

Stenographic Transcript
Before the

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

TESTIMONY FROM OUTSIDE EXPERTS ON RECOMMENDATIONS FOR A
FUTURE NATIONAL DEFENSE STRATEGY

Thursday, November 30, 2017

Washington, D.C.

ALDERSON COURT REPORTING
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SUITE 200
WASHINGTON, D.C. 20036
(202) 289-2260
www.aldersonreporting.com

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U.S. Senate

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Committee on Armed Services

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10 The committee met, pursuant to notice, at 10:32 a.m. in
11 Room SD-G50, Dirksen Senate Office Building, Hon. John
12 McCain, chairman of the committee, presiding.

13 Present: Senators McCain [presiding], Inhofe, Wicker,
14 Fischer, Rounds, Ernst, Tillis, Sullivan, Perdue, Sasse,
15 Reed, Nelson, McCaskill, Shaheen, Gillibrand, Blumenthal,
16 Donnelly, Hirono, Kaine, King, Heinrich, Warren, and Peters.

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1 OPENING STATEMENT OF HON. JOHN McCAIN, U.S. SENATOR
2 FROM ARIZONA

3 Chairman McCain: Good morning. The Senate Armed
4 Services Committee meets today to receive testimony from
5 outside experts on recommendations for a future National
6 Defense Strategy.

7 We welcome our witnesses: Thomas Mahnken, president and
8 CEO of the Center for Strategic and Budgetary Assessments;
9 David Ochmanek, senior defense research analyst at the RAND
10 Corporation; Thomas Spoehr, director at the Heritage
11 Foundation; Mara E. Karlin, associate professor at the Johns
12 Hopkins School of Advanced International Studies; and
13 Mackenzie Eaglen, resident fellow at the American Enterprise
14 Institute.

15 Last year, this committee wrote into the National
16 Defense Authorization Act a requirement for the Secretary of
17 Defense to develop and implement a National Defense
18 Strategy. The intent of this document was to prioritize a
19 set of goals and articulate a strategy for the U.S. military
20 to achieve warfighting superiority over our adversaries.
21 The National Defense Strategy is part of this committee's
22 broader effort to help guide the Pentagon to develop a more
23 strategic approach in response to an increasingly dangerous
24 world.

25 Today's hearing will afford us the opportunity to hear

1 recommendations from our distinguished panel of defense
2 experts on how the Secretary should rise to the challenge of
3 crafting a National Defense Strategy. We will look to you
4 for advice on how the department should best allocate its
5 resources to enhance the capacity and capability of the U.S.
6 military in the era of great-power competition.

7 To that end, we must begin by explicitly recognizing
8 that great-power competition is not a thing of the past.
9 The post-Cold War era is over.

10 Russia and China's rapid military modernization
11 programs present real challenges for the American way of the
12 war. Because of decisions we have made, and those we have
13 failed to make, our military advantages are eroding.
14 Congress is far from blameless, as we have, for years,
15 prioritized politics over strategy when it comes to our
16 budgeting decisions.

17 Next, we must recognize that the window of opportunity
18 to reverse the erosion of our military advantage is rapidly
19 closing. Just as Congress has been part of this problem,
20 so, too, do we have an obligation to be part of the
21 solution. We must start doing our job again -- pass
22 budgets; go through the normal appropriations process; and
23 provide our military with adequate, predictable funding.

24 As the negotiations on the budget deal to increase the
25 spending caps proceed, I know that members of this committee

1 will be advocates for a defense budget at the level that an
2 overwhelming bipartisan majority of Congress voted to
3 authorize in the NDAA, nearly \$700 billion for the current
4 fiscal year.

5 But we must be clear. We cannot buy our way out of our
6 current strategic problem. Even after Congress appropriates
7 adequate funds, the department will have a tough road to
8 reverse current trendlines. Restoring readiness,
9 modernizing the force, and reforming acquisition will all be
10 necessary to renew American power.

11 But ultimately, all of these efforts will be in vain
12 without clear strategic direction.

13 The Secretary of Defense and his civilian leadership
14 team must exercise real leadership when it comes to
15 strategy, planning, and force development. They will have
16 to make difficult choices and set clear priorities about the
17 threats we face and the missions we assign to our military.
18 That is what we have asked the department to do in the
19 National Defense Strategy.

20 As Secretary Mattis and the rest of the Department of
21 Defense make those hard choices, and especially as they
22 identify necessary tradeoffs, they will find allies in this
23 chairman and this committee.

24 We ask our witnesses to help this committee and the
25 department think through these tough questions: How should

1 the National Defense Strategy focus on building an effective
2 force to counter threats from near-peer competitors, such as
3 Russia and China, as well as midlevel powers such as Iran
4 and North Korea? How should the NDS address the challenges
5 of counterterrorism and articulate a strategy for
6 sustainable security in the Middle East region? Even as we
7 advocate for increased defense spending, how do we
8 realistically confront hard choices about tradeoffs? Simply
9 put, what must we do to restore or enhance our ability to
10 deter and defeat any adversary in any scenario and across
11 the spectrum of military competition? And how should we
12 devote our finite taxpayer dollars wisely to accomplish
13 these goals?

14 Our global challenges have never been greater. Our
15 strategic environment has not been this competitive since
16 the Cold War. Without the margins of power we once enjoyed,
17 we cannot expect to do everything we want everywhere around
18 the globe. We must choose. We must prioritize. And that
19 is what the National Defense Strategy must do.

20 I thank our witnesses for their attention to these
21 important issues and look forward to their testimony.

22 Senator Reed?

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1 STATEMENT OF HON. JACK REED, U.S. SENATOR FROM RHODE
2 ISLAND

3 Senator Reed: Thank you very much, Mr. Chairman, for
4 holding the National Defense Strategy hearing. This
5 strategy is currently being developed by the Department of
6 Defense, so this is a crucial moment.

7 Let me welcome the witnesses. Your work has been
8 important to guide us in the past and will be very important
9 as we move through this process.

10 The Department of Defense faces many complicated and
11 rapidly evolving challenges. This is not the first time in
12 our Nation's history we have had to confront multiple
13 threats from abroad, but it is an incredibly dangerous and
14 uncertain time.

15 Russia remains determined to reassert its influence
16 around the world, most recently by using malign influence
17 and active measures activities to undermine America's faith
18 in our electoral process, as well as other Western
19 countries. North Korea's nuclear and ballistic missile
20 efforts are an immediate and grave national security threat,
21 and the U.S. continues to grapple with the fact that there
22 are no quick and certain options. China continues to
23 threaten the rules-based order in the Asia-Pacific region by
24 economic coercion of its smaller, more vulnerable neighbors,
25 and by undermining the freedom of navigation. Iran

1 continues their aggressive weapons development activities,
2 including ballistic missile development efforts, while
3 pursuing other destabilizing activities in the region.

4 Likewise, countering the security threat from ISIS in
5 Iraq and Syria, and its spread beyond the Middle East, must
6 remain a high priority, while at the same time we must build
7 the capabilities of the Afghan National Security Forces and
8 deny any safe haven for extremism.

9 Crafting a defense strategy that provides guidance to
10 policymakers on how to most effectively confront the
11 aforementioned challenges, and I would add challenges that
12 are emerging through artificial intelligence, autonomous
13 vehicles, and cyber innovations, is not a simple task.

14 In fact, during the fall of 2015 when this committee
15 held a series of hearings to evaluate potential revisions to
16 the Goldwater-Nichols Act, one of the predominant themes was
17 that the department suffered from a tyranny of consensus
18 when crafting defense strategy. In other words, too often,
19 the department is consumed by the need to foster agreement
20 among all interested parties regarding strategic policy
21 goals rather than focusing on the most critical and pressing
22 threats facing our country, along with the strategies
23 necessary to thwart those threats.

24 While consensus should not be discounted, crafting a
25 strategy that focuses on the lowest common denominator often

1 means difficult strategic choices and alternative policy
2 decisions are deferred.

3 To address this imbalance, this committee carefully
4 reviewed how the department crafts and generates strategy
5 documents. The fiscal year 2017 National Defense
6 Authorization Act included a provision mandating a new
7 National Defense Strategy intended to address the highest
8 priority missions of the department, the enduring threats
9 facing our country and our allies, and the strategies that
10 the department will employ in order to address those
11 threats.

12 The committee understands that the department is
13 working diligently to finalize the National Defense Strategy
14 by early 2018. To help inform the department's mission, I
15 hope our witnesses today will give their assessment of the
16 threats facing our country; the anticipated force posture
17 required to address those threats; the challenges
18 confronting military readiness and modernization; and,
19 finally, the investments necessary for the U.S. to retain
20 overmatch capability against near-peer competitors.

21 Finally, I believe the effectiveness of the National
22 Defense Strategy may be adversely impacted by circumstances
23 outside the control of senior civilian and military
24 leadership within the Department of Defense. While it does
25 not fall within the purview of this committee, I am deeply

1 concerned about the Department of State and the health of
2 our Foreign Service. Robust international alliances are
3 critical to keeping our country safe.

4 That requires a diplomatic corps ready and able to
5 coordinate closely with allies and partners. It is also
6 critical that they have the tools necessary to help partner
7 nations proactively across political and social challenges
8 that give rise to conflict and extremism. Rather than
9 prioritize the State Department's mission, the current
10 administration has sought draconian budget cuts that have
11 devastated morale and created a mass exodus of seasoned
12 diplomats.

13 Let me be clear. Weakening the State Department makes
14 the Defense Department's mission that much more difficult.
15 This should be a concern for every member of the committee.

16 In addition, the President has consistently shown a
17 fondness for foreign leaders who have been dismissive of
18 core American values like human rights and the rule of law.
19 At the same time, the President has discounted the
20 importance of longtime allies and the global order the
21 United States helped establish following World War II. As I
22 have stated previously, such actions tend to isolate the
23 United States and weaken our influence in the world,
24 ultimately leading to uncertainty and risk of
25 miscalculation.

1 Therefore, I would be interested in the views of our
2 witnesses on these issues, as well as the current
3 interagency process for developing national security policy.

4 Thank you very much, Mr. Chairman.

5 Chairman McCain: Thank you.

6 We will begin with you, Ms. Eaglen.

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1 STATEMENT OF MACKENZIE EAGLEN, RESIDENT FELLOW OF THE
2 MARILYN WARE CENTER FOR SECURITY STUDIES, THE AMERICAN
3 ENTERPRISE INSTITUTE

4 Ms. Eaglen: Thank you, Chairman McCain, Ranking
5 member.

6 Chairman McCain: Not with those jerks on your right.

7 [Laughter.]

8 Ms. Eaglen: Thanks for the chance to be here this
9 morning and to talk about the crisis of confidence in
10 defense strategy-making.

11 We can point to both parties, both administrations,
12 both branches of government, as you already outlined this
13 morning, Mr. Chairman, in your remarks. But the outcome
14 today is that we have a problem, and this is the last best
15 chance to fix it.

