

STATEMENT FOR THE SENATE ARMED SERVICES COMMITTEE

"Improving the PENTAGON'S Development of Policy, Strategy and Plans"

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INTRODUCTION

Chairman McCain, Ranking Member Reed, and committee members, I appreciate the opportunity to testify in this series of hearings on how the American defense establishment might be improved. And I'm honored to join my former colleagues Michele Flournoy and Michael Vickers.

After the painful and instructive failures of Vietnam, Grenada, and Operation EAGLE CLAW, Senators Nichols and Goldwater had the courage to overhaul our defense establishment with the landmark legislation that bears their names. It is difficult to see with clarity today how our more recent struggles with the business of defense and our operations in South Asia, the Middle East and Northern Africa will compare as potential catalysts for change. While our contemporary policy shortcomings may not have garnered as many protests on the Mall or have been marked by highly publicized operational failure, my sense is that our modern shortcomings may be equally deserving of thoughtful reform.

America both deserves and needs a defense establishment that considers policy and strategy in a way that lives up to the complex array of threats it faces and the extraordinary military it employs. The operation of a modern day nuclear submarine or Army brigade combat team are small miracles in themselves. Yet my experience -- across both ends of the defense policy spectrum, first as a field operator and later as a policy advisor -- is that the strategic policy planning apparatus that employs our operational assets is, by comparison, relatively weak. The greatest military in the world deserves a world-class policy and strategy apparatus.

Designing such a system, both for our defense and the government more broadly, is the basis of my current research at New America, where I am working to improve public policy through a better understanding of the intersection of organizational performance and behavioral science.

THE STRATEGIC CHALLENGE TO FUTURE DEFENSE POLICY

Many prior witnesses in this series have outlined how the rapidly shifting 21st century environment is making our 20th century models and tools obsolete. I couldn't agree more, and so I won't belabor those points.

Moreover, I recognize fully that our defense policy challenges are rooted in the overarching national security process led by the national security staff. Defense reform needs to be nested within broader national security reform, but my statement today is constrained to issues within the purview of this committee.

In this statement, I am focused on what I see as the most important challenge to the future of our defense policy. It is not how the Islamic State radicalizes our enemies, or how future adversaries tunnel through our cyber walls, whether Iran spins more centrifuges or whether Russia or China take their assertiveness to the next level. Nor is it fixing our broken acquisition system or rewiring command relationships within the Pentagon. These are all immensely important, but I believe that our greatest challenge is not what threat we may face, or even how we're organized.

Instead, I see our greatest challenge as how we think, and our greatest potential threat as a future failure to adapt and be more open to new ways of thinking. Amidst a rapidly shifting and uncertain landscape, we can ill afford to be locked into old patterns of thinking. A failure to adapt could cause us to fail militarily and, more broadly, as a society.

This does not reflect insufficient faith in American ingenuity and determination. Rather, that spirit of optimism is tempered by the humility of my experience in public service and an awareness of history. For nearly a century, the strategic privilege enjoyed by the United States was rooted in geographic advantage and an abundance of power, particularly in our resources and our technology. In such an era, the U.S. could more easily afford to be slower to adapt. During his military career, the future National Security Advisor Robert McFarlane wrote that "having superior strategic military might has provided an enormous hedge for flabby thinking. We could afford less than optimal strategic planning because push was never going to come to shove. We have had the luxury of being able to be foolish."

We no longer have such luxury. With budgetary pressures, a shifting global landscape and a relative decline in global influence, we must improve our cognitive adaptability or suffer the consequence of failing to do so. As General Dempsey once testified, "Our competitive advantage is our people and their adaptability.... Overmatch in size and technology matters, but the rate in which we can innovate and adapt relative to these non-state actors matters more. This is a generational challenge."

THE CASE FOR ADAPTABILITY

A 2010-2011 Defense Science Board defined adaptability as the "ability and willingness to anticipate the need for change, to prepare for that change, and to implement changes in a timely and effective manner in response to the surrounding environment." The concept of adaptability in defense planning is en vogue now, largely because it is seen as mitigating the risk posed by an uncertain and increasingly complex operating environment. In my experience, successful defense policy hinges on adaptability not just because we face an increasingly complex environment, but because we are consistently and profoundly unable, despite our best efforts, to accurately predict the future and the threats it will bring.

