

**Opening Statement of U.S. Senator John McCain  
Chairman, Senate Armed Services Committee**

**Room SD-G50  
Dirksen Senate Office Building  
Wednesday, February 4, 2015**

**To consider the nomination of Dr. Ashton B. Carter to be Secretary of  
Defense.**

*(As Prepared for Delivery)*

Before the Committee proceeds to the business before us today, I would like to extend our deepest condolences to the family of the brave Jordanian pilot brutally murdered at the hands of ISIL. Together with his family, the Jordanian Armed Forces, and the people of Jordan, we mourn the loss of a hero that has galvanized a nation and the world. I hope that this heinous crime finally leads us to put in place what thus far has been lacking: a comprehensive strategy to achieve the President's stated goal to degrade and destroy ISIL.

America has no greater ally in the fight against terrorism than Jordan. And as we made clear to King Abdullah in our meeting yesterday, this Committee's immediate concern is to ensure Jordan has all the equipment and resources necessary to continue taking the fight directly to ISIL.

The Senate Armed Services Committee meets today to consider the nomination of Dr. Ashton B. Carter to be Secretary of Defense.

At the outset, I'd like to express my sincere gratitude to Chuck Hagel for his years of service as an infantry sergeant in Vietnam, as a United States Senator from Nebraska, and as our nation's 24th Secretary of Defense. Chuck is a patriot and honorable public servant. And during his leadership of the Pentagon, the men and women of our armed services have had a true ally who always put their interests first. This Committee wishes Chuck the best in his future endeavors.

Dr. Carter, even in the best of times, the position for which you have been nominated is one of the most challenging in government. So I'd like to thank your wife Stephanie, and your children Will and Ava for being here today, and for loaning you to our nation in service once again.

Dr. Carter is one of America's most respected and experienced defense professionals. He has served as Assistant Secretary of Defense for Global Strategic Affairs, Undersecretary of Defense for Acquisition, Technology and Logistics, and most recently as Deputy Secretary of Defense. In these positions, I have known him to be an honest, hard-working, and committed public servant. I have had the opportunity to work together with Dr. Carter on several issues of shared concern, especially trying to reform the defense acquisition system, improving financial management of

the Department, and rolling back sequestration. And, on these and other issues facing the nation, I am looking forward to having you as a partner once more.

But I must candidly express concern about the task that awaits you, if confirmed, and the influence you would have on some of the most critical national security issues facing our nation. Two of your predecessors, Secretary Gates and Secretary Panetta, have severely criticized White House micromanagement of the Defense Department and over-centralization of foreign and defense policy. According to numerous news reports, Secretary Hagel experienced similar frustrations with the insular and indecisive White House national security team over issues ranging from ISIL to Ukraine, detention policy to sequestration.

Dr. Carter, I sincerely hope the President who nominated you will empower you to lead and contribute to the fullest extent of your abilities. Because at a time of multiplying threats to our security, America needs a strong Secretary of Defense now more than ever.

### *Crafting a National Security Strategy*

America is confronted today with a diverse and complex range of national security challenges. A revisionist Russia, a rising China, and radical Islamist groups each seek in their own way to fundamentally challenge the international order as we've known it since the end of World War II – a system that cherishes the rule of law, maintains free markets and free trade, and relegates wars of aggression to their rightful place in the bloody past.

Amid the present upheaval and conflict, American disengagement would only produce more turmoil, and increase the chance of large-scale American interventions at greater cost in blood and treasure. That is why we need a coherent national security strategy incorporating all elements of America's national power to sustain and defend the international order that has produced and extended security, prosperity, and liberty across the globe.

### *Rolling Back Sequestration*

But crafting a reality-based national security strategy is simply impossible under the mindless mechanism of sequestration. Despite the growing array of complex threats to our security, we are on track to cut \$1 trillion out of America's defense budget by 2021. Readiness is falling across the services, and morale is falling right along with it. Army and Marine Corps end-strength is dropping dangerously low. The Air Force is the oldest and the smallest it has ever been. The Navy's fleet is shrinking to pre-World War I levels. And last week, each of our service chiefs testified before this Committee that American lives are being put at risk by sequestration.

Sequestration represents a failure to meet our most basic constitutional responsibility to provide for the common defense. America's military can no longer be held hostage to domestic political disputes totally separated from the reality of the threats we face. More than three years after the passage of the Budget Control Act, it's time to put an end to this senseless policy.

### *Reforming Defense Acquisition*

Rolling back sequestration is necessary to provide our military the strategy-driven budget necessary to confront the threats we face. But it will never be enough without reforming how the Department procures major weapon systems.

Many of our military's challenges today are the result of years of mistakes and wasted resources. For example, the Army's Future Combat System was initially estimated to be a \$92 billion project to modernize into a cohesive network new Army vehicles and radios. But it more than doubled in price to \$200 billion without ever getting off the ground. Secretary Gates and Congress wisely canceled Future Combat Systems but only after spending \$20 billion with virtually nothing to show for it.

Between these four systems – Future Combat Systems, Expeditionary Fighting Vehicle, Comanche helicopter, and the VH-71 Presidential Helicopter we spent \$40 billion with nothing to show for it. That's \$40 billion worth of training and equipment our military doesn't have today to confront the threats we face.

The problems continue today. The cost of the Evolved Expendable Launch Vehicle (EELV) has exploded from around \$100 million per launch to \$400 million per launch over the last 15 years after the Air Force allowed years of sole-source contracts while, especially over the last few months, actively keeping out any other companies from competing. Hopefully this year we will see the Air Force certify a new entrant, and this competition can finally bring down costs and end our reliance on Russian rocket engines.

Like many major programs that preceded it, LCS's cost overruns followed predictably from a chronic lack of planning from its very outset in three key areas: undefined requirements, unrealistic initial cost estimates, and unreliable assessments of technological- and integration-risk.

The Gerald Ford Class Nuclear Aircraft Carrier was originally supposed to cost \$10.5 billion. However, it will now cost \$12.9 billion, a \$2.4 billion increase. And we have no assurance such increases will not plague the follow-on ships. This is unacceptable.

The F-35 Joint Strike Fighter was originally estimated to cost around \$220 billion to research, engineer, and build 2,800 planes. Now we are going to spend more than \$330 billion, a 50% increase, to buy 400 fewer planes.

Even more astounding than the amount of money squandered and wasted is the fact that, in each

of the weapon system cases I have mentioned, no individual has been held responsible for these massive cost overruns and egregious acquisition failures. And the result has been the slow degradation of America's defense technological advantage, which we will lose altogether if we persist with business as usual in our acquisition policies. This must change. And it will be a priority for this Committee, and for me personally, to change it.

Dr. Carter, I look to you as a partner in all of these endeavors. If confirmed, I hope you will provide independent leadership and work closely with the Congress on the issues that matter most: crafting a coherent national security strategy to meet today's threats, rolling back sequestration, continuing to reform the defense acquisition process, modernizing our military compensation system, and many others.

I thank you for your willingness to serve once again. And I look forward to your testimony today.