16 So as the Pentagon has been slowly dialing down
17 strategy over the years and dialing up strategic risk, the
18 pace of operational tempo has remained largely the same, and
19 there is a disconnect between the reality as it is in the
20 world and what U.S. forces are told that they should be
21 doing on paper.

22 Chairman McCain: Can you give us an example of that
23 disconnect?

24 Ms. Eaglen: Sure, Mr. Chairman. So, for example, in
25 the last administration, at the tail end, there was

1 strategic guidance that U.S. military commitments in the
2 Middle East would significantly lessen. And the
3 administration spent the last 3 years focused, frankly, on
4 mostly fights in the Middle East, in Syria and Iraq and
5 elsewhere. But it is not limited to the last administration
6 either, I should say, this challenge.

7 The truth is that the reality as it is, Mr. Chairman,
8 is as you have outlined, both of you, the committee as a
9 whole, in this year's NDAA. It is that the Pentagon
10 planning and the force posture around the world is one of
11 three theaters. It is not about X wars or X-plus-one or
12 one-plus-some-other-number. But the truth is that the U.S.
13 military focus and emphasis is going to remain constant in
14 Europe, the Middle East, and Asia. And that is not going to
15 change in the foreseeable future.

16 Chairman McCain: In the last year, would you say
17 things have improved or deteriorated?

18 Ms. Eaglen: Around the world?

19 Chairman McCain: Especially the Middle East.

20 Ms. Eaglen: I would say they have deteriorated. And
21 the challenge here, of course, is that we still have this
22 gap in strategy. It is okay, because it is the first year
23 of an administration, and so they are getting their bearings
24 and crafting it.

25 I think we will see more continuity than change, and a

1 more muscular status quo in the defense strategy. But that
2 is what concerns me, because we have a combination of a
3 deteriorating security situation and increased difficulty in
4 our ability to deal with it here in Washington, both at the
5 Pentagon and up here on Capitol Hill.

6 Chairman McCain: You saw the announcement that we were
7 going to stop arming the Kurds?

8 Ms. Eaglen: Yes.

9 Chairman McCain: What is that all about?

10 Ms. Eaglen: I do not know, Senator. I wish I was in
11 the mind of the administration on that question. It seems
12 like it warrants more public debate up here on Capitol Hill,
13 for certain, as a key ally.

14 Chairman McCain: Thank you. We can save time for
15 question-and-answer, but what do you think the impact of
16 that is on the Kurds?

17 Ms. Eaglen: Well, I think there are a variety of
18 impacts that could happen here that are all worrisome, all
19 troublesome. The first is, of course, who they will make
20 their bets with, who they will get in bed with that is not
21 the United States or our key allies.

22 And so if they need to hedge their bets or cut their
23 losses, that is not in the favor of the interests that we
24 are looking for in the region. That is number one.

25 Number two is our credibility. We saw this with the

1 redline, but we have seen it in other presidential
2 decisions, again, spanning both parties. When we say we are
3 going to do one thing and we turn around and do something
4 different, we lose credibility. And when we lose
5 credibility, we cannot call upon our friends and allies to
6 help us when the next crisis happens. I think it feeds into
7 the narrative in the region that Russia and Iran are gaining
8 power and the U.S. is losing it.

9 Chairman McCain: And the impact psychologically of 305
10 Egyptians getting killed in one raid?

11 Ms. Eaglen: It is really devastating. I think that,
12 in terms of Pentagon planning, this is one of the key
13 challenges. It is the balance between these ongoing,
14 metastasizing terror threats and all the other challenges
15 that they have to face, and putting what emphasis where, how
16 much to push down on the pedal or not, regarding
17 counterterror efforts.

18 [The prepared statement of Ms. Eaglen follows:]

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1 Chairman McCain: Thank you.

2 If you will allow me to interrupt, since a quorum is
3 now present, I ask the committee to consider the nominations
4 of John Rood to be Under Secretary of Defense for Policy,
5 Randall Schriver to be Assistant Secretary of Defense for
6 Asian and Pacific Affairs, and a list of 275 pending
7 military nominations.

8 All these nominations have been before the committee
9 the required length of time.

10 Is there a motion to favorably report these two
11 civilian nominations and list?

12 Senator Reed: So moved.

13 Chairman McCain: Is there a second?

14 All in favor, say aye.

15 [Chorus of ayes.]

16 Chairman McCain: The motion carries.

17 Dr. Karlin, you are up.

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1 STATEMENT OF MARA E. KARLIN, PH.D., ASSOCIATE
2 PROFESSOR OF THE PRACTICE OF STRATEGIC STUDIES, JOHNS
3 HOPKINS SCHOOL OF ADVANCED INTERNATIONAL STUDIES

4 Dr. Karlin: Thank you, sir. Thank you, Chairman
5 McCain and Ranking Member Reed and members of the committee.
6 It is a real opportunity to appear before you today to
7 discuss the National Defense Strategy.

8 I have three points to make that cover the 2018
9 National Defense Strategy, how the committee can shape
10 future strategies, and reconciling the last 15-plus years of
11 war.

12 The 2018 National Defense Strategy should prioritize
13 preparing the future force for conflict with China and
14 Russia while limiting the stressors of countering violent
15 nonstate actors. To be sure, the U.S. military must be able
16 to credibly confront challenges across the spectrum of
17 conflict, including nuclear, high-end conventional, gray
18 zone, and counterterrorism.

19 While the U.S. military remains preeminent, the
20 imbalance is worsening. China and Russia are making it
21 harder for the U.S. to project power.

22 Our military generally operates under two principles:
23 fighting away games and maintaining unfair advantages. Both
24 are growing harder.

25 Steps like enhancing forward posture in Asia and Europe

1 will have real operational benefits, as will investments in
2 undersea; long-range strike; combat Air Force, particularly
3 modernizing fourth-generation aircraft and balancing the
4 portfolio more broadly; Counter Unmanned Autonomous Systems;
5 short-range air defenses; and munitions.

6 The U.S. military must lean forward to exploit the
7 benefits of emerging technologies, particularly artificial
8 intelligence and autonomy, but it must do so consonant with
9 the American way of war. Technology is changing how the
10 U.S. military fights, but not why it fights nor what it
11 fights for.

12 As you read the next NDS, I urge you to consider the
13 following. Everybody, every service, every combatant
14 command cannot be a winner, and a classified strategy should
15 be clear about that tally.

16 The committee and those of us involved in defense
17 strategy and budgeting in recent years know sequestration's
18 pernicious damage. We have a special responsibility to
19 ensure it is not a partisan issue, but instead a bipartisan
20 effort.

21 Second, the committee can shape future national defense
22 strategies in a few important ways regarding coherence,
23 assessment, and roles and missions. Changing the name of
24 the Quadrennial Defense Review to the National Defense
25 Strategy was a crucial first step for coherence. It will

1 mitigate the cacophony of guidance, which resulted in
2 confusion over strategic direction.

3 As a next step, the committee should consider codifying
4 a vision of the department's hierarchy of strategic guidance
5 documents, which includes a singular, overarching strategy
6 broken into classified documents for force development and
7 force employment.

8 Legislating an annual assessment of the defense
9 strategy was a critical step for this committee. Strategies
10 will always be flawed. Recognizing in which ways they
11 require adjustment is essential.

12 As a next step, the committee should consider codifying
13 who is involved in the assessment and how it is conducted to
14 ensure a broad, deep, and meaningful review.

15 The committee has, in its laudable exploration of
16 Goldwater-Nichols, begun an important conversation about
17 roles and missions. Broadening the chairman of the Joint
18 Chiefs' role to become a global integrator, and striking the
19 right balance between Defense Department, civilians, and
20 military leaders in producing and implementing strategy, can
21 have profound consequences for mil-mil and civil-mil
22 relations.

23 These issues require serious debate, consideration, and
24 active congressional involvement.

25 Finally, as the committee looks to the future, I urge

1 you to consider the recent past. Simply put, we all must
2 reconcile the inheritance of the last 15-plus years of war.
3 The opportunity costs are profound. They include a force
4 whose predominant experience has been countering terrorists
5 and insurgents; frayed equipment; a readiness crisis; a bias
6 for ground forces; muddled accountability; a disinterested
7 American public; a nadir of civil-military relations; and,
8 above all, neuralgia over the conflicts' loss of blood,
9 treasure, and inconclusive results.

10 I fear that all of our successors will look askance if
11 we do not meaningfully examine this inheritance.

12 Thank you.

13 [The prepared statement of Dr. Karlin follows:]

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1 Chairman McCain: Thank you.
2 General?
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1 STATEMENT OF LIEUTENANT GENERAL THOMAS W. SPOEHR, U.S.
2 ARMY, RET., DIRECTOR OF THE CENTER FOR NATIONAL DEFENSE,
3 HERITAGE FOUNDATION

4 General Spoehr: Good morning, Mr. Chairman, Ranking
5 Member Reed, distinguished members of the committee. Thank
6 you for the opportunity.

7 So, is the Pentagon on the cusp of producing a real
8 defense strategy, or will the forthcoming National Defense
9 Strategy be attractive, but no more than another coffee
10 table book to put in your office?

11 A real defense strategy --

12 Chairman McCain: How does it look?

13 General Spoehr: Based on history, sir, it is not
14 looking good. I am optimistic about the current leadership,
15 and so I would like to remain optimistic at this point.

16 A real defense strategy will provide clear priorities,
17 identify America's competitive advantages and how to
18 capitalize them, and how to deal with the world and the
19 enemies it offers as it is.

20 Since the 2014 Russian invasion of Ukraine and the
21 Chinese militarization of islands in the South China Sea
22 starting in 2015, America has been operating without a real
23 defense strategy, thus the need for a new defense strategy
24 could not be more acute. But previous efforts have had
25 decidedly mixed results.

1 So what would contribute to the creation of a seminal
2 defense strategy that would guide our efforts for years to
3 come? Above all else, the strategy must lay out clear
4 choices. Strategies that articulate that we are going to do
5 this and not do that. U.S. defense strategies often fail by
6 endeavoring to be completely inclusive of all parties and
7 valuing their contributions equally.

8 Assuming the Congress succeeds in appropriating
9 additional, desperately needed defense funding in 2018 and
10 beyond, the Pentagon will still not be able to afford
11 everything on its vast wish list, as they must contend with
12 crushing needs for facility repairs and maintenance
13 backlogs. Some capabilities, some organizations, and some
14 elements of infrastructure are not as important as others,
15 and a strategy should not pull back from identifying those.

16 Turning to the contents of the strategy, as a prisoner
17 of my education at the Army War College, we like to talk
18 about strategy in terms of ends, ways, and means, so I will
19 briefly lay out some thoughts on those.

20 First, the ends, or the objectives. The strategy
21 should flow from a clear and understandable goal that the
22 military needs to be ready and able to defend America's
23 interests with decisive and overwhelming military strength.

