. One F-16 squadron there stood down due to the sequester, and another drastically reduced flying hours.

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Congress would never let such devastating legislation actually get on the books. By January, the mood started to shift and then-Defense Secretary Leon E. Panetta ordered the services to start hoarding cash. In a Jan. 10 briefing with reporters, Panetta admitted, “We have no idea what the hell’s going to happen” with regard to future military budgets.

First Stand Down

The uncertainty definitely took its toll on planners, but on Jan. 7 then-Air Force Secretary Michael B. Donley and Welsh proposed 10 “near-term actions” USAF would take to prepare for sequester. They included a civilian hiring freeze and furloughs for civilian employees; canceling travel, air shows, and conferences; curtailing studies; and either shortening or delaying contracts.

In February, one month before the sequester was to officially kick in, Air Combat Command chief Gen. Gilmory Michael Hostage III dropped another bombshell when he announced the command would move toward a tiered readiness model. It was intended to ensure at least a portion of the force remained combat capable as funds dried up.

“What will happen now is that when one of my units comes back from the combat theater [it] will stand down because I don’t have the flight hours, ... the weapon system sustainment to support fixing the airplanes, [or] the training ranges to train” the unit’s members, Hostage told *Air Force Magazine* in an interview at the Air Force Association’s Air Warfare Symposium in Orlando, Fla.

He added, “The problem is, it’s not like my maintenance folks will be able to go out there and tweak airplanes and make them fully ‘up’ because we won’t have the parts, we won’t have the equipment, ... [and] the depots will be cut like everything else” under sequestration.

The Air Force had never before used a tiered readiness approach, because the nation expects USAF to be ready to go to war, anywhere in the world, at a moment’s notice.

Unprecedented, daunting forecasts didn’t stop the inevitable. The sequester, which was written into the 2011 Budget Control Act as a penalty if Congress failed to reach a budget compromise, officially began at midnight on March 1, 2013. That meant DOD now has to cough up more than a trillion dollars over a 10-year period by making 10 percent across-the-board cuts to all accounts, regardless of priorities. Some accounts were completely exempted, however—most notably personnel—forcing the

other areas of Air Force spending to bear even larger reductions to get down to the overall 10 percent reduction.

The cuts were designed to be so stupid, devastating, and demoralizing to the US military that Republicans and Democrats would have no choice but to break the partisan gridlock and reach a compromise. But that’s not what happened.

By April, Active Duty combat units in the United States, Europe, and the Pacific began standing down as the Air Force attempted to absorb the funding cuts imposed by the sequester. Eventually, some one-third of all Active Duty combat units were affected.

“The current situation means we’re accepting the risk that combat airpower may not be ready to respond immediately to new contingencies as they occur,” said Hostage.

Also in April, the Air Force truncated a class at the Air Warfare Center’s Weapons School at Nellis AFB, Nev., graduating students without a capstone exercise. It then shuttered the doors at the service’s premier combat skills leadership school until funding was restored.

In yet another blow to readiness, the Air Force also canceled Red Flag and other major exercises, citing “budgetary considerations” associated with sequestration.

Congress eventually granted the Air Force a \$1.8 billion reprogramming allocation, allowing it to move some \$208 million back into flying hour accounts. This was not new funding, however—it merely allowed USAF to shift funds from other accounts to pay for the very highest needs.

By July, combat air forces units across the Air Force started flying again, but Hostage warned that, since April, readiness had steadily declined and the units still had a “measured climb to recovery.”

He said the restoration did little to address long-term budget uncertainty surrounding sequestration because “we are using investment dollars to pay current operational bills, and that approach is not without risk to our long-term effectiveness. ... We can’t mortgage our future.”

Despite all this, sequestration still wasn’t done unleashing its wrath on the Air Force. Around the same time ACC was getting back in the air, some 650,000 DOD civilians were furloughed. Although DOD eventually reduced the number of unpaid furlough days from 11 to six, thanks to cost-saving measures and the ability to shift money from one account to another, the move still crushed morale and created a backlog in various areas across the department.

Within the Air Force, the furloughs hit Air Force Materiel Command hardest. Of the 80,000 personnel assigned to the command, more than 75 percent (60,200) are civilians.

