

Stenographic Transcript
Before the

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

GLOBAL SECURITY CHALLENGES AND STRATEGY

Tuesday, March 2, 2021

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U.S. Senate

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The committee met, pursuant to notice, at 9:30 a.m. in
10 Room SD-G50, Dirksen Senate Office Building, Hon. Jack Reed,
11 chairman of the committee, presiding.

12

Committee members present: Senators Reed [presiding],
13 Shaheen, Gillibrand, Blumenthal, Hirono, Kaine, King,
14 Warren, Peters, Manchin, Duckworth, Rosen, Kelly, Inhofe,
15 Wicker, Fischer, Cotton, Rounds, Ernst, Tillis, Sullivan,
16 Cramer, Scott, Blackburn, Hawley, and Tuberville.

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

3 Chairman Reed: Let me call the hearing to order. Good
4 morning. Today's hearing is an opportunity to hear from
5 leading non-governmental experts regarding the global
6 security challenges we face and the strategy the United
7 States needs to avoid a conflict and to advance its national
8 security interests now and in the future.

9 Our witnesses are Dr. Thomas Wright, Senior Fellow with
10 the Brookings Institution, and former National Security
11 Advisor, retired Lieutenant General H.R. McMaster. Welcome
12 to both of you, and thank you for your willingness to appear
13 before us this morning.

14 The 2018 National Defense Strategy, or NDS, made an
15 important shift in our defense priorities away from a narrow
16 focus on counterterrorism and towards a strategic
17 competition with Russia and China. Yet the exact nature of
18 this competition needs to be better understood, and the U.S.
19 objectives for out-competing its near-peer rivals need to be
20 clearly defined. Russia and China reject our democratic
21 values and the rules-based international order that has kept
22 the peace for decades. Instead, they seek to sow division
23 and export autocratic political models that they see as more
24 advantageous.

25 I hope our witnesses this morning will shed light on

1 what is at stake in these rivalries and what is the role the
2 United States should play in addressing these global
3 challenges going forward.

4 We face a very different security environment today
5 from even a decade ago. While we were preoccupied with
6 fighting wars in Afghanistan and Iraq, our near-peer rivals
7 invested in modernizing their military capabilities. Russia
8 and China have significantly narrowed the technological
9 advantages the U.S. military enjoyed in previous decades.
10 In order for our military deterrent to remain credible, our
11 armed forces must now be prepared to operate in contested
12 environments across all domains, not only land, sea, and air
13 but also in cyberspace and space.

14 Foreign adversaries have also escalated the threat of
15 hybrid warfare campaigns targeted at the United States and
16 its allies. These countries use hybrid tactics including
17 election interference, disinformation amplified on social
18 media, and malign financial influence and corruption to
19 exploit vulnerabilities in our open democratic societies.

20 Our rivals have also invested and continue to invest
21 heavily in research, development, and acquisition of
22 cutting-edge technologies like artificial intelligence,
23 quantum computing, hypersonics, and the next-generation
24 digital communications. They are making significant strides
25 in a number of areas, and we cannot afford to fall behind in

1 these potentially transformative technologies.

2 In addition, as the coronavirus crisis has made clear,
3 how we think about national security must also address a
4 range of transnational threats. This includes addressing
5 health security and the threat from global pandemics,
6 environmental security, including the truly existential
7 threat from climate change, and the security of critical
8 infrastructure, including our democratic processes.

9 Dr. Wright, you have written that this new era of
10 strategic rivalry is likely to be transformative, not just
11 internationally but also at home. I agree and believe part
12 of this transformation will require more unified efforts for
13 a whole-of-government and a whole-of-society strategy for
14 Great Power competition. This strategic competition will
15 also require a unified approach with our allies and partners
16 globally, which are our greatest comparative advantage.

17 Yet the international community's faith in global
18 leadership has been shaken and our allies and partners are
19 wondering how reliable a partnership with the United States
20 will be going forward. The Biden Administration has pledged
21 to reinvigorate these relationships and restore the
22 strategic advantage we derive from other countries seeking
23 to stand with us. I hope our witnesses will address how
24 they see the role of alliances and partnerships and the U.S.
25 strategy for competing with Russia and China and how we

1 should be prioritizing scarce Department of Defense
2 resources to best position us to prevail in the strategic
3 competition.

4 Again, I want to thank the witnesses, and I look
5 forward to getting your perspectives on these critical
6 security issues.

7 Senator Inhofe, please?

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1 STATEMENT OF HON. JAMES INHOFE, U.S. SENATOR FROM
2 OKLAHOMA

3 Senator Inhofe: Thank you, Mr. Chairman.

4 I have had the opportunity to meet Dr. Thomas Wright
5 for the first time just a few minutes ago, so I don't know
6 him well, but I appreciate all of the knowledge that you're
7 bringing to this hearing. You're the right one to be here
8 to participate at this point.