24 The only logical and easily understood strategic
25 construct for the United States is to maintain the

1 capability to engage and win decisively in two major
2 regional contingencies near simultaneously. And the basis
3 for that construct is, fundamentally, deterrence. If the
4 adversaries know that America can engage in two major fights
5 with confidence, they will be less inclined to take
6 advantage of a United States committed elsewhere.

7 And now I would like to look at the ways, or the
8 actions the strategy should describe.

9 First, the strategy should call for more forward
10 presence for U.S. forces. The end of the Cold War led to
11 massive reductions in forward presence, but forward-
12 stationed forces demonstrate a resolve that no other action
13 can make.

14 Second within the ways, the strategy should not propose
15 approaches that contradict the very fundamental nature of
16 war. The Obama administration attempted this when they
17 wishfully prescribed in the 2014 Quadrennial Defense Review
18 that our forces will no longer be sized to conduct large-
19 scale, prolonged stability operations. U.S. history not
20 confined to Iraq and Afghanistan reflects that wars have a
21 way of drawing American forces into prolonged stability
22 operations.

23 Simply put, it is foolhardy not to prepare and size our
24 forces for a type of operation which history tells us
25 American Presidents have repeatedly seen fit to engage the

1 military, even when it is not specifically prepared for it.

2 Third, to support the objective to counter terrorist
3 and violent extremist threats in the Middle East and
4 elsewhere, America should maintain certain lower end
5 capabilities, such as non-fifth-generation attack aircraft
6 and advise-and-assist capabilities, such as the Army's new
7 Security Force Assistance Brigades, which can allow us to
8 conduct these operations at a much lower overall cost.

9 And then finally within the ways, you should be able to
10 see the key competitive advantages that the United States
11 brings to win. America's unmatched ability to fight as a
12 joint team probably would rank as one of those. A well-
13 nourished network of alliances and partners would be
14 another. I, personally, hope not to see artificial
15 intelligence, swarms of mini-drones, robots, railguns, and
16 directed energy weapons proposed as the keys to our
17 military's future success. That has become very fashionable
18 in Washington, D.C., but these advantages are transitory,
19 and they cannot be relied upon to provide a long-term,
20 enduring advantage to the United States.

21 So I have talked about the ends and the ways. I would
22 like to close with the means, or the resources, if you will.
23 And nothing will doom a strategy quicker than an imbalance
24 between the ends, ways, and the means. And that is exactly
25 where we find ourselves today, with the smallest military we

1 have ever had in 75 years, equipped with rapidly aging
2 weapons, and employed at a very high operational pace,
3 endeavoring to satisfy undiminished global defense
4 requirements.

5 Tragically, due to overuse, underfunding, and
6 inattention, American military capabilities have now
7 markedly deteriorated to a dangerously low level.

8 For example, the Air Force is now short over 1,000
9 fighter pilots. Part of the reason for that crisis is
10 dissatisfaction, stemming from the fact that fighter pilots
11 now fly less sorties per week than they did during the
12 hollow years of the Carter administration.

13 I draw your attention to the chart that should be
14 attached to my testimony. It shows the aircraft sorties per
15 month between now and the Carter administration. And recent
16 pilot interviews with over 50 current fighter pilots confirm
17 this trend continues to today.

18 Recent tragic ship mishaps -- why they are not flying
19 more, sir?

20 Chairman McCain: Why they are not happy.

21 General Spoehr: Most of the reason is they are not
22 doing the job they signed up to do. They came in to fly.
23 They love to fly. And now they are being told they will
24 fly, but two times a week. And the rest of the week is
25 taken up with administrative duties, like the safety officer

1 or the morale officer for their squadron. And that is not
2 what they want to do.

3 Chairman McCain: So the answer is not money. It is
4 ability to fly.

5 General Spoehr: You are right, sir. But, of course,
6 in some cases, money helps the ability to fly.

7 Chairman McCain: Thank you.

8 General Spoehr: Yes, sir.

9 Recent ship collisions, aircraft mishaps, submarine
10 maintenance backlogs, and an anemic Army modernization
11 program all reflect the results of what happens when a
12 military tries to accomplish global objectives with only a
13 fraction of the necessary resources.

14 Unfortunately, there are no shortcuts to rebuild the
15 military. It took us years to get in this position, and it
16 is going to take us years to get out of it.

17 I draw your attention to a second handout I provided,
18 which reflects Heritage research on the number of forces
19 needed to deal with two major regional contingencies
20 compared to how the military stands today. You will note,
21 although Heritage assesses that the Army needs 50 active
22 brigade combat teams, they only have 31. And of those 31,
23 only 10 are ready. And out of those 10, only 3 are ready to
24 fight tonight. That is a serious problem. It reflects a
25 significant risk to America and its interests.

1 My most important point that I would like to stress is
2 the strategy should be budget-informed and not budget-
3 constrained. And there is a big difference.

4 The strategy should take a realistic look at the
5 national security threats facing the country and propose
6 realistic solutions to those threats. And while
7 acknowledging that the U.S. cannot dedicate an infinite
8 amount of resources to national defense, the strategy should
9 not fall victim to accepting the views of the Office of
10 Management and Budget or others as to what can or should be
11 spent on national defense.

12 Already, some advance the notion that because of
13 structural economic problems, the United States is unable to
14 spend more on defense even though spending on the Armed
15 Forces stands at a historic low percentage of the gross
16 domestic product, 3.3 percent, and a historic low percentage
17 of the Federal budget at 16 percent.

18 How many times, ladies and gentlemen, have you heard
19 that the United States spends more than the next six or
20 eight countries combined? Such arguments, however, fall
21 apart very quickly upon examination. No other country in
22 the world needs to accomplish as much as we do with our
23 military. And second, a huge amount of the difference in
24 defense spending can be traced down to purchasing power
25 parity and other economic factors, such as it only costs

1 China about \$300 million to build a ship that in the United
2 States costs over \$1.5 billion.

3 Notwithstanding those facts, national interests and
4 objectives must always drive America's military requirements
5 and not cold financial calculations.

6 In summary, there is room for optimism about the
7 opportunity the new defense strategy affords.
8 Authoritatively defining how the U.S. military will protect
9 America's interests and methods to be used is something that
10 has not been done in recent memory. Done correctly, it has
11 a great chance of having put the ends, ways, and means of
12 our strategy back in balance.

13 Thank you, sir.

14 [The prepared statement of General Spoehr follows:]

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1 Chairman McCain: Thank you.
2 Mr. Ochmanek?
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1 STATEMENT OF DAVID A. OCHMANEK, SENIOR DEFENSE
2 RESEARCH ANALYST, RAND CORPORATION

3 Mr. Ochmanek: Thank you, Mr. Chairman, Ranking Member
4 Reed. I appreciate the opportunity to share with you
5 insights about what my colleagues and I at RAND have been
6 learning from our analyses and gaming.

7 DOD's development of a new defense strategy is an
8 opportunity to reverse adverse trends in the national
9 security environment and to develop a plan of action to
10 reverse them. But even a perfectly formulated strategy and
11 plan will do little to ameliorate our problems unless the
12 department is given more resources soon and on a sustained
13 and predictable basis.

14 Put simply, our forces today, and for some time, have
15 been given too little money with which to prepare for the
16 missions assigned to them.

17 You were all here when Chairman Dempsey 4 years ago
18 testified on his views of the Quadrennial Defense Review
19 from 2014. This is what he said: In the next 10 years, I
20 expect the risk of interstate conflict in East Asia to rise,
21 the vulnerability of our platforms and basing to increase,
22 our technology to erode, instability to persist in the
23 Middle East, and threats posed by violent extremist
24 organizations to endure.

25 That was not a very optimistic view of the future, but

1 that was in January of 2014, before Russia had invaded
2 Ukraine, before ISIS had overrun large parts of Syria and
3 Iraq, and before it was decided that we were going to leave
4 large contingents of U.S. combat forces in Afghanistan.

5 So we were on the ragged edge in January 2014. The
6 security environment has deteriorated since then. And yet
7 our resources are still constrained by the Budget Control
8 Act of 2011.

9 It should come as no surprise that, again and again,
10 when we run war games against China and Russia, U.S. forces
11 lack the capabilities they need to win. And that is where
12 we are today.

13 Chairman McCain: And the gap is widening.

14 Mr. Ochmanek: The gap is widening, without question.

15 Your invitation letter to this hearing asked us to
16 provide views on the new force-planning construct. That is
17 easily done.

18 Top priority should be given to ensuring that U.S.
19 forces have the capability to defeat any single adversary,
20 including Russia and China. That probably sounds obvious,
21 but it is not actually what we are doing today. We do not
22 set that as a priority.

23 As resources permit, we should also have the capacity
24 to defeat a second adversary elsewhere. But pretending that
25 you can spread the peanut butter across all of these

1 challenges and have an adequately modernized force for the
2 future is, as we have seen, an illusion.

3 Again, the hard part, and the part that in the end will
4 determine the success or failure of our defense strategy and
5 program, will be generating the money needed to build a
6 force that can meet these requirements, and then applying
7 those resources in ways that do the most to move the needle
8 against our most capable adversaries.

9 The challenges that our adversaries pose are serious,
10 but they are not intractable. Just as our gaming shows that
11 we lack important capabilities with the programmed force, it
12 also shows that we have real opportunities to change that,
13 not through investments in highly exotic things like
14 artificial intelligence and robots, but here-and-now weapons
15 that are either available for purchase or very far along in
16 the development process. Let me give you some examples.

17 So to counter the anti-access/area denial threat, our
18 forces really need to be able to do two things. One, from
19 the outset of a war, reach into these contested land,
20 maritime, and air areas and kill things. Right? Kill the
21 amphibious fleet that could be invading Taiwan or the 30
22 battalion tactical groups that could be coming from Russia
23 into the Baltic States.

24 And we have options to do that. The Long-Range Anti-
25 Ship Missile is one. Guided anti-armor weapons like the

1 Sensor Fuzed Weapon, which existed 20 years ago but we are
2 only buying in very small numbers, is another way to, again,
3 move that needle.

4 Two, we need to strengthen our military posture in key
5 theaters. I agree with what the general said. You cannot
6 fight Russia and China with a purely expeditionary posture.
7 You need more combat power for it, particularly heavy
8 armored forces on NATO's eastern flank, but also stocks of
9 advanced munitions, mature command-and-control and
10 communications infrastructures, and more survivable bases.

11 Our bases could be subject to attack by hundreds of
12 accurate ballistic and cruise missiles. We have techniques
13 and investment priorities to address those threats, but we
14 have not had the resources to actually put them into the
15 field.

16 Number three is improve capabilities to rapidly
17 suppress and destroy the enemy's air defenses. No one wants
18 to fight in a battlefield where you do not have air
19 superiority. Our forces in our games against Russia and
20 China do not have that in the opening phases of these wars,
21 and we need to reinvest in ways to kill the most
22 sophisticated surface-to-air missiles, things we lack today.