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Civilians also make up some 60 percent of US Strategic Command’s workforce, commander Gen. C. Robert “Bob” Kehler told members of the House Armed Services Committee in May. STRATCOM employees were facing an “unprecedented combination of professional and personal concerns,” Kehler said. “Some of the best young uniformed

and nonuniformed people assigned to USSTRATCOM are questioning their future.”

And this is just the beginning.

Welsh told Senate legislators that the Air Force may have to cut up to 25,000 airmen and as many as 550 aircraft from its accounts over the next five years if the sequestration spending caps continue.

“While we hope to build a viable plan to slow the growth of personnel costs over time and to reduce infrastructure costs when able, the only way to pay the full sequestration bill is by reducing force structure, readiness, and modernization,” said Welsh during a Nov. 7 Senate Armed Services Committee hearing.

He once again cautioned that vertical cuts may be inevitable and said the Air Force would have to reduce flying hours from its operations and maintenance accounts by as much as 15 percent, if the spending caps were not lifted. While he said USAF had no plans to institute another round of furloughs, it may have to cancel, or significantly curtail, major exercises at the same time reducing its initial pilot production goals.

“The real and projected impacts of sequestration are sobering,” he emphasized.

“We were forced to stand down 31 squadrons, including 13 combat-coded squadrons. An additional seven squadrons were reduced to flying rates that only enable proficiency in basic tasks, such as takeoff and landing,” Welsh testified in November. “It will now cost a minimum of 10 percent more flying hours to retrain these squadrons than it would have to simply keep them trained all along.”

A Significant Milestone

This winter’s bipartisan budget deal—brokered by Rep. Paul Ryan (R-Wis.) and Sen. Patty Murray (D-Wash.), chairs of the House and Senate budget committees—provides \$63 billion in “sequester relief” over two years and reduces the deficit up to \$23 billion during the same time period. The Bipartisan Budget Control Act of 2013 sets overall discretionary spending at \$1.012 trillion in Fiscal 2014 and \$1.014 trillion in Fiscal 2015, according to a joint release from Murray and Ryan. Under the budget deal, defense discretionary spending is \$520.5 billion in Fiscal 2014.

Although the White House and representatives from across the aisle hailed the deal as a “good first step,” no one got exactly what they wanted out of the agreement.

For example, veterans organizations were furious over language included in the bill that authorizes a one percent cut in annual cost-of-living increases for nondisabled veterans under the age of 62. The cut to military pensions is expected to generate some \$7 billion; however, it also is said to cost a typical retired officer more than \$124,000 over 20 years, reported the Military Officers Association of America.

In a letter to Congress and the White House, members of the Military Coalition called the cut “an egregious breach of faith.”

The backlash did turn some heads on Capitol Hill. Senate Armed Services Committee Chairman Carl Levin (D-Mich.) promised the committee would review the cost-of-living cuts before they took effect this year.

President Obama signed the Fiscal 2014 defense authorization bill into law in December. It prevents the Air Force from taking some actions it would like to initiate as cost-saving moves. For example, it prohibits USAF from retiring the Global Hawk Block 30 remotely piloted surveillance aircraft and from terminating the C-130H Avionics Modernization Program. It does, however, direct DOD to come up with a plan to transfer the MC-12W fleet to the Army.

The budget agreements were a significant milestone considering today’s political climate, but the Defense Department still needs a fresh appropriations bill.

The Bipartisan Budget Act is now law. Congress largely reconciled its authorizations with its appropriations and avoided again getting slammed by sequestration’s deep cuts.

The BBA merely raises sequester budget caps for Fiscal 2014 and Fiscal 2015, with the Pentagon’s funding rising from \$475 billion to \$497 billion, said Todd Harrison, a leading defense budgetary expert with the Center for Strategic and Budgetary Assessments.

“This is about the same level of funding DOD is currently operating with” under the continuing resolution that governed military spending through the early part of the year, Harrison told *Air Force Magazine*. As such, Congress must either pass a new defense appropriations bill by Jan. 15, when the existing CR expires, or extend the existing continuing resolution a few more weeks.

“Either way, Congress will likely stay within the budget cap they just agreed to. I would be surprised if they did not because they would be deliberately triggering another sequester,” Harrison said.

The Air Force has already submitted its Fiscal 2015 budget proposal to the Office of the Secretary of Defense



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and plans the public rollout of its Fiscal 2015 spending request this month. The 2015 budget request will be based on the current numbers, officials said. Sequestration was not an anomaly. It appears to be here to stay. ■