9 But I do know General McMaster. It's a common thing
10 for us to say thank you for all your tireless years and all
11 that stuff, but I really mean it. You've been there.
12 You've been there doing the right things. And I think when
13 I look at this -- and I'm older than anyone else in this
14 room -- I can say that I really believe we're in the most
15 threatened position we've been in in my lifetime.

16 I've been on this committee all the way back to the
17 House years, and when you think about the challenges that
18 are out there now, you have China and Russia that are using
19 military power to achieve political aims, rogue regimes.

20 I remember back in the good old days of the Cold War,
21 we had two superpowers. We knew what they had, they knew
22 what we had. Mutual assured destruction meant something
23 back in those days. Now you have rogue nations who have
24 capabilities of wiping out an American city. I mean, this
25 is not the way it used to be, and that's why it's so

1 important to have guys like you that have been around, and
2 particularly you, General, with your background. You're the
3 right one to be at this hearing. I appreciate it so much.
4 We look forward to the informative advice we get.

5 As mentioned by the Chairman, the National Defense
6 Strategy, this has been our blueprint. This was from, I
7 guess, 2018. Six Republicans, six Democrats, they got
8 together and they are all knowledgeable, and they pretty
9 much outlined it. We use this as a blueprint. So I will
10 look forward to finding out at this hearing what elements of
11 this document are still good today. We've had a lot of
12 people saying it's getting outdated. So I want to get your
13 opinions, particularly you, General, as to where we are with
14 this.

15 The primary mission of our military is to secure the
16 nation against foreign external threats or, as the
17 Constitution puts it, to provide for the common defense.
18 The Committee has used this 2018 NDS as a roadmap, and it
19 still has a lot to offer to us. We want to find out what is
20 relevant today that we want to continue using.

21 We used to be able to say, as I said, since I'm the
22 oldest guy in this room, I remember World War II, and I
23 remember what happened when we first got in. We weren't
24 prepared and all that, but after the war is when we decided
25 we were going to -- I kind of got in the habit growing up

1 when I was a kid thinking America has the best of
2 everything. We have the best artillery, we have the best
3 airplanes, the best of everything, but that isn't
4 necessarily true today.

5 China and Russia have gotten ahead of us in developing
6 some key technologies like hypersonics and microelectronics,
7 artificial intelligence, some areas, and we're not number
8 one anymore. The balance of power in Eastern Europe and the
9 western Pacific continues to go in the wrong direction. Our
10 forward forces are outnumbered and outgunned. China and
11 Russia are rapidly modernizing and expanding their nuclear
12 forces. China will soon complete its triad and double its
13 nuclear arsenal by 2030.

14 In China, it wasn't too long ago they actually showed
15 pictures of what they were doing with hypersonics in a
16 parade in Beijing in Tiananmen Square. So they're up there.
17 They're a threat. This is, I believe, the most threatened
18 we've been in this country.

19 So, DOD's bandwidth and the resources are not
20 unlimited. These challenges require a laser focus on
21 increasing combat capability and capacity through new
22 investments and new operational concepts, new ways of doing
23 business. We've got to modernize and replace the legacy
24 systems, such as our aging nuclear enterprise, focus on
25 directing military resources toward missions that are

1 clearly not a core function.

2 You know, this bothers me, and I know that there's a
3 lot of diversity of thought on this around this table. Yes,
4 we had a change in administration. Historically, we know
5 what happened to us back during the last five years of the
6 Obama Administration. That would be between the years of
7 2010 and 2015, that we actually reduced our support of the
8 military by about 25 percent at that time. And during those
9 same five years China increased theirs by 83 percent. That
10 shouldn't happen. This is America. We're not supposed to
11 be doing that.

12 It bothers me a little bit. There are a lot of people
13 who are going to be wanting to use a lot of our resources
14 knowing that a lot of resources go to defending America but
15 wanting to use that for their liberal agendas that have
16 nothing to do with defending America.

17 So that's what I'm concerned about, and that's why
18 we're having this hearing today, and I look forward to the
19 advice that we get from you guys during this hearing.

20 Chairman Reed: Thank you very much, Senator Inhofe.
21 And thank you again to the witnesses. Let me join Senator
22 Inhofe in saluting General McMaster's distinguished career
23 in the Army. Thank you, sir.

24 Dr. Wright, would you begin, please?

25

1 STATEMENT OF DR. THOMAS WRIGHT, SENIOR FELLOW, THE
2 BROOKINGS INSTITUTION

3 Dr. Wright: Thank you, Chairman Reed, Ranking Member
4 Inhofe, and distinguished members of this committee. It is
5 a great honor to appear before you today to speak about the
6 global security environment and implications for U.S.
7 defense policy.

8 I have submitted written testimony for the record and I
9 will just speak very briefly on three points from that
10 testimony.

11 The first point I'd like to make is if you measure the
12 security environment by what was expected or predicted a
13 decade or so ago, it is clear that the United States is
14 facing near worst-case scenarios on both Great Power
15 competition and transnational threats. This is compounded
16 by a negative synergy between the two that makes each more
17 dangerous and more difficult to deal with.