General Mattis, the former commander of Central Command, once told this committee that "as we look toward the future, I have been a horrible prophet. I have never fought anywhere I expected to in all my years." And Secretary Gates has perhaps said it best: "when it comes to predicting the nature and location of our next military engagements, since Vietnam, our record has been perfect. We have never once gotten it right..." We will always be tempted with predictions, but we should also learn to embrace uncertainty.

Greater intellectual adaptability will not only better posture the U.S. against an uncertain future, it will also improve the rigor and fidelity with which we make decisions in defense policy amid a dynamic landscape. We will do better at seeing the world as it is, vice how we wish it were or thought it would be. And we'll be less prone to the logical fallacies that are often woven into human thinking.

In my view, adaptability should be concerned with being more rigorous in our thinking, more open to new ideas and better prepared for change, whatever it may be. Because there is sometimes confusion between adaptability and the also-important versatility, I see intellectual adaptability as deriving from three critical aspects of how we think: intellectual innovation, or our ability to think creatively; intellectual integrity, or having the courage to challenge assumptions; and intellectual humility, or our empathy to listen and learn.

Intellectual innovation, integrity and humility derive from an organization's culture, and ultimately, its people. People drive culture, culture drives how we think, and how we think drives our policies and strategies. So any reformation to the future of policy-making should start with how we invest in people. As the former Chairman

of the Joint Chiefs of Staff Marty Dempsey said, "If we don't get the people right, the rest of it won't matter. We're going to put the country at risk." The good news is that many of the services and the Pentagon staff are already prioritizing the concept of adaptability in their planning.

MAKING ADAPTABILITY REAL

Indeed, and to a large degree, such a shift is already under consideration. The "brain-drain" of the U.S. military has been well documented and the Pentagon has clearly taken note. Secretary Carter's Force of the Future initiative should be aggressively implemented as a serious effort at reform. Secretary Carter's vision has a tremendous champion in Undersecretary Brad Carson, but he will face a broader cultural resistance to change, which is likely to diminish the pace and breadth of reform.

Force of the Future is only the latest study that validates the urgency of instilling greater adaptability into the defense enterprise and the thinking of its personnel. The Defense Science Board published a report in 2011 on "Enhancing Adaptability of U.S. Military Forces." The Army's Office of Economic and Manpower Analysis at West Point has done considerable research on this problem to include a 2014 Task Force report on "Fostering Institutional Adaptability." And Army Chief General Odierno's "Force 2025" vision is an Army that is "adaptive, innovative, exploits the initiative and can solve problems in many different ways." As other witnesses have told this committee, we seem to know we have a problem with the personnel system and acknowledge the need for adaptability, but struggle with agreeing on what that means in terms of reform.

In my view, the potential in personnel reform is more strategic than retention, healthcare, retirement and compensation, as important as those issues are. Rather, the focus of personnel reform should be the broader spectrum of development to include recruiting, assessments, promotions, and education. The real potential in Force of the Future is not simply in controlling costs – it is in how it enhances the future cognitive performance and intellectual adaptability of the force. Indeed, Force of the Future might shift its lexicon from a focus on retaining talent to one of developing talent. Carrots and other retention tools are not necessarily the same as force development tools, and the more the two are confused, the more risk we incur.

Moreover, adaptability in this context should not be misconstrued as how we buy or acquire technology, but is instead directed at how we think about defense policy and strategy itself. Of course, technology is important, but we tend to over-emphasize and misperceive technology as the crux of innovation. For instance, the establishment of a new Defense Innovation unit in California will bring entrepreneurial spirit and technical expertise to Washington. But what we need most from those outside of Washington is a spirit of intellectual integrity and humility, not just technical know-how. Many of our nation's best and brightest are found in Silicon Valley, and we need to tap into that resource. However, we should aspire to a future military force that is itself regarded as the best and brightest, and where Silicon Valley comes to find and borrow talent.

PEOPLE ARE THE CRUX OF ADAPTABILITY

One subtle irony with the Pentagon's outreach to Silicon Valley is that the defense establishment owns DARPA, one of the world's greatest innovation firms. DARPA has special hiring authority and robust funding because it has the sacred mission of maintaining a cutting-edge advantage in defense innovation. In a similar way, we should view the mission of defense policy and strategy as equally high-stakes and sacred. Defense policy deserves and requires the same attention to intellectual innovation that we currently invest in driving defense technology.