23 Finally, our forces have to be equipped and trained to
24 enable them to win the fight for information superiority.
25 China and Russia are investing heavily in capabilities that

1 can improve their understanding of the dynamic battlespace
2 and to deny us that understanding. Our forces have to have
3 more survivable sensor platforms, communication links, cyber
4 defenses, and cyber offensive systems.

5 Again, plenty of options exist for meeting these needs.
6 It is a question of investment.

7 The good news is that, for the most part, the additions
8 to the defense program that are called for are not major
9 platforms or new force structures, and they are not exotic,
10 futuristic Third Offset technologies.

11 The greatest leverage comes from things like advanced
12 munitions; more robust enablers, such as ISR systems and
13 communication links; posture, which is about where we place
14 our assets and how survivable our base infrastructures are.
15 And these sorts of things tend to cost a lot less than major
16 platforms and increases in force structure.

17 To close, I believe we have it within our means,
18 technically, operationally, and financially, to field forces
19 that are capable of confronting even our most capable
20 adversaries with the prospect of defeat, if they choose
21 aggression. This is the gold standard of deterrence, and it
22 is the standard to which we should aspire.

23 Thank you for the opportunity to testify and I look
24 forward to answering your questions.

25 [The prepared statement of Mr. Ochmanek follows:]

1 Chairman McCain: Thank you.

2 Dr. Mahnken?

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1 STATEMENT OF THOMAS G. MAHNKEN, PH.D., PRESIDENT AND
2 CHIEF EXECUTIVE OFFICER, CENTER FOR STRATEGIC BUDGETARY
3 ASSESSMENTS

4 Dr. Mahnken: Chairman McCain, Ranking Member Reed,
5 distinguished members of the committee, thank you for the
6 invitation to appear before you today to discuss the
7 National Defense Strategy.

8 The National Defense Strategy can serve as a powerful
9 tool to focus and organize the Department of Defense to
10 ensure that the United States maintains and bolsters its
11 competitive advantages in an increasingly challenging
12 environment. And in the brief time I have, I would like to
13 touch on six topics that the NDS should address and then
14 conclude with one topic that undergirds them all.

15 First, the NDS should address the threats and
16 challenges the United States faces and determine the
17 priority for addressing them.

18 As has previously been mentioned, we find ourselves
19 today, once again, in a period of great-power competition
20 with an increasing possibility of great-power war. It is
21 the most consequential threat that we face, and failure to
22 deter, failure to prepare adequately for it, would have dire
23 consequences for the United States, our allies, and global
24 order. Because of that, I believe that preparing for great-
25 power competition and conflict should have the highest

1 priority.

2 At the same time, we face increasingly capable regional
3 foes, to include North Korea and Iran. So while great-power
4 competition and conflict should have the highest place, we
5 also need to stress test our forces against these regional
6 threats.

7 And finally, now and for the foreseeable future, we
8 will need to wage a global counterinsurgency campaign
9 against jihadist terrorist groups. We need to acknowledge
10 that reality and plan accordingly.

11 Second, the NDS should provide both a global and a
12 regional look at U.S. defense strategy and set priorities
13 there.

14 The reality is that the United States is a global power
15 with interests that span the world. Moreover, we face
16 competitors who are active not only in their backyards, in
17 their home regions, but also far beyond them. China is
18 building up its military not only in the Western Pacific but
19 also is active in the Middle East and Africa. Russia is not
20 only using force in Ukraine but also in Syria.

21 That having been said, not all regions carry the same
22 strategic weight.

23 Asia's strategic weight continues to grow, and it is
24 increasingly the locus of economic, military, and political
25 activity for the world. In my view, it is the most

1 consequential region.

2 Europe is also extremely important. Its strategic
3 salience has grown as threats to it and to American
4 interests there have increased.

5 And the United States cannot afford to ignore the
6 Middle East, however much some may want to. History shows
7 vividly that failure to address terrorism and instability
8 far from our shores will eventually lead to those very same
9 problems being visited on us at home.

10 Third, the NDS should provide focus on spending
11 priorities, on readiness, force size, and modernization.
12 The readiness deficiencies of the U.S. Armed Forces are on
13 stark display on an all too regular basis, and Secretary of
14 Defense Mattis justifiably made improving readiness his
15 first priority.

16 However, it has also become obvious that the Navy and
17 the Air Force are smaller than is prudent in an increasingly
18 competitive environment. And our forces, as has previously
19 been noted, are also in dire need of modernization after a
20 long hiatus.

21 While the United States was focused on defeating
22 insurgents in Iraq and Afghanistan, Russia and China were
23 focused on acquiring capabilities to defeat us. As a
24 result, we find ourselves a step behind in a number of key
25 warfighting areas. And I would agree with what Dave

1 Ochmanek said just before me.

2 Fourth, the NDS should balance the need to fight and
3 win wars with the need to deter and compete in peacetime.
4 We must prepare for both the reality of great-power
5 competition and the increasing possibility of great-power
6 war.

7 One manifestation of the former is the development and
8 refinement by China and Russia of approaches to compete with
9 us below the threshold that they calculate will draw a major
10 U.S. response. We need to develop strategies to compete and
11 win in peacetime. Just as our competitors are using many
12 tools to do so, to include political warfare, information,
13 economic incentives, and so forth, so do we have many
14 available to us. What has all too often been lacking on our
15 side, however, has been the political will to use them, to
16 incur risk, to demonstrate our resolve, and, thus, to deter.

17 Fifth, the NDS should speak to how the United States
18 can work more effectively with our allies. Our allies
19 represent a long-term competitive advantage for the United
20 States. We need to devise ways to work more closely with
21 them, to develop and share capabilities more effectively
22 with them, and to increase interoperability.

23 Sixth, the NDS should put forward a force plan and
24 construct to guide and shape the size of U.S. forces. And
25 here, I would commend to you CSBA's recent Force Planning

1 for the Era of Great Power Competition, which explores the
2 topic in depth.

3 But in my view, the force-planning construct should
4 focus on the need to both compete in peacetime with great
5 powers but also to fight and win a great-power war, if only
6 to bolster deterrence. The United States should also be
7 able to do these things while deterring or fighting a
8 regional foe. And the force-planning construct should
9 acknowledge the reality that the United States will be
10 engaged in a global counterinsurgency campaign for the
11 foreseeable future.

12 One of the keys to doing these things is likely to be
13 innovative operational concepts and capabilities, and here,
14 there is room for considerable creative thought and action.

15 Now, I have outlined six considerations for the NDS,
16 and the answers that the NDS provides to these six questions
17 will help answer one that is much greater and far more
18 consequential. And that is this: What role will the United
19 States play in coming decades? Will we continue to lead and
20 defend the international order, an order that has benefited
21 us greatly? Or will we retreat into a diminished role?
22 Will we compete? Or will we sit on the sidelines as states
23 who seek to reshape the world to their benefit and to our
24 detriment take the field?

25 And if we answer in the affirmative, then we need to

1 acknowledge the magnitude of the task ahead. It will take
2 time. It will take resources. And it will take political
3 will.

4 I, for one, hope the answer is in the affirmative and
5 that we muster what is needed for the competition that lies
6 ahead of us.

7 Thank you, and I await your questions.

8 [The prepared statement of Dr. Mahnken follows:]

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1 Chairman McCain: Thank you, Doctor. This has been
2 very helpful to the committee, and I think we can discuss it
3 in light of the events of the last couple days, and I am
4 talking about North Korea's missile launch.

5 I know of no expert who believed that it would happen
6 this quickly and this high.

7 So we will begin with you, Ms. Eaglen.

8 Ms. Eaglen: So I think from the testimony here this
9 morning, there is a consensus that, actually, everyone up
10 here and on the committee actually knows what the Defense
11 Department needs to do. It is only if they will do it,
12 whether or not they will answer the questions honestly that
13 we have outlined.

14 Of course, that includes North Korea, one of the big
15 five challenges, as coined by the last administration and
16 endorsed by this one, which includes North Korea.

17 Chairman McCain: Wouldn't you agree this is the first
18 time that there is a capability of hitting the United States
19 of America?

20 Ms. Eaglen: I would agree. I think the Air Force a
21 couple years ago may have been the only service that
22 predicted something along this timeline in classified
23 reports.

24 But it has clearly shown its capability. As you
25 mentioned, Mr. Chairman, the trajectory, in particular, is

1 what is important. And it is a wakeup call to remind the
2 American people and Congress, again, what we already know.

3 Every time we think it is going to take longer than it
4 does, it usually happens faster and more quickly.

5 So what can we do about it now? Some of the solutions
6 that we have talked about up here already, about basing and
7 posture and infrastructure, more missile defense in the
8 region, other recommendations in detail are also in my
9 testimony.

10 But the core assumption that things will take longer,
11 that others will mature slower than we hope because that is
12 what is in our plan and in our strategy, should be thrown
13 out the window.

14 Chairman McCain: So if you and I had been having this
15 discussion 2 years ago, you would not have predicted this?

16 Ms. Eaglen: I would say our track record as a country,
17 as a Defense Department, and as an intelligence community is
18 dismal in predicting what will happen and how quickly, not
19 just the occurrence of events like Arab Spring, which was
20 completely not predicted at all, but also the timeline of
21 capability development by enemies and potential foes.

22 We have been wrong almost every single time, and it is
23 usually because it has been faster than we have predicted.

24 Chairman McCain: Dr. Karlin?

25 Dr. Karlin: Unfortunately, our options vis-a-vis North

1 Korea are terrible, and anyone who tells you differently is
2 a foolish optimist.

3 So what we need to do in the near term is we need to
4 rebuild our defenses, we need to --

5 Chairman McCain: You are talking about antimissile
6 capabilities?

7 Dr. Karlin: Writ large, absolutely, anti-missile
8 capabilities. We need to rebuild our readiness. We need to
9 improve our base posture, but also our resilience and
10 dispersal across Asia. Because if there is a conflict, we
11 will see U.S. bases in places like Guam, in places like
12 South Korea, and in places like Japan under heavy, heavy
13 fire. And we need to do all we can to get close to our
14 allies like Japan and South Korea.

15 Chairman McCain: And I know you have seen the RAND
16 study that shows closure between their capabilities and
17 ours. That is of concern?

18 Dr. Karlin: Absolutely.

19 We need to find a way to minimize the toll that the
20 Middle East chaos will continue to take on our force. It is
21 sucking away readiness. It is prioritizing capacity over
22 meaningful capability. And it is also not going away.

23 Chairman McCain: And we are asking our servicemembers
24 to work 100-hour workweeks.

25 General?

1 General Spoehr: Exactly right. I think 100 is
2 probably a low estimate for some of them, sir.

3 But I would concur with the panelists here. We need to
4 increase, as this committee and the House did, missile
5 defense, global midcourse defense interceptors in Alaska and
6 California, Aegis destroyers and cruisers.