18 The autocratic nature of the Chinese regime and its
19 paranoia about its hold on power and standing in the world
20 made it much less likely to cooperate with the international
21 community during COVID-19. It covered up the virus in the
22 crucial early months and continues to withhold vital
23 information from the World Health Organization. The current
24 pandemic highlights the way in which China has increased its
25 influence in international institutions in ways that damage

1 the interests of other nations, including the United States,
2 and independently of Chinese behavior the more nationalistic
3 and protectionist outlook of many governments around the
4 world has undermined the type of international cooperation
5 we are used to witnessing in a crisis.

6 This pandemic will have long-term strategic
7 consequences for the United States. While the U.S.'s
8 economic decline last year was 3.5 percent, and other
9 democracies saw even larger losses, China's economy grew by
10 2.3 percent. By one measure, China will overtake the U.S.
11 as the world's largest economy five years earlier than
12 predicted, in 2027 instead of 2031. Early talk about
13 China's Chernobyl moment has been replaced by a confidence
14 on the part of the government that has emerged stronger from
15 a global crisis for the second time in 15 years, the other
16 being the international financial crisis, and China has
17 become much more assertive in the wake of the crisis.

18 What last year shows us, I think, is that the United
19 States must prepare for a world in which the most severe and
20 frequent global shocks occur against the backdrop of
21 emboldened adversaries and limited cooperation between major
22 powers.

23 The second point I'd like to make is on a traditional
24 mission of the U.S. Armed Forces and defense policy, which
25 is deterring adversaries from aggressive action. I'd like

1 to frame this in terms of thinking about how to deter
2 revisionist powers.

3 Sometimes we think of revisionist powers as countries
4 hell-bent on global domination like Nazi Germany or the
5 Soviet Union, but revisionism rarely manifests itself
6 without all-out conflict. Revisionist states traditionally
7 go after the "non-vital" interests of their Great Power
8 rivals because this generally does not provoke the type of
9 retaliatory strike that attacking a vital interest would.
10 Threatening non-vital interests -- for instance, by
11 attacking a non-ally of the U.S. -- leaves status quo powers
12 torn over how to respond and deliberating about whether
13 retaliation is worth it.

14 Of course, the term "non-vital interest" is somewhat
15 misleading. It only holds true when viewed narrowly and in
16 isolation. With annexation and unprovoked invasion clearly
17 constituting a breach of the peace and threatening U.S.
18 vital interests, seizing rocks or strips of territory poses
19 a more ambiguous threat. Such moves appear to be of limited
20 strategic importance until, in the aggregate, they acquire
21 much greater value.

22 This is not a new problem. It is textbook revisionism
23 and it poses one of the most complex problems a major power
24 can be confronted with. The purpose of revisionism is to
25 make deterrence extremely hard and to encourage rival Great

1 Powers to accommodate them diplomatically or to limit their
2 response to the point of being ineffective.

3 The final point I'd like to make is just on
4 recommendations, and I have five recommendations in the
5 testimony.

6 The first is to continue military modernization as set
7 out in the 2018 National Defense Strategy to reorient U.S.
8 defense policy toward dealing with Major Power competitors.
9 The U.S. must also integrate initiatives to improve
10 strategic competitiveness with efforts to rebuild the
11 domestic economy after the pandemic, including a strategic
12 approach to technological innovation and reducing the
13 vulnerability of certain sectors of our society to
14 interdependence with adversaries. Strategic thinking must
15 also be integrated across all relevant government agencies
16 and departments.

17 Second, next competition with China in a positive and
18 affirmative vision of the free world which we will
19 continuously strengthen, work to strengthen and improve.

20 Three, continue to deepen U.S. alliances and
21 partnerships in the Indo-Pacific, including by focusing on
22 deterrence by denial, improving the credibility and
23 resilience of the U.S. presence in the region, encouraging
24 cooperation between allies and partners in the region,
25 assisting those allies and partners in responding to

1 external coercion and interference, including as we're
2 seeing in Australia, and deepening cooperation with India
3 and Taiwan.

4 Fourth, I would take a new look at the 2 percent
5 defense spending target for NATO to reform it to incentivize
6 European allies to invest in civilian as well as military
7 capabilities such as new technologies that would enable them
8 to compete with China. I would supplement this with a
9 sophisticated American-Europe strategy that allays European
10 concerns about strategic competition with autocratic powers
11 and rethinks European security to enable the EU to play a
12 greater role in security and defense.

13 And finally, we should facilitate a national
14 conversation about the type of strategic competition we want
15 to engage in. Great Power competition is not a strategy in
16 itself. It is a condition that we must cope with in all of
17 its dimensions. We are still at a very early stage in
18 identifying different strategies of competition, just as we
19 had different strategies of containment during the Cold War,
20 although considerable progress has been made in this over
21 the last four years with liberal, conservative, realist, and
22 progressive alternatives for how to compete.

23 Over the next four years we must refine and develop our
24 thinking on the objectives of the competition and the means
25 to accomplish these objectives. Thank you.