DARPA's gift to the military is its innovative technology, and the real magic behind that technology is DARPA's personnel system, which is built on a rigorous tradition of cognitive performance and an intellectually grueling process that insiders liken to defending a PhD thesis. This culture, coupled with special hiring authority that laterally acquires outside experts on a term-limited basis, drives an engine of innovation fueled by exceptional people who want to change the world.

General Pete Schoomaker institutionalized this belief more than 20 years ago with the enduring principle that "humans are more important than hardware." Schoomaker's passion for reforming the Army stemmed from his personal experience in the tragedy at Desert One in the failed Iranian hostage rescue. In his farewell message to the Army, he cautioned that "we must never forget that war is fought in the human dimension. Therefore, technology will always play an important but distinctly secondary role..."

Pixar president Ed Catmull has a similar philosophy about people that has enabled Pixar to remain an innovative and creative leader in the world of animation. In the creative industries, the priority is on novel ideas, much as the military puts its premium on technology. But according to Catmull, prioritizing ideas over people puts the cart before the horse: even great ideas can be spoiled within a culture where people are not the priority.

The lesson of DARPA, Schoomaker and Pixar is that we must think of adaptability as a way of thinking rather than as something that is acquired or purchased. The pursuit of intellectual adaptation in policy will require balancing our investments in technology with our investments in people.

BALANCING OPERATIONS WITH DEVELOPMENT

I've participated in two studies that assessed the future of U.S. Special Operations Forces. I've come to believe, despite all their successes and accomplishments, that the intensive utilization of special operations forces in permissive environments over the last decade has been akin to taking a very sharp knife and rubbing it across concrete. Sustained operational employment of our best forces is an inevitable temptation in a time of war, and it builds an incredible well of combat experience, but it does not provide the time to study and grow, and to experiment and fail, which are necessarily to hone cutting-edge cognitive performance and adapt ahead of the enemy.

It is my sense that our military's operationally-focused, command-centric culture is working against the development of intellectual adaptability. The model of promotion and personnel management is built around the operational command experience. The more our forces run to the sound of guns and serve in operational units, the more promising their career. By contrast, experiences that expose people to new ways of thinking, such as civilian schools, are still seen as rewards or "good deals."

Moreover, these "broadening" opportunities, where they do occur, are seen as "rests" from the grueling operational pace. Thus the military officer student is incentivized to "take a knee" at school rather than actively invest in their learning and growth. How they do or what they write as students is generally irrelevant to their career promotion. Military colleges have a 100% pass rate, which does not reflect a rigorous process of independent learning. Overall, the operational culture still views broadening as a cost to be minimized vice a long-term investment to be expanded.

The one-size-fits-all system and its lack of differentiation also results in a stratification of officers whereby some become "fast-track" and "groomed" for flag rank and the rest are among the "pack." The competition for the "fast-track" is a powerful disincentive to investing in personal growth and development. Thus military members consider outside "broadening" opportunities with hesitation as they weigh the downside risk to their career. Moreover, the model tends to promote based on historic tactical and operational proficiency, not forward looking strategic thinking potential. The Army War College recently published the results of a Harvard thesis that concluded that Army officers with higher cognitive ability are statistically less likely to be promoted below zone or to achieve battalion command. The fact that we've had thoughtful and intelligent senior leaders in uniform should not be taken as evidence that the status quo generates an entire force with such traits. The question is not whether we can find a few critical thinkers every few years for the top positions, but whether we have an institution that collectively thinks critically from top to bottom.

The operational culture also dulls intellectual adaptability by incentivizing convergent thinking. Fast-track officers who come to strategy and policy jobs to "check the box" for their staff job requirement have little incentive to deviate from the mainstream analysis, lest they jeopardize their operational career. The cultural command-track expectation is not that these officers "move the policy needle" – it is instead that they merely "punch the clock" and move on to the next command-track job. They are ill served by rocking the boat they sit in.

It is in this spirit that prior witnesses have raised the issue of a general staff as being preferable to the current joint staff model. Notwithstanding the drawbacks of a general staff, there is a very real problem with the joint staff increasingly serving as a pass-through rubber-stamp for combatant command or field recommendations. This deference likely stems from the above effect, whereby command-track officers are unlikely to challenge other operational officers in command. There is little penalty for silence.

