

OPENING STATEMENT

- Thank you, Mr. Chairman. I join you in welcoming our witnesses.
- For four years, this committee has been using the 2018 National Defense Strategy (NDS) and the Commission report as our roadmap for the resources and tools we need to meet the threats we face. Both documents have helped accelerate change at the Pentagon.
- Last month, we received the classified version of the Biden administration's new 2022 NDS, which we continue to analyze. But I can tell you this document expands our understanding of the scope of the threat from the Chinese Communist Party, and what will be required to maintain deterrence against them.
- The problem does not seem to be one of strategy, but rather providing the full budget needed to implement it. The budget simply doesn't deliver the real growth our military needs – especially with the historic inflation we're experiencing.
- Which brings me to today's hearing. I am hoping to better understand what our defense industrial base is seeing and dealing with and how we can help them – whether through legislative authorities or additional funding.
- In the 20th century, our defense industrial represented a unique comparative advantage. From the arsenal of democracy in World War II to the technological feats of the Cold War, our ability to harness American ingenuity for deterrence played a decisive role in world events.
- Today, the arsenal of democracy is a husk of its former self. While many companies still use equipment from the early Cold War, the weapons and equipment they manufacture have fundamentally changed, as has the workforce.
- We have far too many single points of failure. We have brittle supply chains. We have hundreds of production contracts at minimum sustaining rates. We have persistent funding shortfalls across the board, but particularly in our workforce development.
- Over the past decade, many new burdens have been asked of, demanded, and even mandated on these companies and their employees. From sequestration to a pandemic, an increasingly assertive China, Russia's new invasion of Ukraine, record inflation, and more.
- In particular, our attempts to arm Ukraine have laid bare many of our vulnerabilities, from insufficient munitions stocks to slow production times and incredible bureaucratic hurdles, especially when it comes to doing business with allies and partners.
- The defense industrial base is at the core of our national security. I am eager to discuss with our witnesses these specific challenges and how our defense industrial base has responded.
- We need to rebuild our defense industrial base. I hope today's hearing will help us understand what more Congress can do to help ensure that our defense industrial base gets all the resources it needs to remain resilient and able to meet the capability and capacity needs of our men and women in uniform who go into harm's way. Thank you, Mr. Chairman.