[The prepared statement of Dr. Wright follows:]

[COMMITTEE INSERT]

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1 Chairman Reed: Thank you very much, Dr. Wright.
2 General McMaster, please?

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1 STATEMENT OF LIEUTENANT GENERAL HERBERT R. MCMASTER,
2 JR., USA, (RET.), FORMER UNITED STATES NATIONAL SECURITY
3 ADVISOR

4 General McMaster: Chairman Reed, Senator Inhofe, and
5 distinguished members of the committee, thank you for the
6 privilege of discussing global security challenges and how
7 the United States, alongside our allies and partners, might
8 overcome those challenges, preserve peace through strength,
9 promote prosperity, and secure a better future for
10 generations of Americans to come.

11 I want to begin by thanking this committee for the work
12 that you and your predecessors have done to provide for the
13 common defense. I was a direct beneficiary of that work.
14 Thirty years ago almost to the day, I had the privilege of
15 commanding Eagle Troop of the Second Armored Cavalry
16 Regiment at the Battle of 73 Easting. During an intense 23-
17 minute assault across 4 kilometers of heavily defended
18 ground, our 132 troopers equipped with 9 Abrams tanks and 12
19 Bradley Fighting Vehicles destroyed a brigade of the Iraqi
20 Republican Guard without suffering casualties.

21 Senator Sam Nunn, who, as you know, rendered
22 extraordinary service to our nation as a senator, member of
23 this committee, and its chairman, invited me to testify as a
24 captain alongside retired Army General Paul Gorman to
25 explain our cavalry troop's lopsided victory in the Gulf

1 War, a war that was full of lopsided victories. I thanked
2 the committee for giving our troop, our Army, and our entire
3 joint force the weapons that allowed us to overmatch the
4 fourth largest army in the world and prove wrong pre-war
5 predictions of massive American casualties. But General
6 Gorman and I stressed the less tangible sources of our
7 force's combat prowess and in particular the training,
8 military education, and leader development that were
9 foundational to forging confident, cohesive teams bound
10 together by our warrior ethos, an ethos based on honor,
11 courage, respect, and a willingness to sacrifice for one
12 another and the mission.

13 It is that same ethos that has allowed our small
14 volunteer military to sustain combat operations across the
15 first two decades of this century after the most devastating
16 terrorist attack in history took the lives of nearly 3,000
17 innocents on September 11, 2001. The warrior ethos is
18 foundational to combat power and to the sacred covenant that
19 bonds servicemen and women to one another and to those in
20 whose name we fight. With the support of this committee,
21 General Gorman and other leaders of his generation
22 strengthened that ethos as they led a renaissance in our
23 all-volunteer joint force after the Vietnam War, a
24 renaissance based on improved training, education, doctrine,
25 organization, equipment, and quality of recruits.

1 Our joint force is a living historical community in
2 which today's leaders are charged with building on the
3 legacy of excellence inherited from those who have gone
4 before them. Today's leaders, like those of General
5 Gorman's and my generation, will continue to rely on this
6 committee to help them preserve the warrior ethos and
7 fulfill their responsibilities to the servicemen and women
8 of today and generations to come.

9 That is why the work of this committee and its strong
10 example of bipartisanship is vital to our nation's security
11 as we emerge from four traumas: a pandemic; a recession
12 associated with the pandemic; social division and violence
13 sparked by George Floyd's murder and anger over unequal
14 treatment under the law; and vitriolic partisanship combined
15 with lies, disinformation, and conspiracy theories that
16 culminated in the murderous assault on this building on
17 January 6th, 2021. Recovering from these traumas is
18 essential to our national security because it is the
19 perception of division and weakness at home that emboldens
20 rivals, adversaries, and enemies abroad. And confidence in
21 our common identity as Americans and our role in an
22 increasingly interconnected world is essential to a
23 sustained approach to national security and foreign policy.

24 As Dr. Wright mentioned, we live in a dangerous time.
25 But we live in a dangerous time in part because our

1 confidence appears eroded as the global pandemic catalyzes
2 challenges to American security, prosperity, and influence
3 in the world. I describe some of those challenges in my
4 statement for the record and suggest ways that we might
5 overcome them and secure a better future for generations of
6 Americans to come.

7 In general, we must overcome our narcissistic view of
8 the world and stop assuming that what we decide to do or not
9 do is decisive to achieving a favorable outcome. We need to
10 adopt a non-partisan, long-term approach to foreign policy
11 focused on competitions important to our nation's security,
12 prosperity, and influence in the world. And we must ground
13 our national security and defense strategies in the reality
14 that rivals, adversaries, and enemies are unlikely to
15 conform to our preferences.

16 Thank you for the privilege of being with you and for
17 appearing alongside my colleague, Dr. Wright. Thank you,
18 Mr. Chairman.

19 [The prepared statement of General McMaster follows:]

20 [COMMITTEE INSERT]

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1 Chairman Reed: Thank you very much, General.