The anti-intellectual cultural prioritization of operations over education should be inverted. This has been done before. During the inter-war period, the War Department explicitly prioritized Army staff and war college faculty manning above operational units. This prioritization of education was based on the assumption that future warfare would be different than the first World War – our planning assumptions today should be at least as humble.

We can't rely solely on a generation of combat experience and new technology. The development of our people, and their ideas, is how we'll adapt and outsmart future enemies.

INVEST IN DRIVERS OF ADAPTABILITY

Research points to several factors that could improve intellectual adaptability in defense policy and strategy decision-making: 1) autonomy and ownership; 2) experimentation and failure, and; 3) critical review and dissent.

1. **Autonomy and Ownership.** The private sector is increasingly investing in the related concepts of autonomy and ownership as means of optimizing not only the intrinsic motivation of employees, but also as an important engine of intellectual innovation. Autonomy gives people the freedom to plan their work and to own that plan, and researchers have demonstrated that such factors generally result in a more creative process. Google, 3M, and other companies with a track record in innovation have institutionalized autonomy and ownership by accepting the inefficiency and cost of giving their people time to develop their own ideas. DARPA's model also leverages this effect, whereby program managers and their teams generate and own the ideas at the center of their projects.

In defense policy and strategy, autonomy would suggest moving away from the one-size-fits-all model to allow for differentiation among officer tracks to account for different strengths and interests. Autonomy might also involve rebalancing career paths to allow for "broadening opportunities" with increased flexibility for independent research and academic assignments. Force of the Future is proposing reforms to expand in-service civilian school opportunities, but internal compromise will likely result in a partial and modest prototype. A partial prototype could have the unintended consequence of continuing the stratification effect whereby officers perceive some handicap to their career path by experimenting with the traditional norm. As experienced with the Pentagon's "Afghan Hands" program, career path reforms may not have the desired effect unless they are implemented broadly.

2. **Experimentation and Failure.** The track record of innovation highlights a willingness to experiment with creative ideas and to accept the accompanying risk of failure so that iterative improvement can occur. However, we typically treat defense policy and strategy as a high-stakes venture, thus we become risk averse and have a very low tolerance for experimentation with bold ideas. And yet, the practical experience of defense policy is that we're constantly undergoing experimentation and failing along the way, except that we don't recognize it as such -- we're more likely to rationalize failure as the strategy being under-resourced or not yet working.

Intellectual integrity and humility avoid this trap, and would make it more likely in the future to salvage success from an initially flawed plan.

Take, for instance, our recent experience with security cooperation as a strategic pillar of our defense strategy. I've concluded that the logic of our modern reliance on security cooperation as a means of "building partner capacity" is flawed. The logic is straightforward: the rise of non-state threats among failing or failed states presents an imperative to counter these threats with military means, and we can generate those military means by building capacity within other governments through traditional security cooperation. The flaw in the logic is also straightforward: experience has shown that other foreign governments, particularly those relevant to this issue, rarely share our interests or values, and how well they absorb, utilize and sustain the military capacity we provide often falls well short of our expectations.

The flaw in the logic is reasonably apparent and well-documented, but it is easily overlooked because of a compelling perceived need to act in the face of these growing threats, and security cooperation provides an existing channel by which to act, particularly when political pressure makes it preferable and cheaper than the alternative of deploying U.S. forces. And despite the fact that the track record of the experiment has been so poor in countries like Iraq, Afghanistan, Yemen, Syria, and others, we have yet to step back and revisit the logic of this strategic pillar of national defense. The lesson might be to be more modest in setting realistic objectives. Again, it is intellectual integrity that allows for adaptation to the strategy when the strategy isn't working. And intellectual humility can help compensate for a 'decisive win' culture that frequently tries to hedge against all possible risk.

As an aside, and in this regard, I applaud the new mandate, via the recently passed NDAA, to develop a "strategic framework" for security cooperation.