7 We need to ensure that our stocks of precision-guided
8 munitions are where they need to be, in case we do have to
9 do one of those options, which would be unthinkable. But we
10 need to make sure we have enough JDAMs and small-diameter
11 bombs to prosecute the war. Today, I am not entirely
12 certain that we have that.

13 And we just need to ensure the fundamental readiness of
14 our Armed Forces. We need to make sure that our forces are
15 ready, if the President calls on them, to do what needs to
16 be done, sir.

17 Chairman McCain: And one of the aspects of this that
18 is so frustrating to us is that, as predicted, the workweeks
19 are longer, the readiness suffers, the availability of
20 aircraft suffers, because that is the easy part. And to ask
21 any servicemember to work a 100-hour workweek is sooner or
22 later going to have a significant effect on retention.

23 General Spoehr: And recruiting as well, sir, I would
24 add. It is a tough year, I think, for the Army and other
25 services for recruiting. And if people see what we are

1 asking of our servicemembers, I think they will be less
2 likely to join our service.

3 Chairman McCain: Thank you.

4 Mr. Ochmanek: Sir, without doubt, an ICBM capability
5 in the hands of the likes of Kim Jong Un is a big deal. But
6 the capability to hold at risk U.S. forces, allied forces,
7 and the populations of our allies in South Korea and Japan
8 with a nuclear weapon already was a game-changer in that
9 scenario. And it drives us to --

10 Chairman McCain: Were you surprised at the capability
11 that Kim Jong Un has developed?

12 Mr. Ochmanek: No, sir. We started gaming the
13 consequences of a potentially nuclear-armed North Korea in
14 2001. And we learned a lot about the options available to
15 him and the behavior of a leader like that under the stress
16 of conflict. And we are not optimistic about the ability to
17 deter nuclear use once conflict breaks out on the Korean
18 Peninsula.

19 So it drives us to want capabilities to actually
20 prevent him from using those weapons, shooting down the
21 missiles before they leave North Korean airspace, killing
22 them on the ground before they can be launched. And that is
23 going to require some investment and some new capabilities.

24 Chairman McCain: Dr. Mahnken?

25 Dr. Mahnken: Mr. Chairman, the situation with North

1 Korea, to my mind, just is the most recent demonstration of
2 the allure of wishful thinking. So I would agree with David
3 Ochmanek. I mean, it should not be a surprise that North
4 Korea is where it is now. But we have spent decades first
5 imagining that North Korea was just going to collapse on its
6 own, then imagining that they would not be able to master
7 nuclear weapons, then imagining that they would not be able
8 to master the ability to deliver them over longer ranges.

9 And we are where we are, but I think we need to pay
10 attention to this allure, which still exists, of wishful
11 thinking, to imagine a world as we wish it was, not the
12 world as it is.

13 As far as North Korea is concerned, I think we are
14 going to have to be more active in deterring North Korea.
15 We are also going to need to be more active in reassuring
16 our allies. And in the end, that may prove to be the more
17 difficult of the two tasks. And as we go about it --

18 Chairman McCain: After yesterday's news, I would
19 agree.

20 Dr. Mahnken: Yes. No, we need to talk to them very
21 forthrightly about what their concerns are, what would
22 reassure them, and what we can do to help.

23 But all through this, I want to go back to priorities
24 and focus. We shouldn't let ourselves get distracted overly
25 by this. North Korea is a concern. It is a threat. But it

1 is a less consequential threat than the challenges we face
2 from China and from Russia.

3 So my view is, again, we start with the biggest
4 threats, and then we look. We stress test dealing with
5 North Korea and others in that context.

6 Chairman McCain: But you would agree that this test
7 has proven that they can hit the United States of America.

8 Dr. Mahnken: And they will seek to derive every
9 benefit from that. So the talk of negotiations with the
10 North Koreans now is coming more and more onto the table. I
11 could expect all sorts of fallout from that.

12 They are competing with us. And historically, they
13 have done a pretty good job of it. We need to be aware of
14 that.

15 Chairman McCain: I am taking way too much time, but
16 how can a country with 125th largest economy be able to
17 acquire this capability and pose a direct threat to the
18 United States of America?

19 Dr. Mahnken: They are focused, right? Their economy
20 is not focused on the well-being of their people. It is
21 focused on the military.

22 And North Korea has derived a lot of benefits,
23 historically, from being able to threaten its neighbors. It
24 has derived economic benefits, food aid, and so forth. So
25 they have every motivation to continue this type of

1 behavior, because it is paid off for them in the past.

2 Chairman McCain: Jack?

3 Senator Reed: Thank you very much, Mr. Chairman.

4 And thank you all for your very, very thoughtful and
5 insightful comments.

6 One of the issues, I think, that resonates in
7 everything you said is a perennial question in Washington:
8 Do budgets drive strategy, or does strategy drive budgets?
9 Most times, budgets drive strategy. So let's talk about
10 budgets.

11 Dr. Mahnken, stepping back and looking at the
12 unavoidable costs, as I like to call them, we are talking
13 about renovating the triad. We have to do that. It is not
14 an option. We want to build a 355-ship Navy. We have to
15 increase end-strength, because otherwise we are going to
16 have sailors working 100 hours a week and other things like
17 that.

18 What is the cost of that over a 10-year period, in your
19 view?

20 Dr. Mahnken: There are various estimates out there,
21 right? But I think it is going to -- well, there is the
22 cost if we go back to doing business as we should, not
23 ruling by continuing resolution, but actually passing
24 budgets. I would say that the American taxpayer's dollar
25 will actually get substantially more --

1 Senator Reed: I concur, but what is the rough cost?
2 Let's say we get our act together and we do this.

3 Dr. Mahnken: It is going to require a sustained
4 commitment, sustained increases over --

5 Senator Reed: Over a trillion dollars over 10 years?

6 Dr. Mahnken: I would want to take a closer look at it.
7 But the cost is substantial. The cost is substantial.

8 We are digging out of a long period of underinvestment.
9 That is why I concluded the way I did. It will require the
10 political will. It is not an economic issue. It is
11 ultimately an issue of --

12 Senator Reed: I concur with you.

13 Mr. Ochmanek, what is your estimate for these
14 unavoidable costs over a decade?

15 Mr. Ochmanek: Senator Reed, in the Pentagon, planners
16 talked about the capability-capacity-readiness triangle.
17 You have to pay attention to all three of those things. My
18 colleagues and I at RAND have been focused on the capability
19 side, so I cannot talk authoritatively to the bills that
20 need to be paid in readiness and about capacity.

21 But on the capability side, to buy the sorts of
22 preferred munitions, ISR platforms, base resiliency,
23 communications sets, et cetera, we are talking on the order
24 of \$20 to \$30 billion a year above what we are spending now
25 sustained through the 10 years, 12 years --

1 Senator Reed: So, roughly, just for the portion of
2 capabilities you describe, that is \$300 billion, roughly?

3 Mr. Ochmanek: Yes, sir. That order of magnitude.

4 Senator Reed: And then you add readiness, and you add
5 something else. So we are bumping up pretty quickly to
6 around \$1 trillion, perhaps.

7 Mr. Ochmanek: It is conceivable. If you want to buy a
8 bigger force as well as --

9 Senator Reed: Well, I think based on General Spoehr's
10 comments about the readiness issue, recruiting issue,
11 operational issue, I think we need a bigger force.

12 So what is your ballpark figure, General?

13 General Spoehr: It is absolutely over \$1 trillion for
14 the nuclear triad plus to get to the 355-ship Navy, sir.

15 The only thing I would balance that against is the cost
16 to rebuild a city like Kansas City, or something like that,
17 recovering from a nuclear strike.

18 And then I would echo what General Milley often says,
19 and that is that it is a huge cost to fight a war. The only
20 thing more costly than that is to fight and to lose.

21 Senator Reed: So we are talking roughly \$1 trillion to
22 get ready, and even that might not prevent an enemy from
23 inflicting damage upon us.

24 Dr. Karlin, quickly, and Ms. Eaglen.

25 Dr. Karlin: I would agree with my fellow panelists.

1 But I might urge you to question if we do want to build a
2 bigger force in the near term, because of the opportunity
3 costs. A 355-ship Navy would be terrific if it is a 355-
4 ship Navy that can fight and win wars. If it is very
5 capacity-heavy, can only exert presence, and will not be
6 helpful if we have a conflict with China, with Russia, with
7 North Korea, I, perhaps, might not prioritize it in the near
8 term.

9 Senator Reed: Ma'am?

10 Ms. Eaglen: I would agree with the budget
11 assessments and yours, Senator, that it is roughly \$1
12 trillion to restore all three legs of the stool, readiness,
13 capacity, capability. If you have to trim those costs, the
14 most likely one is people.

15 Senator Reed: That was good neighborly advice. We are
16 former neighbors.

17 My rough sense, too, is that if we really are serious
18 about this, and we want strategy to drive our policy, it is
19 about \$1 trillion over 10 years. We cannot avoid it.

20 That is why I find it, let me say, ironic that in the
21 next few days we might contemplate borrowing \$1.5 trillion
22 to provide tax cuts rather than investing -- we have to
23 borrow it; we do not have the money -- \$1 trillion for the
24 defense of the United States. Because after we put
25 ourselves \$1.5 trillion further in the hole, the ability of

1 this country and the willingness of people to go again to
2 the ATM is going to be severely constrained.

3 Thank you, Mr. Chairman.

4 Chairman McCain: Senator Ernst?

5 Senator Ernst: Thank you, Mr. Chair.

6 And thank you to our panelists for being here today.
7 This has been a very enlightening conversation.

8 Mr. Ochmanek, I would like to start with you please,
9 sir. Your focus is military force planning and through a
10 traditional defense lens. Most analysts have viewed Europe
11 as primarily land-centric and the Asia-Pacific as more
12 maritime-centric. However, in recent meetings, I had an
13 Army general that told me about the importance of land
14 forces in Asia, as well as a maritime expert discussing
15 naval deficiencies in Europe.

16 So in light of that, how do we properly posture the
17 joint force in these two regions to make sure that our
18 adversaries are forced to reckon with us as a multidomain
19 force?

20 Mr. Ochmanek: Senator Ernst, I spent the early part of
21 my career in the Air Force. So if I may, I would offer the
22 view that a fight against China is primarily an air-maritime
23 fight; a fight against Russia in defending NATO would be an
24 air-land fight. But, absolutely, there are roles for naval
25 forces in Europe and roles for ground forces in the Pacific.

1 Our priorities for posture are as follows. In Europe,
2 you want more U.S. heavy forces on the ground near the
3 eastern flank of the NATO alliance every day. And we have
4 taken some steps in that regard with our allies to do that,
5 but more is required. Something like three heavy brigades
6 available all the time, as well as artillery in place to
7 counter the Russian land forces, would be very appropriate.