2 With some senators attending remotely, I want to once
3 again describe the procedures. Since it isn't possible to
4 know exactly when our colleagues will be joining via
5 computer, we will not be following our standard early-bird
6 timing rule. Instead, we will handle the order of questions
7 by seniority, alternating sides until we have gone through
8 everyone. Once we reach the end, if there is anyone we
9 missed, we will start back at the top of the list and
10 continue until everyone has had their turn. We will do the
11 standard 5-minute rounds, and I ask my colleagues on the
12 computer to please keep an eye on the clock, which you
13 should see on your screens. Finally, to allow for everyone
14 to be heard, whether in the room or on the computer, I ask
15 all colleagues to please mute your microphone when not
16 speaking.

17 With that, let me begin the questioning. And again,
18 let me thank you for your excellent testimony, Dr. Wright
19 and General McMaster.

20 As Senator Inhofe pointed out, the National Defense
21 Strategy is a very crucial and influential source of
22 guidance as we go forward. But one of the aspects of the
23 NDS is that it describes sort of a vague endpoint, if you
24 will, in terms of so we can compete more effectively and
25 win. That, I think, is something we have to dig down into

1 more precisely, and it doesn't define measures to see how
2 well we're doing in that effort.

3 So, Dr. Wright first and then General McMaster, what
4 should be our strategic end state of the United States, what
5 should we be seeking to bring about, and what types of
6 measures of effectiveness should we use?

7 Dr. Wright: Senator, thank you. The question about
8 the goal of U.S. competition with China, Russia, and
9 probably other autocratic powers is one that is still in the
10 early stages of being sorted out, and in the National
11 Defense Strategy, National Security Strategy, and many of
12 the early contributions, I think the answer to that question
13 was relatively vague.

14 My answer to it now is that, to me, the U.S. objective
15 in strategic competition with Russia and China should be,
16 one, to inoculate free societies against the negative
17 externalities of the autocratic model; and two, to deter
18 adversaries from aggressive actions that would upset the
19 status quo; and three, to build a healthy, vibrant, and
20 prosperous collection of free societies, the free world that
21 General McMaster has also written so eloquently about, so
22 that that can exist and thrive independently of the
23 autocratic states.

24 Chairman Reed: General?

25 General McMaster: Thank you, Mr. Chairman. I think

1 that we have to be able to win, and I think it has become
2 fashionable and regrettable in recent years to think it's
3 okay to engage even in war without a clear vision toward
4 what victory would mean. Now, it's not going to be marching
5 into an enemy's capital and declaring the war over. But I
6 think what we have to define winning as is achieving a
7 sustainable political outcome consistent with what brings us
8 into conflict to begin with.

9 This is, of course, the problem we're facing now in
10 Afghanistan, where our prioritization of withdrawal over
11 achieving that sustainable outcome is going to ensure that
12 we can't accomplish the objective that we are oriented on
13 from the very beginning two decades ago, which is to deny
14 jihadist terrorists a safe haven and support base that they
15 can use to plan, prepare, and resource attacks on the scale
16 of 9/11 in one of the real terrorist epicenters of the
17 world.

18 And so I think, in the National Defense Strategy in
19 particular, it's important for us to consider the
20 consolidation of military gains as an inherent part of war.
21 It's not just an optional phase, as I think we might have
22 learned from the difficulties that we encountered in both
23 Afghanistan and in Iraq. I mean, those were always going to
24 be difficult conflicts, but I think we made it harder on
25 ourselves by taking this simplistic short-term approach to

1 what is a long-term problem and neglecting the importance of
2 the consolidation of gains to get the sustainable political
3 outcomes. There will be times when we conduct military
4 raids, which are by definition operations of short duration,
5 limited purpose, and planned withdrawal. But neither
6 Afghanistan nor Iraq were raids, and we paid the price for
7 inconsistent, inadequate, unsound strategies over many
8 years. I think it's fair to say that our long war in
9 Afghanistan, our longest war, is not a 20-year war. It's a
10 1-year war fought 20 times over.

11 I think the other aspect of winning is trying to
12 ensure, as Dr. Wright has mentioned, that the war doesn't
13 happen to begin with, and this is deterrence by denial.
14 It's convincing our adversaries that they cannot accomplish
15 their objectives through the use of force. I would stress
16 in this case, in connection with the defense strategy, how
17 important it is to have capable joint forces forward
18 positioned in sufficient scale to operate alongside allies
19 and partners to deny our principal adversaries, in this case
20 I would say China and Russia, from succeeding in this
21 approach of anti-access area denial.

22 I would just like to point out that capable forward-
23 positioned joint forces automatically transform what our
24 enemies or potential enemies would prefer to regard as
25 denied space into contested space.

1 And then finally, winning is overcoming challenges that
2 operate below the threshold of what might elicit a military
3 response, and I think we can see the danger associated with
4 Russia and increasingly China trying to accomplish
5 objectives below that threshold, and this is where I think
6 the defense strategy really has to emphasize the integration
7 of the military instrument with all elements of national
8 power and efforts of like-minded partners to counter these
9 more sophisticated and pernicious forms of aggression.