3. **Dissent and Critical Review.** Related to the importance of failure is the necessity of dissent. We recently marked the 100th anniversary of the articulation of the theory of general relativity by Einstein, the most iconic of intellectual innovators. Among Einstein's more famous quotes is the simple idea that "we cannot solve our problems with the same thinking we used when we created them." While Einstein is often popularized and celebrated as a lone genius, he leveraged collaboration, peer review, critique and iteration to conclude his radically adaptive theory of general relativity.

Defense policy decision-making is a relatively closed, consensus-based process, and is exposed to a limited infusion of external ideas. Moreover, research suggests that groupthink is more common in hierarchies with a high degree of cohesion, risk, and sense of mission. Thus defense policy is vulnerable to cognitive bias and shouldn't be grading its own homework, yet that is often how our current system functions. Within the Pentagon, the offices that develop and implement policy are often the same ones that assess its effectiveness, and those assessments can suffer from a lack of objectivity. Thus assessments of defense policy typically fall to the intelligence services, which becomes understandably frustrating to the Pentagon and counterproductive to the national security process.

The exigency of combat long ago brought about the practice of "red teaming" military planning to think like the enemy and probe one's vulnerabilities, and the U.S. military has done much to advance the concept. After the failures in planning for the 2003 invasion of Iraq, Schoomaker and Keith Alexander established a "Red Team University" at TRADOC at Ft Leavenworth to improve the Army's decision-making process by teaching officers to be introspective and reflective of their own biases, to be more empathetic in listening to others, and to mitigate the effects of group-think. The current leader of that program, Steve Rotkoff, became dedicated to this challenge after personally experiencing the failures to account for the known risks of the 2003 Iraq invasion, which retired Marine General Zinni has called a "dereliction in lack of planning."

The recent book "Red Team" by CFR Fellow Micah Zenko scrutinizes the challenge of an institution evaluating its own plans and the utility of dedicating expertise that is empowered and expected to rigorously pressuretest those plans. Dr. Zenko outlines how the "tyranny" of expertise within groups can cloud objectivity and creativity and how the best insights within an organization often come from its least senior people. This sheds light on a critical challenge of our defense policy system whereby decisions get made top-down while understanding flows from the bottom up. The tools of "red teams" can help mitigate the risks of decision-making being separated–in this case by many layers–from the best source of insight.

RECOMMENDATIONS

Along these lines, I offer two sets of recommendations on how this committee might promote the strengthening of intellectual adaptability in defense policy and strategy. The first set of recommendations would rebalance priorities at the individual level, i.e. within the context of talent development and career planning, mostly in the military context. The second set of recommendations would make changes at the organizational level, mostly in the context of defense civilians.

1. Prioritize People and their Cognitive Development. The conventional military officer career path is based on the outdated idea that command at every level requires command experience at the prior level. Enhancing adaptability and cognitive performance will require broadening and diversifying this career path and allowing for differentiation of officer skill sets. Force of the Future proposals call for mandatory academic and interagency tours for promotion, but dilution and partial implementation of such proposals are likely.

Specifically, the services appear to be pushing back against more aggressive reforms due to concerns with finding room in the "conventional" career path for such mandates. To be fair, there is valid concern over the opportunity cost of having less operational experience when our forces are next called to fight. However, recent experience suggests that accepting the risk of this trade-off would be acceptable based on the lesson that intellectual adaptability in combat is increasingly valuable relative to conventional operational efficacy. This was the lesson of JSOC in Iraq in the hunt for al-Qa'ida in Iraq, as outlined by Stan McChrystal in his recent book "Team of Teams." To defeat the enemy, they needed to re-tool how they had learned to operate.

These recommendations would put cognitive development on a par with tactical proficiency, based on the premise that rebalancing combat warfare proficiency with broadening education and training in divergent thinking will improve our future intellectual adaptability.

• Move Beyond "Jointness." Goldwater Nichols succeeded in building a joint force that thinks as a military rather than as a service, but the universal requirement for "joint" service has likely outlived its usefulness. Today's military serves in a different landscape where the solutions to defense problems intertwine military capabilities with diplomatic, intelligence and competencies from other agencies. And yet, military leaders have little incentive to serve with other national security agencies because it would jeopardize their career path. This also bifurcates defense and foreign policy, with one community trained to think in military and intelligence terms, and another in diplomatic and political terms. This parsing may be traditional, but it is not conducive to effective policy solutions to the 21st century problems that increasingly blur these old divisions.

