Chairman McCain, Senator Reed: Thank you for inviting me to participate alongside other great patriots of our country to offer some thoughts about defense reform and hope I offer thoughts consistent with many other themes you have heard from previous testimony as well as a few new ideas.

In the times we face and will likely face in this very complex and unpredictable world, addressing defense reform is probably the single biggest strategic issue we must deal with (and deal with immediately).

The days of large organizations moving at the speed of an elephant with bulky, expensive, overly bureaucratic acquisition programs, with little value to our warfighters and even less value to our national security are forevergone.

Speed is the new big. Innovation is the norm, the pace of change is so stunningly fast, and the Defense Department (at least inside the Pentagon) is not capable of meeting the Demands of the future threats.

Rearranging the deck chairs on the *Titanic* will only make the chairs slide in a different direction on the deck, but the ship will still sink.

Former Secretary Robert Gates stated it best when he said that the Pentagon is good at planning for war, but on its best day cannot fight a war (that has been proven in spades over the past decade and a half (with few exceptions).

And if the past fourteen years of conflict have proven anything, it has proven Secretary Gates to be spot on when it came to making that fateful statement.

Neither our nation nor the citizens our defense system is designed to protect and defend can operate in the future the way we operate today.

I would add that even though a nice glossy and well-meaning report will come out of this committee, there are people inside the Department that are looking at your efforts today as a joke and wondering, why do you bother... nothing will ever change.

Please prove them wrong. We have forgotten how to win wars.

Because we have lost sight of what winning looks like, instead we plod along, participating in conflict and allowing an overly bulky and bureaucratic Department of Defense and a completely broken interagency process, led by the White House (and rightly so) that has choked itself practically to death—it simply doesn't work in support of our warfighting needs today—the president, in his role as commander-in-chief and the SecDef in his role as leader of our defense establishment are ill-served—there is no soft or kind way of saying that.

And in a giant organization like the Department of Defense, change is not easy, reforms will take time, and I applaud your efforts to give it your best shot.

At the end of the day, the budget process (and not the mission) is what truly changes anything in our government. We have to reverse that thinking.

That is the sad truth.

Where the money goes, things happen.

And despite where that money goes, most times, has no bearing on our ability to win wars.

If you don't get any money, you either change or you disappear. If you get money, you are able to survive another day.

My experience comes from serving over thirty three years in uniform, twelve in joint assignments and nearly ten of those as a flag officer.

I have also served many years in combat and have suffered from the lack of many capabilities we needed to fight our enemies and found myself fighting the Pentagon as much or more than our enemies. The bureaucracy of our lethargic system filled with people who depart for the day from their major headquarters or from the Pentagon and leave an inbox filled with actions to await tomorrow while I was sitting in a combat zone waiting for an answer... not a good way to fight a war.

I have many personal examples and scars and have witnessed many examples of this in my days deployed to the wars in the Middle East and Central Asia.

We must and can do better.

Today, I will highlight a couple of points and provide some ideas—hopefully, a few are new:

First, we will never correctly predict the next war. We can warn about the many threats we face (and there are numerous and very dangerous threats—ISIS is the latest in a long line of threats to our nation that we must do more to contain, defeat and ultimately eliminate this radical Islamist ideology). And there are many more threats than this very dangerous enemy.

And second, the connection between people, processes and systems is completely broken.

Regarding people; we recruit using old outdated mechanisms and tools and then train people with equipment that is aging, not the most advanced, even though we (our country) have the most advanced technologies available to anyone in the world. Bottom line, our recruiting and training are being done with less than stellar rules, tools and advanced capabilities.

We force our warriors to fight wars by forcing them to push joint urgent operational needs or emergency needs statements from the battlefield up the chain—that is no way to fight a war. It is reality because our people don't have, don't train, don't go to war with, the right tools. Essentially, they are not prepared to go to war with the equipment in our current inventories.

We have to do better, and as the best military in the world, we can't afford to not look serious to the men and women we are supposed to serve and we don't look very professional in the eyes of our international partners (never mind our enemies).

Lastly, we must consider retooling our high tech training. We must radically move from the information age to the digital age. China has an organization of 800k cyber warriors\* associated with their Department 61398 and we are struggling to recruit 6k in the Department (\*China has approximately 800k in their Honker Army/Honker Union—this is a group—some overt, some not, affiliated with the Chinese government http:bbs.cnhonker.com/forum.php—take extreme precautions going to this website). Something is wrong with that picture.

Any reform must consider retooling for future jobs and not hold desperately to 20<sup>th</sup> century tools and models.

On processes; the processes we use are antiquated and usually one war behind. I went to war in Afghanistan the first time based on AirLand battle doctrine, a doctrine designed for the cold war. Yet that doctrine was still being trained right up until 2006 (five years into the war) when Generals Petraeus and Mattis came out with the counterinsurgency doctrine. We can and must do better.

Why did it take us nearly five years to change our doctrine when we were directly engaged in a counterinsurgency and counter terrorism campaign?

Bureaucracy and service parochial infighting are two of the answers.

Thank God our superb men and women, soldiers, sailors, airmen, marines and those civilians serving in combat innovate better than any other military in the world. When they realize that something is broken, they fix it on the battlefield instead of using the Pentagon's motto of, "If it's broke let somebody else fix it—we still need the money."

And lastly, the systems we have and the acquisition system that drives much of how our services and combatant commanders operate may as well be in separate solar systems and none of these (with few exceptions) seem to be anywhere near the battlefields we operate on today.