10 Chairman Reed: Well, thank you very much, gentlemen.

11 Let me recognize Senator Inhofe.

12 Senator Inhofe: Thank you, Mr. Chairman.

13 I've got two questions to ask, and I'm going to try to
14 get them both in in 5 minutes, so be kind of brief, if you
15 would.

16 The first one has to do with what we've been talking
17 about, and that is the NDS. It wasn't long ago, I think
18 just last week, someone in the new administration -- it was
19 not the President but someone else -- was talking about
20 we're going to have to be revising the 2018 NDS and writing
21 a new NDS for 2022. This concerned me a little bit when I
22 heard this, so I want to ask the question first to General
23 McMaster and then a comment from Dr. Wright.

24 The question would be, in your opinion, what principles
25 and priorities should be retained from the 2018 NDS?

1 General McMaster: Thank you, Senator Inhofe. You
2 know, I'm a fan of the 2018 NDS because, maybe I'm a little
3 bit biased, but it was derived from the work that we did on
4 the National Security Strategy in December 2017, a strategy
5 that I think made an acknowledgement that was long overdue,
6 and that was the return of Great Power competition, and in
7 particular we rejected assumptions under which previous
8 policies had been based.

9 Foremost among them was that China, having been
10 welcomed into the international order, would play by the
11 rules and, as it prospered, would liberalize its economy and
12 liberalize its form of governance and not pose a threat.

13 So I think what the 2018 Defense Strategy did best was
14 acknowledge the threat from China and the threat from Russia
15 as revisionist powers. I think the defense objectives from
16 2018 are sound. They're very difficult, I think, to argue
17 with. They provide a broad framework for a sustained effort
18 to develop defense capabilities over time, and I would say
19 that the overall three objectives of rebuilding readiness,
20 strengthening alliances, and then reforming the Department's
21 business practices so we can innovate within the cycle of
22 technology and maintain our critical differential advantages
23 over potential enemies, those are hard to argue with as
24 well.

25 And then, of course, there are the eight priorities for

1 modernization. The overall point I would say is that I
2 don't think any administration going forward should define
3 its policies and strategies based mainly as an opposition to
4 the one that had gone before it, because if that's the case
5 we won't have the kind of continuity that we need to build
6 capabilities going forward.

7 Senator Inhofe: Okay. I'm going to interrupt you, and
8 I appreciate your response; it did answer my question.

9 Any short comments you have, Dr. Wright, on that?

10 Dr. Wright: Just very briefly, I agree with General
11 McMaster. I think the overarching principle of the 2018 NDS
12 and to reorient the Department and the U.S. military toward
13 Great Power competitors is the correct sort of theme that
14 should be continued and evolved through the next iteration
15 of the NDS.

16 Senator Inhofe: Okay, I appreciate that very much.
17 I've got to have time for the second question, and that is
18 on climate change. There's a lot of discussion, and I know
19 -- I've been through the Paris Agreement and all of that,
20 and everyone applauds China and Russia and India for all the
21 wonderful things they're going to do. But there's something
22 that was said, a statement that was made in your book
23 "Battlegrounds," General McMaster, when you said people
24 don't understand this but what the world needs is a
25 comprehensive strategy based on the recognition that

1 countries will not suppress their security and economic
2 interests to join an international group.

3 But that's what these people want, the Paris Accord,
4 and others who join this international group, aren't China
5 and Russia wonderful for doing that. However, the American
6 Enterprise Institute report showed that the United States
7 led in CO2 emission reductions in 2018, while China and
8 India accounted for more than half of all new emissions.

9 So with that, General McMaster, what would you view as
10 the role of the military in terms of what we're doing in
11 some type of a climate change policy? How does that blend
12 into it, and do you have any comments on the fact that these
13 countries are all getting all kinds of credit for
14 participating in things when, in fact, you are right, they
15 are not going to do anything that's going to impair their
16 competitive ability?

17 General McMaster: Thank you, Senator. I'll try to be
18 succinct on this. It's a complex topic, and I'm not the
19 expert on it. But I think what's really important is that
20 we can't afford to have any more non-solutions. The Paris
21 Agreement is a non-solution because even if we do everything
22 that we can as a developed economy to reduce carbon
23 emissions, China, India, and other emissions from the
24 developing world, and Africa in particular, will ensure that
25 those gains amount to nothing in connection with the

1 problem.

2 So the danger of Paris is it's a feel-good exercise
3 that can lead us to complacency in this area. I think the
4 good news is there are real solutions that are available.
5 For example, there are bridging fuels, like natural gas, for
6 example. There's next-generation nuclear. There are, of
7 course, the whole range of renewables. But what is really
8 important is that any solution has to be economically
9 feasible in developing economies, and we have to recognize
10 that China, Xi Jinping can pose as an environmentalist, but
11 China is building 50 to 70 coal-fired plants a year, for
12 example.