Tomorrow's national security apparatus needs "wholeness" among its agencies in the same way that Goldwater Nichols sought "jointness" among the services. The committee's writ is limited in this regard, but Defense could lead the way by building a next generation of senior military leaders with an abundance of "national security" experience with other agencies or interagency task forces.

- **Prioritize Academic Growth.** Academic or research "broadening" tours where military leaders are exposed to new ways of thinking should be as important to promotion as combat experience. In their 2008 Joint Operation Environment publication, the Joint Forces Command cautioned that "in the year 2000, the PLA had more students in America's graduate schools than the U.S. military." Status quo career incentives should be rebalanced to make academic "broadening" tour experiences more common by the O-6 milestone, with a significant expansion of civilian school opportunities.
- **Promote Differentiation.** Outlying officers who do not achieve the "fast-track" operational career because they have greater inclination to non-command academic or policy tours should not be handicapped in their career. Force of the Future is proposing the expansion of "technical tracks" for such officers, but this risks perpetuating the stratified, two-tier system of the "command track" and everyone else, which is not healthy. Until there is better equity and balance between the command tracks and other tracks, the non-command tracks will not attract and promote the best people. The concept of a "technical" track should be made commensurate with the "command" track and include near-equal opportunities for the policy-minded strategists.
- **Promote a Meritocracy.** Carrot-based incentives to retain the "best and brightest" are unlikely to succeed. What drives many such officers out is not the pay or benefits, but frustration with a time-in-grade system of promotion. If the rate of advancement could vary based on demonstrated aptitude for responsibility and leadership, with a less rigid system of tickets that needed to be punched, the "best and brightest" would be more amenable to being retained. Such a shift could be phased in, as a first step, by expanding and making more flexible the "early promote" quota system and removing the year-group management controls in the mid-grade years.

2. Enhance Intellectual Adaptability within Defense Policy

- **Conduct internal, independent policy and strategy assessments.** Policy developers and implementers should not be grading their own homework. While the intelligence agencies will continue to play a role in evaluating the implementation of policy, it is unproductive for the Pentagon to rely on another agency to assess its defense policies. Rather, the Defense Department should have an institutionalized, independent "red team" of experts and outsiders dedicated to and empowered with the task of rigorously testing policy and strategy assumptions and opening eyes to alternate perspectives. This office should be led by an independent, direct report to the Secretary, comparable to the existing offices for budgetary and programmatic oversight (CAPE) and over-the-horizon analysis (ONA). Objective policy assessment is at least as important as long-term forecasting and budgetary evaluation.
- **Dedicate and separate policy developers and implementers.** The urgency of policy implementation generally dominates policy resources, leaving little bandwidth for dedicated policy development. The two functions should be related, as implementation should inform development, but they should not be one in the same. Separation could be akin to the Ops-Plans model of military staffs, which is lacking in the current OSD model. OSD should consider such a policy model, whereby policy development personnel are dedicated and protected from the distractions of policy implementation issues and day-to-day operational crises.
- Enhance the development of civilian policy professionals. OSD should augment the professional development of policy civilians with specialized training to enhance critical thinking in policy development and assessment. The Army's University of Foreign Military and Cultural Studies at Ft. Leavenworth gives an in-depth course of instruction to those who serve on "red teams" and provides a shorter curriculum to all Army officers, which includes important lessons on group think mitigation and fostering cultural empathy. Something similar could also be useful to civilian policy personnel.

CONCLUSION

Mr. Chairman, Senator Reed, Members of the Committee, I appreciate the opportunity to offer this testimony.

I believe that humility is required in predicting how many or what types of battalions, fighters or languages the force of the future will need. Those who proclaim that the future of conflict definitively lies in one region over another, or in one form of conflict over another, are likely to be proven wrong. The uncertain nature of future threats puts a clear premium on intellectual adaptability and being more open to new ways of thinking about how we employ the resources we have.

This is difficult, because it requires an embrace of uncertainty and tinkering with some of the most revered, timehonored personnel models in our history. As always, such reform would be disruptive and costly in the shortterm and require some acceptance of risk. Nonetheless, my view is that such risk would be smaller and more manageable than the increasing costs of a future failure to adapt.

I hope this statement serves useful in your consideration of reform, and I'd look forward to assisting the committee in any way possible in the future.