8 In both theaters, Europe and Asia, we need to pay
9 attention to the fact that our air bases and sea bases will
10 be under attack from the outset of the conflict. When we
11 fight Iraq, when we fight Serbia, we are used to having our
12 air bases and rear areas in sanctuary. Russia and China
13 will ensure that that is not the case.

14 So buying cruise missile defenses, for example, should
15 be a high priority for both theaters. Buying fairly prosaic
16 things like runway repair assets; shelters for airplanes
17 that are transportable, they are called expedient shelters;
18 fuel bladders, so that if they attack our fuel tanks, we
19 still have fuel to put in our jets; and positioning
20 preferred munitions forward in hardened storage bunkers.
21 These things, again, are not high-tech, but they can make a
22 big difference in the survivability and effectiveness of our
23 force in conflict.

24 Senator Ernst: Very good. I appreciate that.

25 And going back to that eastern flank in Europe, then, I

1 have had conflicting opinions on whether the rotational
2 force that we have there now is adequate or whether we need
3 to have a more permanent force structure. What would your
4 opinion be?

5 Mr. Ochmanek: Forward-stationing versus rotation is
6 basically a question of efficiency. If you forward-base the
7 force permanently, you only need to pay for that force,
8 although you have to build some infrastructure for it.
9 Rotating the force means having probably two units in
10 reserve to sustain the rotation.

11 So on an efficiency basis, generally, if the politics
12 of the region permit, and in NATO they do, forward-
13 stationing would be more cost-effective.

14 Senator Ernst: Okay. Thank you for that opinion.

15 And then, Mr. Ochmanek, as well, as chair of the
16 Emerging Threats and Capabilities Subcommittee, I have
17 oversight of unconventional warfare, and I am particularly
18 concerned about Russia's activity in the gray zone,
19 especially against Ukraine and other allies in Europe's
20 eastern flank.

21 What is your assessment of the United States' current
22 strategy to counter unconventional warfare and the growing
23 security challenges in the gray zone posed by our
24 adversaries like Russia and perhaps other near-peer
25 competitors?

1 Mr. Ochmanek: Senator, we are doing a lot with our
2 NATO allies to beef up their, if I can call it that,
3 resilience to gray zone and subversion kinds of threats.

4 Our special forces work a lot with the special forces
5 of the three Baltic States, for example. We have created
6 special cyber units to help our allies and partners do a
7 better job of detecting and attributing cyberattacks, and
8 defending against those.

9 There is a lot more that can be done, but I know the
10 department is cognizant of this sort of threat and is
11 working on a variety of ways to counter it.

12 Senator Ernst: Absolutely.

13 And my time is expiring. Thank you very much for being
14 here today.

15 Thank you, Mr. Chair.

16 Chairman McCain: Senator King?

17 Senator King: Thank you, Mr. Chairman.

18 I want to follow up on the point that Senator Reed
19 made.

20 Each of you testified that the cost over and above the
21 current budget to modernize the military and to get us to a
22 place where we should be, and we all agree around this table
23 that we should be, is around \$1 trillion or something over
24 \$1 trillion.

25 The Senator used the word "ironic." I use the word

1 "preposterous" that later today or tomorrow, we are going to
2 pass a bill that is going to take between a minimum of \$1.5
3 trillion and probably more like \$2.2 trillion once the cuts
4 are extended, which everyone knows they will be, out of the
5 budget, which I believe will make it flat impossible to do
6 the work that you are suggesting is necessary for us to do.
7 The implications of what we are doing today or tomorrow to
8 trying to achieve the level of defense of this country that
9 you all have told us is absolutely necessary, it just cannot
10 happen.

11 And so that is not a question. That is an observation.

12 I want to move now to the question. I am somewhat
13 astonished and disappointed that not a single one of you
14 talked about anything other than military hardware.
15 Defending the national security of the United States
16 involves a continuum, it seems to me, that goes from
17 diplomacy to war. War is the most expensive and least
18 desirable of those outcomes.

19 I think of Afghanistan. Our success there will
20 ultimately depend upon the success of the government in
21 Afghanistan to gain the confidence of its people.

22 In Iraq, the relationship between the Government of
23 Iraq and the Kurds and the Sunni population is going to
24 determine whether Iraq, ultimately, is a successful state.

25 North Korea, the solution to North Korea lies through

1 diplomacy with China. I think everyone appreciates and
2 understands that.

3 The reason Iran is not North Korea today is because of
4 the JCPOA that was passed 2 years ago. Otherwise we would
5 be, according to the intelligence services, we would be
6 dealing with an Iran with a nuclear weapon today, about 2
7 years from when we passed that bill.

8 Israel, Palestine, a major flashpoint in terms of
9 conflict in the Middle East, it is all about diplomacy.

10 Don't we have to talk about that as part of a National
11 Defense Strategy? This is the tyranny -- we are the Armed
12 Services Committee, and we have Foreign Affairs, Foreign
13 Relations. But that is part of the strategy. And I am very
14 disappointed that that is not part of the discussion.

15 Dr. Karlin, talk to me about this.

16 And right now, by the way, under the current
17 dispensation, this part of the strategy -- that is,
18 diplomacy -- is being drastically downgraded. Budgets cut
19 at the State Department. We do not have an Ambassador to
20 South Korea, for example, or even a nominee.

21 Dr. Karlin, talk to me about this problem.

22 Dr. Karlin: Sir, unfortunately, you are spot on.

23 When you look at the senior diplomats who have left the
24 State Department in the last year, it is almost equal to
25 about 30 percent of the U.S. general officer or flag officer

1 corps. I suspect if about 30 percent of the general
2 officers or flag officers left, this committee would be
3 having a set of really serious hearings. And,
4 unfortunately, that is not just a today problem. That is a
5 real future problem.

6 I also suspect that if you asked most of us, as much as
7 we want more money for defense, we would be delighted if
8 that could go to the State Department. What will probably
9 keep happening is that we will see an increased neutering of
10 the State Department and of diplomacy more broadly.

11 Senator King: And by the way, what is going on now
12 with people leaving and being driven out, I understand it is
13 already reflecting itself in people who are applying for the
14 Foreign Service.

15 Dr. Karlin: Yes.

16 Senator King: Applications are down something like 30
17 percent.

18 Dr. Karlin: Indeed. I think it was actually about 50
19 percent. It is pretty substantial. So this has really
20 long-ranging consequences for the future of American
21 national security.

22 As you know, no one takes these jobs for the money.
23 They take these jobs because they want to help make the
24 world better. And if they do not see that opportunity, they
25 will go do something else.

1 And so it is really profoundly worrying across-the-
2 board. I think a lot of us are not really terribly sure
3 what to do about it.

4 But what will likely happen is, you will see the State
5 Department get increasingly neutered. Everyone will turn to
6 the Pentagon and ask the military to fill those roles. And
7 the military will salute, and they will try to fill those
8 roles. But they are not as capable to do so.

9 Moreover, there will be a real opportunity cost.
10 Because they will not actually be focused on fighting and
11 winning wars or preparing for the future. They will be
12 trying to be pseudo-diplomats.

13 Senator King: Dr. Mahnken, do you have a thought on
14 this point?

15 Dr. Mahnken: Diplomacy is undoubtedly important.

16 Senator King: It is not undoubtedly important. It is
17 important.

18 Dr. Mahnken: And I had the pleasure of working for a
19 Secretary of Defense who worked very hard to increase the
20 size of the State Department.

21 However, diplomacy is much more effective when it is
22 backed by credible military power. Nor can diplomacy be a
23 substitute for the military.

24 Senator King: And I am certainly not asserting that.

25 Dr. Mahnken: Yes.

1 Senator King: But what I am asserting is that, if you
2 have two pieces here, we are talking about strengthening one
3 while the other is atrophying before our eyes. And I think
4 that is a serious national security concern.

5 Dr. Mahnken: I would agree. And I think,
6 unfortunately, it has been a long-term trend across
7 administrations, both in terms of funding of the State
8 Department and attracting the best and the brightest. I
9 think it is an issue that needs to be addressed.

10 Senator King: Thank you.

11 Thank you, Mr. Chairman.

12 Chairman McCain: Senator Peters?

13 Senator Peters: Thank you, Mr. Chairman.

14 And thank you to each of our witnesses today.

15 Again, really thoughtful testimony. I appreciate the
16 discussion. And I want to get into a little more discussion
17 on an area that I think there is some disagreement on the
18 panel.

19 But before I do that, I want to concur with my
20 colleagues who have already spoken about the cost of doing
21 what is going to be necessary to secure the future of this
22 country. And I hope that every one of the members of the
23 Armed Services Committee really take to heart what they
24 heard today, that we may be talking about a \$1 trillion
25 additional investment. And a vote taken later today or

1 tomorrow that cuts \$1.4 trillion or more, depending on what
2 number you look at, is fundamentally inconsistent with what
3 we heard today.

4 So I am hoping every member of this committee, in
5 particular, will understand where we are.

6 We obviously face significant current threats, which
7 all of you have articulated very clearly. But there are
8 also future threats that are going to evolve. And one thing
9 that really stuck with me in talking with Secretary Mattis
10 was he was very clear that he believed his success on the
11 battlefield was really as a result of decisions that were
12 made 10 years prior to when he was engaged in that. And we
13 need to be thinking forward as to what that world is going
14 to look like in 10 years.

15 We know that we are probably on the cusp of one of the
16 most exciting and perhaps frightening both times of human
17 history in terms of technological advances that are coming
18 very, very rapidly.

19 In my home State with automation and self-driving cars,
20 a couple years ago, people thought was fantasy. It is going
21 to be reality very soon, which will transform the auto
22 industry in every way as big as when the first car came off
23 the assembly line. It is going to have implications,
24 through AI, of every single industry you can possibly
25 imagine.

1 You have nanotechnology. We have synthetic biology.
2 We have additive manufacturing.

3 The only thing we know for sure is, 10 years from now,
4 this world will look dramatically different than it does
5 today. And that means the future of warfare is likely to
6 also look dramatically different than it does today.

7 So I have heard a couple folks say that we shouldn't be
8 looking at AI and some of these other technologies, so I am
9 going to want some clarification on that because, as Ms.
10 Eaglen said, everything seems to happen quicker than people
11 anticipate.

12 We had AI recently beat the international Go champion.
13 That sounds kind of trivial, but it is a game that was
14 thought to be uniquely human, and it would be at least a
15 decade before AI would have the capability of doing that.
16 It did it.

17 AI systems are now creating encryption systems on their
18 own.

19 I mean, this is incredibly fascinating. But it is
20 certainly one that we have to be ahead of the curve, because
21 other countries are doing it.

22 So, Ms. Karlin, my first question to you, because you
23 brought up how we have to be particularly leaning forward
24 when it comes to exploiting these technologies and concerned
25 about our adversaries, will you tell me why it is important

1 that we lean in, in AI and these technologies, and we have
2 to be thinking about that, too?