It is tempting to sit here and beat up those in the Pentagon and that would be unfair. But there are some in our system that see a jobs program, some who have never seen a program of record they didn't like, and some who abuse the system so badly, that it makes corrupt governments in Third World nations blush.

Additionally, after nearly fourteen years of war, conflict, call it what you will, we are engaged with enemies of our country and they want to win. I am not certain we have demonstrated the resilience or fortitude to do the same (at least not yet).

There are many in the defense system that have yet to experience that and do not understand the demands of combat and there are others who avoid it—wishing it will go away. It won't.

We (you) have to fix a number of things, but one of the most important is the acquisition system.

It must be joint and it must include the warfighter requirements and not simply serve the service chiefs and their constituent's needs.

Secretary Gates found this and fixed it, but to do so, he had to become the best action officer in the Pentagon.

That said, let me list a couple of ideas to consider as we go through the rest of this session and as you contemplate what steps to take to truly reform our system (all of which I will be ready to address in the Q&A).

- 1. Tooth-to-tail ratio must change (reverse it before we find ourselves not ready to fight never mind win)—we have way too much overhead and our staffs have become bloated beyond the nonsense stage.
- 2. Related to above, we have way too many four stars (commands and otherwise) around the world and too many four star headquarters in each of the services (11 "warfighting" commands alone). The service four and three star positions could easily be reduced a rank (or cut) and the staffs could subsequently be reduced.
- 3. Cut the civilian system in half or more. Turn those dollars into readiness and place more tooth into our warfighting forces. Be cautious about salami slicing, and help the SecDef and the senior civilian and military leaders make the best decisions based on a unified and strategic national security vision, approved by the president, instead of slicing to benefit some constituency—you must play a role but, very candidly, and over many years, congress created much of this mess and now you have an opportunity and a responsibility to correct it.

- 4. We need to seriously look at how we organize to fight and win in war. We man, train, and equip as services (i.e., Title 10), we go to war as a joint force (USAF carries the A rmy, M arines takes the Navy—in general), but we only win as a coalition—please name one time when we didn't fight as a coalition. We need to determine if we are creating a force that is not only technically qualified but also culturally and societally understanding and smart—language training for example is something that we need to place greater emphasis on for those officers serving in maneuver and operational assignments (foreign languages are not just for the Intelligence Community and attaches). For example, maybe we make it a prerequisite for combatant commanders to speak a foreign language before they can be even considered for a combatant command assignment. Maybe we do that for a majority of our three and four star assignments (that example would go a long way and reverberate across the entire force).
- 5. Significantly increase the tenure and the stature of the Chairman of the Joint Chiefs of Staff and the Vice Chairman. Tenures with a minimum of five years (without reconfirmation) should be considered. Why five years? In order to last longer than the service chiefs and potentially serve or overlap two presidents. This maintains the unbiased responsibility the CJCS (and the VCJCS when required) has as the principal military advisor to the POTUS.
- 6. Conduct a thorough and comprehensive overhaul of the defense acquisition system. Look at every single program of record. Every program not currently meeting its timelines or budgets should be immediately cut. No questions. Send a message that waste and substandard performance will no longer be tolerated—that would send shock waves through the system, would be nearly impossible to do—but it would be the harder right thing to do—I don't believe you could do it, but it would be interesting to see how many programs are actually up to standard—very few in my experience and my judgment.
- 7. Increase the investment in small businesses. Today, I believe the Defense Department policy states a goal of 25 percent investments in small businesses across the Department. Small businesses are the engine of change in our country and with the rapid advancements in technologies across the board (from healthcare to intelligence), we must seek new, innovative (and disruptive) ways to force fundamental change. Most on this committee would be challenged to recognize the Fortune 100 never mind Fortune 500. They are all relatively new and many started as small businesses in the last decade. As stated, small businesses also innovate. They have to, in order to survive. My strongest suggestion for consideration only at this stage is to increase the small business investment goals of the Department to fifty percent. I believe the Department and, especially our warfighters, would benefit most, and many would benefit overnight. Lastly, small businesses are the best way to increase our nation's economic strength. They will help us retool our nation for the digital age.

8. Decide who and where decisions about acquisition reform can be made. The SecDef cannot make them all. But if a service chief comes in and says we need this program (can't live without it) and a combatant commander comes in and says that program isn't working, then don't let the system decide to keep it and fix it on the margins or edges. Get rid of it. If they see something elsewhere and that is the capability they want (especially our warfighting commanders) and it can be procured in the requisite amounts within existing budgets get it to them rapidly or allow them to acquire it without going through the morass of bureaucracy. Secretary Gates experienced this first hand with ISR, medevac, and MRAPs to name a few. Again, he became the top action officer in the Pentagon because the people involved and the system itself were simply too slow, too bureaucratic and we were losing two wars. Amazing how, at that time, no one but the SecDef inside of the Pentagon, at senior leader levels, could see that— why?

In this context, the questions this committee is considering are, in my judgment, the correct ones: namely, whether our nation's institutions of national defense are organized, manned, equipped, and managed in ways that can deal with the security challenges of the  $21^{st}$  century and that efficiently and effectively spend defense dollars.

The Department is not meeting those challenges today. And we are not ready to deal with the challenges we, as the global leader, with the premier military capability on the planet, should be capable of in the future.

Without fundamental and massive reform as well as some smart, numerous, and targeted reductions in areas that have grown bloated, irrelevant and useless, we could find ourselves on the losing end of a major war—one that sitting here today we are unable to predict.

If our nation is proud of being the world's leader, let's start acting like it, and as our very first president stated, "To be prepared for war is one of the most effective means of preserving peace."

Thank you for this opportunity and I look forward to answering your questions.