13 The military's role is in support, right? I think
14 research and development. But I think what the military can
15 do is innovate, innovate to provide our joint forces the
16 ability to sustain freedom of movement and action at the end
17 of extended and contested supply lines in austere
18 environments. That's kind of a niche research and
19 development capability. I think other departments and
20 agencies in the administration should have the lead on the
21 issues associated with climate change and the related issues
22 of energy security, water security, food security and so
23 forth.

24 Senator Inhofe: That's a great answer.

25 My time has expired. Thank you, Mr. Chairman.

1 Chairman Reed: Thank you, Senator Inhofe.

2 Senator Shaheen, please?

3 Senator Shaheen: Thank you, Mr. Chairman.

4 And thank you both for being here this morning and for
5 your testimony.

6 I want to start with you, General McMaster, because I
7 agree with the statements you've made relative to
8 Afghanistan, that withdrawing our troops now is not
9 strategically a good position for the United States to be
10 in. But I do appreciate, as I know you do, that people are
11 tired of this long war and don't see an end to it. So if
12 we're thinking about the strategy of Afghanistan and how it
13 affects the Great Power competition, which it does,
14 obviously -- our engagement in places like Syria and Yemen
15 and Afghanistan are all also about what happens with our
16 Great Power competitors -- how do we get out of Afghanistan?
17 How do we achieve that stable environment that you're
18 talking about?

19 General McMaster: Thank you, Senator. I agree with
20 you that there are reasons for people to be upset about it,
21 to be disappointed about it, to lose their patience, because
22 I think that multiple administrations have not done a
23 sufficient job to explain to the American people what they
24 need to know: (a), what is at stake; and (b), what is a
25 strategy that will deliver a favorable outcome at a cost

1 acceptable to the American people?

2 I believe that the first time that we had a sustainable
3 long-term approach in place for Afghanistan was the August
4 2017 South Asian Strategy. Unfortunately, the Trump
5 Administration abandoned that strategy and I believe doubled
6 down on some of the fundamental flaws of the Obama
7 Administration strategy toward Afghanistan, and in
8 particular engaging in self-delusion by imagining a bold
9 line between Al Qaeda and other jihadist terrorists and the
10 Taliban, a bold line that we know as a fact doesn't exist;
11 as well as self-delusion in the belief that the Taliban
12 really want peace short of establishing the Islamic Emirate
13 of Afghanistan, which would be the first step again toward
14 providing safe haven support bases to these groups.

15 So your very important question is, okay, so what,
16 then? What does it look like?

17 Senator Shaheen: Right, that's the question.

18 General McMaster: So what it looks like is Afghanistan
19 as it is today with a very small U.S. force sustained
20 commitment there, with allies and partners committing even
21 more forces than the United States does for burden sharing.
22 It has to be affordable, but we have to recognize that
23 Afghanistan is bearing the brunt of this fight right now.
24 About 30 Afghan soldiers die every day fighting to retain
25 the freedoms that they've enjoyed.

1 The last thing that I would say here is that what we're
2 doing I think is also going to cause a humanitarian
3 catastrophe -- could cause -- of colossal scale.
4 Afghanistan needs support if they're going to be able to
5 continue to take the lead. I think we just have to
6 acknowledge that Afghanistan is not going to be Denmark, but
7 it can be a heck of a lot worse than it is now if we
8 withdraw our support prematurely and create opportunities
9 for the Taliban. We have essentially partnered with the
10 Taliban against the Afghan government --

11 Senator Shaheen: Oh, I totally agree with that, and I
12 think the question now is how do we correct that. And I
13 also think that the Afghan people who are going to bear the
14 biggest cost of any precipitous U.S. withdrawal are the
15 women and girls in the country, and it would be a huge
16 humanitarian disaster. So the question again is how to
17 reverse that policy.

18 I want to go on to Russia because I think one of the
19 things that Russia has done very successfully is their gray
20 zone efforts, which we have not responded to in a way that I
21 can see has deterred Russia. I'm pleased about the recent
22 announcement of sanctions by the Biden Administration with
23 respect to Navalny, but can you both talk a little bit about
24 how we better deter Russia, who I think in the short term is
25 more of a threat than China?

1 Dr. Wright: Thank you, Senator. Yes, I think the
2 first thing that we could do is actually make this a top
3 priority with the European allies. For various reasons,
4 this has not been up front and center in various NATO
5 summits and on the bilateral agenda with many of those
6 countries. So I think that needs to change.

7 I also think we need to re-look at the automatic reflex
8 to go toward sanctions every time Russia does something
9 egregious. I think sanctions have an important role to
10 play, but they don't really change the behavior. I think
11 looking seriously at anti-kleptocracy, anti-corruption
12 efforts to push back against the Putin regime is also
13 another option. And then, of course, increasing resilience
14 on a NATO and U.S.-EU basis as well, so that societies learn
15 from best practices in Taiwan, Australia, elsewhere, and
16 those operations have limited effect on those countries.
17 Thank you.