3 Dr. Karlin: Absolutely, sir. We should lean in
4 because there will be opportunities in that field, but above
5 all, our adversaries and competitors are also pursuing them
6 rigorously. And so we need to know, if we engage in a
7 potential conflict in the future with countries like Russia
8 or China, they are going full steam ahead in the AI field.

9 In fact, there was a piece in the New York Times
10 recently about how China is really planning to dominate that
11 field in about 10 years. So if we are not thinking about
12 the opportunities it offers us, we need to know what
13 challenges it will also present.

14 Senator Peters: Thank you.

15 General and Mr. Ochmanek, I think you both mentioned in
16 your testimony, correct if me if wrong, these kind of are a
17 fad now to talk about. AI, we shouldn't be talking about
18 that. If you would just tell me more about what your
19 thinking is, that would be very helpful.

20 General Spoehr: Yes, sir. I mean, I do not mean to
21 imply that AI and things like that are not important, and
22 they are, and we need to keep up with the technology. But
23 they cannot substitute for a ready and capable force.

24 So for example, you can have all the artificial
25 intelligence and swarms of mini-drones, but it does not

1 replace, for example, a soldier on a street corner in a
2 contested city or a destroyer on-station in the South China
3 Sea. You cannot substitute high-end technology for presence
4 and the ability to deter on-station.

5 Senator Peters: And I would say, I do not know if
6 anyone is arguing that we have a substitute. It is an
7 understanding that it leverages it. In fact, AI systems
8 working with a soldier on that street corner can be
9 incredibly powerful.

10 So we have to do both, is my understanding.

11 Mr. Ochmanek, I know you mentioned it as well in your
12 testimony.

13 Mr. Ochmanek: Yes. Thank you, Senator, for the
14 opportunity to clarify that.

15 My point was that we need not and should not wait for
16 the maturation of exotic Third Offset technologies to begin
17 filling serious gaps in our capabilities today. We have to,
18 of course, continue to invest in that R&D and those future
19 systems, but at the same time, there are mature
20 technologies, available systems today, that can go a long
21 way toward addressing the threats that we face.

22 And I would hate to see us again delay needed
23 investments now while we wait for this next generation of
24 capability.

25 Thank you.

1 Senator Peters: Thank you.

2 Chairman McCain: Senator Shaheen?

3 Senator Shaheen: Thank you, Mr. Chairman.

4 And thank you to each of you for being here.

5 Let me just echo that concerns that have been raised by
6 my colleagues about what passing this tax bill will do to
7 our ability to deal with so many other priorities that we
8 have in this country, particularly defense. I think it is a
9 nonstarter to think we are going to pass a \$1.5 trillion tax
10 bill and have another \$1 trillion in the next 10 years for
11 defense. So I think several of you have said we are trying
12 to define the world the way we want it to look. Well, I
13 think that is a situation of defining the world the way we
14 want it to look, as opposed to the way it is.

15 I very much appreciated you, Dr. Karlin, and I think it
16 was, I am not sure, maybe Mr. Ochmanek, who talked about the
17 need to prioritize what we are doing. Part of a strategy is
18 saying there are some things we can do and some things that
19 we cannot do.

20 I found it distressing to hear most of you continue to
21 talk about, or as I understood your testimony, to talk about
22 conflict in the future the way we have looked at conflict in
23 the past. While you pointed out that there were going to be
24 differences in terms of what you are suggesting we need to
25 do through the Department of Defense, it did not sound like

1 major differences in terms of what we ought to be thinking.

2 Mr. Ochmanek, I think you were the first person to talk
3 about the importance of information and cyber. As I look at
4 what we are facing in the future and think about how we have
5 seen warfare change through Russia and China and Iran and
6 the terrorist groups, our ability to compete on information
7 and cyber has been woefully lacking. And we do not seem to
8 have, notwithstanding what is in the NDAA that we have
9 passed, to begin to address that.

10 We do not seem to have a strategy in either of these
11 areas that is comprehensive, that is cross-government, that
12 has everybody pulling at the same rate.

13 So I wonder, Mr. Ochmanek, you talked about special
14 cyber units. I am not aware that we have special cyber
15 units. So maybe you could delineate that a little bit and
16 tell us more about those special cyber units.

17 Mr. Ochmanek: I would be happy to, Senator. I am not
18 an expert in cyber, but I am aware that, some years ago, we
19 started creating small teams of cyber experts that both work
20 here in the United States and deploy abroad to work hand-in-
21 glove with partners, in actual day-to-day operations on
22 their nets, to monitor traffic coming in, teach techniques
23 about how to attribute the source of attacks, which, of
24 course, is very important to how you respond, and also how
25 to use cyber as a tool to enable other military operations.

1 That is about as much as I can share with you in this
2 forum. But there is a lot of activity going on here and
3 with our allies abroad in that area.

4 Senator Shaheen: Well, I appreciate that. But I will
5 tell you, we have had people before this committee, and I
6 have had the chance to ask the question about who is in
7 charge of those operations, and I have not been able to get
8 anybody so far to tell me who is in charge.

9 Do you know the answer to that?

10 Mr. Ochmanek: I would not speculate on it.

11 Senator Shaheen: Does anybody else know the answer to
12 that?

13 General Spoehr: The commander of USCYBERCOM, Senator.

14 Senator Shaheen: Well, in fact, I was told that is not
15 where the center is. If you would look at, government-wide,
16 how we are responding to cyber threats and disinformation,
17 that is not where that command is placed.

18 General Spoehr: I would agree. For the whole-of-
19 government, U.S. Federal response, he is not in charge of
20 that aspect.

21 Senator Shaheen: And do you know who is?

22 General Spoehr: Other than the President, ma'am, I do
23 not.

24 Senator Shaheen: I think that is exactly right. We do
25 not have someone who is in charge. And yet we are dealing

1 with, as you all point out, not just regional threats,
2 terrorist groups, but nation-states who are superpowers,
3 again, where they have made a major focus in these two
4 areas, and we are not on the playing field, at this point.

5 And so I would hope, as you are making recommendations
6 about what we need to be looking at in a National Defense
7 Strategy, that they should be major pieces of that National
8 Defense Strategy.

9 Thank you, Mr. Chairman.

10 Chairman McCain: Senator Warren?

11 Senator Warren: Thank you, Mr. Chairman.

12 And thank you to our witnesses for being here today for
13 this important topic.

14 There has been a lot of debate about the relationship
15 between the budget and the strategy, whether we should have
16 a budget-driven strategy or a strategy-driven budget. But I
17 think it is not just about how much money we spend, but how
18 we spend that money.

19 According to many estimates, the Russians spend about
20 \$70 billion annually on their defense budget. That means
21 they are spending about one-tenth of what this committee
22 authorized for the Pentagon in 2018. But they have parlayed
23 their investment into a whole lot of disruption all around
24 the world, and one way they have done that is through
25 leveraging asymmetric power. Things like gray zone warfare

1 in the Crimea, cyberattacks on elections here in the United
2 States.

3 Similarly, the Chinese have invested in areas where
4 they believe they have a relative advantage, areas like
5 space or anti-access/area denial.

6 So, Dr. Karlin, I want to ask, how should any new
7 defense strategy take into account these kinds of asymmetric
8 investments, both at the low end and the high end of the
9 spectrum?

10 Dr. Karlin: Thank you for that question.

11 If I might first start with your point on the Russians,
12 one thing to recall is that the Russians do not have to
13 think globally the way that the United States does. And
14 that is part of why things get a little more complicated.

15 Senator Warren: Fair enough, but let me just point
16 out, they are having an impact globally.

17 Dr. Karlin: Quite profoundly, indeed. I mean, when we
18 look at them going into Syria, I do not think that had been
19 in anyone's paradigm, that a country would actually want to
20 become involved militarily in what was occurring in Syria.
21 And as you know, ma'am, the options changed considerably the
22 minute they started to do so.

23 So in terms of thinking about asymmetric warfare, I
24 think the Defense Department has very much put it on the
25 priority list in recent years.

1 The irony is, from a Russian and Chinese perspective,
2 we actually conduct gray zone warfare all the time. What
3 they see as our use of special operations forces, what they
4 see as our use of drone strikes, what they see even as the
5 U.S. free media is all considered gray zone warfare, which
6 is, of course, ironic since I suspect none of us would
7 actually put any of those efforts into that category.

8 So gray zone warfare as the Russian and as the Chinese
9 think about it does not play to our comparative advantage.
10 The U.S. military operates legally. The U.S. military will
11 use its members in uniform. We will not have them go out
12 and become like little green men the way the Russians will.
13 And that is something we should be proud of, in terms of how
14 we operate.

15 So as I think about how we can be more effective, it
16 comes more down to how we are managing the force rather than
17 developing the force. We do not need a whole lot of new
18 whiz-bang gizmos to actually compete well. What we need to
19 do is do more snap exercises. We need to take steps to show
20 that, at any time, the U.S. military can get anywhere and
21 anyplace, to remind countries like Russia and China that the
22 U.S. military is preeminent.

23 Senator Warren: So I am a little frustrated with this.
24 Even if Congress provided a \$700 billion budget tomorrow, it
25 would be several years before the Navy reached 355 ships or

1 DOD could deploy 2,000 F-35 fighter jets. Let's face it, in
2 the short term, the U.S. will be operating with something
3 like our current size and structure.

4 And this is important to acknowledge, because the
5 services' readiness challenges, like the recent collisions
6 in the Seventh Fleet, indicate that after 16 years of
7 combat, we may currently be badly overstretched.

8 So, Dr. Karlin, in your previous role at the Pentagon,
9 you were responsible for helping make the tradeoffs across
10 the services among the geographic commands and between the
11 near-term and long-term investments. So I do not want to
12 just hear that we need to prioritize.

13 What I am trying to ask is a more systemic question.
14 And that is, how do we go about this process of
15 prioritizing, of assessing risk, and making tradeoffs in a
16 disciplined way?

17 Dr. Karlin: Absolutely. I would urge the committee to
18 have a classified hearing with those who are working on the
19 National Defense Strategy about what the force-planning
20 construct says, because that is exactly what the process is.
21 What happens is the department tries to assess what the
22 future looks like. Based on that, it looks at the conflicts
23 that are most worrisome in that future, and you can imagine
24 what those are.

25 And based on those conflicts, it says, across the

1 entire department, "Combatant command services, how do you
2 fight that conflict? What do we do?" And then it has to
3 adjudicate, and that involves a lot of betting and hedging,
4 because we will probably call it wrong, as we often do, and
5 then try to put money toward that situation. And that ends
6 up being a rather significant negotiated process, where, to
7 placate some corners, perhaps some will win, and some will
8 not lose as much as they need to.

9 This is also, as I said earlier, I think the committee
10 needs to have -- you know, one of the great decisions of
11 this committee recently was to make the National Defense
12 Strategy classified. And that will allow a serious
13 conversation about who wins and who loses, and why those
14 occurred.

15 Senator Warren: I just have to say, when we are
16 talking about words like "strategic decisions," hearing you
17 answer with a word like "placate" makes me very uneasy.

18 I just want to underline that I think we need to be
19 focused on not just the inputs, the number of ships or
20 marines or aircraft, but also on the outputs, the goals we
21 are trying to achieve with the force we have. And I think
22 that means thinking creatively and expanding our own use of
23 asymmetric tactics and leveraging our 21st century
24 technologies here.

25 Thank you, Mr. Chairman.

1 Chairman McCain: Senator Inhofe?

2 Senator Inhofe: Thank you, Mr. Chairman.

3 I had to be at another meeting, so I did not get in all
4 the opening statements, and I did not hear all the
5 questions.

6 But to me, I think we ought to, just in my narrow view,
7 what we need to be talking about right now is what happened
8 last Tuesday.

9 I think most people here know who James Woolsey is.
10 You may not know. He is from my City of Tulsa, Oklahoma,
11 and we have been good friends for a long time. He said way
12 back in 1993, this is a quote that he made, he said, "We
13 have slain a large dragon," the Soviet Union, "but we live
14 now in a jungle with a bewildering variety of poisonous
15 snakes." That was his quote.

16 He said, the most vexing of those poisonous snakes has
17 proven to be North Korea -- this is 1993 -- and despite
18 China and Russia representing the greatest threats to
19 military supremacy, many experts have agreed with me that
20 North Korea is the most imminent threat.

21 I understand that Dr. Mahnken, perhaps, did not agree
22 with this when this statement came out.

23 But David Wright said, and this was pretty well-
24 publicized, on Tuesday afternoon -- he is an analyst in the
25 Union of Concerned Scientists. He wrote that Tuesday's test

1 indicates that, "Such a missile would have more than enough
2 range to reach Washington, D.C., and, in fact, any part of
3 the continental United States." Then, of course, you heard
4 the statements by General Mattis.

5 So I consider this to be -- it is going to have to
6 really be addressed in a very heavy way. And I would say,
7 other than the statement that was made by Dr. Mahnken, the
8 rest of you, do you pretty much agree that, in terms of
9 imminent threat, that would be the most imminent threat
10 right now?

11 Is that yes for you guys? Okay, thank you.

12 Dr. Mahnken: Senator, I would actually also agree with
13 that statement.

14 Senator Inhofe: Would you?

15 Dr. Mahnken: In terms of imminent, yes. The point
16 that I made earlier was about most consequential over the
17 long term.

18 Senator Inhofe: Okay, well, this is an imminent
19 threat, and that is why I wanted to word it that way.

20 I would like to ask each one of you because, should
21 this be included in our strategic framework of the new
22 National Defense Strategy? And if so, how?

23 Let's go ahead and start with you.

24 Dr. Mahnken: In my view, we should really start by
25 looking at the challenges that we face from great-power

1 competitors, from Russia and China. We should figure out
2 the force requirements there.

3 Senator Inhofe: Okay.

4 Dr. Mahnken: Then what we should do is stress test
5 that force posture against threats like North Korea. And it
6 very well may be that you would have some special
7 requirements that would come out for having to deter North
8 Korea that might not emerge from the previous case.

9 Senator Inhofe: Okay, I am running out of time here.

10 Just kind of a quick answer and ideas you might have.

11 Mr. Ochmanek: Yes, sir. North Korea absolutely needs
12 to be a consideration in our National Defense Strategy, and
13 we should focus our efforts in dealing with it on improving
14 our capabilities to actually prevent them from using and
15 delivering a nuclear weapon, specifically with a ballistic
16 missile.

17 Senator Inhofe: General?

18 General Spoehr: Sir, I would say that the National
19 Defense Strategy does not have the luxury of having a single
20 threat like a great power. It is going to have to consider
21 terrorism, rogue nations such as North Korea and Iran, and
22 the smaller threats from terrorism. So, yes, I think you
23 are right. It has to consider these threats.

24 Senator Inhofe: Yes. Any other comments?

25 Dr. Karlin: Absolutely, sir. And it has for years.

1 Senator Inhofe: Okay. Very good.

2 The other thing, and I might go just a little bit over
3 here. It is no secret that our readiness has eroded over
4 the past 8 years. Budget cuts, sequestration, we have had a
5 lot of meetings on this of this committee, and the idea that
6 our President had a policy that he did not want to put
7 anything in that would take care of sequestration in the
8 military unless you put an equal amount in other programs,
9 which I disagreed with, a lot of people on this committee
10 did agree with that.

11 But how would you prioritize the capability gaps
12 confronting the military when compared to Russia and China?
13 The Chairman of the Joint Chiefs, General Dunford, said, in
14 just a few years, if we do not change our trajectory, we
15 will lose our qualitative and quantitative competitive
16 advantage. That is a very disturbing statement.

17 Any comments, in this remaining time, that you would
18 make concerning prioritizing that capability gap when we are
19 looking at the somewhat starvation period we went through at
20 the same time of the very ambitious programs of both Russia
21 and China?

22 Senator Inhofe: Start with Ms. Eaglen.

23 Ms. Eaglen: Yes, sir. I would step for a moment and
24 offer some principles, because there is no doubt we are
25 depending on the capability set or even the domain. It is

1 differing by service and domain. But I would just get back
2 to Senator Warren's comments that mass and attrition are
3 back as force-planning principles. And I think we need to
4 consider that when we are looking at our capability gaps
5 against China and Russia, in particular.

6 And then we are on the wrong side of the cost exchange
7 ratio. This is something Dr. Mahnken has written about with
8 the NDS in 2008. It is something we have all thought about
9 up here on the committee.

10 But those were two fundamental principles I would
11 return to the defense strategy to address your question.

12 Senator Inhofe: Okay. Any other comments on that?

13 Dr. Karlin: To the extent possible, we should double
14 down on areas of strength like undersea. That is
15 particularly valuable vis-a-vis China and Russia. Our
16 ability to conduct long-range strike, our short-range air
17 defenses, balancing our Air Force more broadly, being
18 cognizant that we are not going to have all the F-35s one
19 might want, instead being able to mature fourth-generation
20 aircraft, missile defense also being critical.

21 But in particular, we do need to recognize that the
22 conflicts of the future are going to be uglier than what we
23 faced in the last 15 or so years. And while we have thought
24 about Iraq and Afghanistan as big conflicts in some way,
25 they are really not, when we begin to envision what a

1 potential war with Russia or China might look like.

2 Senator Inhofe: I cannot think of anything uglier than
3 an ICBM coming.

4 My time has expired. But I want to compliment you,
5 General, on a statement that you made. It is one sentence.
6 I will read it. "This is the situation we find ourselves in
7 today with the smallest military we have had in 75 years
8 equipped with rapidly aging weapons and employed at a very
9 high operational pace, endeavoring to satisfy our global
10 defense objectives." Good statement.

11 Thank you, Mr. Chairman.

12 Chairman McCain: Senator Blumenthal?

13 Senator Blumenthal: Thanks, Mr. Chairman.

14 Thank you all for being here today. Let me begin by
15 joining a number of my colleagues in expressing regret, I
16 guess is the understatement of the morning, about the tax
17 plan that the United States Senate may approve in the next
18 24 hours, which would increase our debt astronomically and
19 probably undercut most of the very insightful suggestions
20 that you have made.

21 And I am reminded that a former Chairman of the Joint
22 Chiefs of Staff, I think it was Mike Mullen, said that the
23 greatest threat to our national security is our national
24 debt. The greatest threat to our national security is our
25 national debt.

1 It has implications across the spectrum of American
2 life that undermine our will to defend ourselves and to
3 invest the kinds of resources that are necessary to build a
4 national defense that is worthy of the greatest Nation in
5 the history of the world.

6 The national debt is not about just numbers, it is
7 about faces, General, the young men and women who we recruit
8 to serve and sacrifice for our Nation. You know better than
9 any of us who are in the room today, except perhaps for the
10 chairman and the ranking member who have served with such
11 distinction in our armed services. And so to the extent
12 that you have a voice in this process, I would urge you to
13 use it and hope that you will.

14 There has been very little mention of the attack by
15 Russia on the United States of America.

16 Is there anyone on this panel who questions that Russia
17 attacked the United States, in fact, attacked our elections
18 and our democracy in 2016?

19 I take it by your silence that you agree. And in fact,
20 of course, the intelligence community is unanimous on that
21 point.

22 And I would wonder whether anyone on this panel
23 believes that we have responded sufficiently to make Russia
24 pay a price for that aggression, a real attack on our
25 democracy. Have we made Russia pay a price for that attack?

1 And again, I would take it that you all agree that the
2 answer is no.

3 In fact, this administration, in my view, has failed to
4 oppose, condemn, or hold Vladimir Putin accountable for that
5 attack, or the invasion of Ukraine, or intervention in
6 Syria.

7 And the lack of an articulated, clear strategy on
8 Russia belies the commitment of blood and treasure, as the
9 United States is doing now in so many parts of the world
10 without sufficient resources. In fact, General Waldhauser
11 of AFRICOM came to testify before us in March of this year
12 and said, "Only approximately 20 to 30 percent of Africa
13 Command's ISR requirements are met," referring to
14 intelligence, surveillance and recognizance.

15 We are failing to support right now, not 10 years from
16 now, but right now, the troops that we have deployed around
17 the world.

18 And in my view, the investment of cyber -- Senator
19 Shaheen referred to it in terms of the command. But is
20 there anybody on this panel who feels that we are investing
21 sufficiently in cyber right now?

22 And again, I take it that your silence indicates you
23 agree, we are insufficiently investing in cyber where \$1
24 trillion is unnecessary to have an impact. Far less dollars
25 are necessary to defend against the kinds of threats that we

1 see in cyber, including most prominently from Russia, China,
2 and North Korea, but all kinds of asymmetric threats as
3 well.

4 So my time is expiring. But we have focused on the
5 dollars necessary, the dollars versus the strategy. I would
6 suggest that a much more focused and deliberate strategy is
7 necessary in many parts of the world and in many parts of
8 our defense.

9 Thank you, Mr. Chairman.

10 Chairman McCain: I thank the Senator. And could I
11 just point out that when you are having your enlisted people
12 working 100-hour workweeks, you cannot dismiss that, and I
13 am sure that you are clearly aware of that.

14 Senator Blumenthal: I am not only aware, Mr. Chairman,
15 but I very much support the comments that you made about it.

16 Chairman McCain: I thank you.

17 Anything else? Anyone would like to correct the
18 record?

19 Well, this has been very helpful, this hearing. And I
20 thank all the witnesses.

21 And this hearing is adjourned.

22 [Whereupon, at 12:12 a.m., the hearing was adjourned.]

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