18 Senator Shaheen: Thank you.

19 My time is up. Thank you, Mr. Chairman.

20 Chairman Reed: Thank you, Senator Shaheen.

21 Senator Wicker, please?

22 Senator Wicker: Thank you, Mr. Chairman.

23 Dr. Wright, you indicate that we can get a better
24 result from our NATO allies by shifting the definition of
25 the 2 percent requirement from defense spending, per se, to

1 the kind of technology research that leads to security. Can
2 you take 60 seconds to explain to us what you mean by that?

3 Dr. Wright: Absolutely, Senator. So I agree, Europe
4 needs to do more, there needs to be more burden sharing.
5 But what worries me about the 2 percent number is we're
6 creating sort of an artificial metric which they can meet by
7 having all types of things count towards it that don't
8 necessarily make them more competitive vis-à-vis Russia or
9 vis-à-vis China in particular.

10 So if they, for instance, are willing to go all the way
11 on 5G technology, make really costly investments to strip
12 that out of their 4G networks and to invest in democratic
13 solutions to that technology problem, I think we should give
14 them credit for that, right? We should count that as part
15 of that sort of long-term effort for them to be more
16 competitive. So that's just one example. I'm not saying we
17 let anyone off the hook, but I do think we have to look at
18 the effectiveness of how they are positioned, particularly
19 in terms of China and what we really care about, which I
20 think is the technology, the high-end technology.

21 Senator Wicker: That's going to be a little bit hard
22 to quantify, though, isn't it?

23 Dr. Wright: Well, I think we can see it with 5G on the
24 basis of the decisions that they make and the budgetary
25 costs that they incur for those decisions. So I think there

1 are ways of measuring it. But, yes, it's probably more
2 complicated or diversified than just having one single
3 number that we measure against a single defense budget.

4 Senator Wicker: Thank you very much.

5 General McMaster, let's talk about ship building and
6 China. I believe we now have naval superiority in the
7 Pacific, but we're in danger of falling behind, and we need
8 considerable investment in our naval forces. I hope you
9 agree with that. Tell me if you do.

10 General Milley suggested last year that we may need to
11 depart from traditionally equal allocation of defense
12 spending between the services. Would you comment about
13 that, and do you believe our naval forces' structure and
14 posture are adequate in the Pacific to countering China's
15 maritime threat?

16 General McMaster: Senator, I do not believe they're
17 adequate, especially if you look at the projections for what
18 the Chinese People's Liberation Army/Navy is going to build.
19 But I would say this same dynamic is affecting all the
20 services, you could really say since World War I, that
21 smaller and smaller U.S. joint forces have had a bigger and
22 bigger impact over wider areas based on our technological
23 advantages, right? The automotive revolution, the aerospace
24 revolution, assured communications, access to space, big
25 data analytics, precision strike capabilities and GPS, all

1 of that now is challenged because Russia, China and others,
2 they studied us, especially after the Gulf War, and they
3 developed capabilities to take apart those differential
4 advantages.

5 So now scale matters more, and I think what we need are
6 more systems that are maybe less exquisite but very capable,
7 and we need systems that degrade gracefully rather than fail
8 catastrophically.

9 Senator Wicker: Systems.

10 General McMaster: These are ships, these are
11 submarines. Any system within the network of the joint
12 force capability has to be resilient, has to be capable of
13 decentralized operations, because the exquisite assured
14 communications and surveillance that we've depended on is at
15 least contested in an unprecedented way by electronic
16 warfare, counter-satellite capabilities, offensive cyber
17 capabilities, tiered and layered air defense, and also these
18 long-range missile systems.

19 Senator Wicker: Four years ago this committee stepped
20 forward on a bipartisan basis, included the SHIPS Act in the
21 National Defense Authorization Act for 355 ships as a
22 requirement and said we're going to get there as soon as
23 practicable. The new requirement came out late in the
24 previous administration, around November or December, so
25 we'd get over 400 ships. Talk about that, and are you

1 familiar with the plan that came out late last year, and do
2 you support that?

3 General McMaster: I am, Senator. Of course, I would
4 defer to the people in the Department of Defense because
5 they're the ones who are looking at all the tradeoffs and
6 what we need in terms of joint capabilities. But I do think
7 that overall, all of the services are coping with a bow wave
8 of deferred modernization, and when those defense cuts
9 occurred while we were at war, those were bills that, if we
10 wanted to maintain our deterrent capability, we were going
11 to have to pay eventually.

12 So I think that's what, sadly, you're coping with and
13 the Department of Defense is coping with these days. So I
14 think it's really important to understand the context of
15 defense spending these days, that we are in catch-up mode
16 and we are going back to rectify some of the weaknesses that
17 developed in our deterrent and fighting capability over many
18 years.

19 Senator Wicker: Thank you, sir.

20 Chairman Reed: Thank you, Senator Wicker.

21 And now, via Webex, Senator Gillibrand.

22 Senator Gillibrand: Thank you, Mr. Chairman.

23 On page 68 of the 2017 National Security Strategy, it
24 devoted about half a page to combatting pandemics and
25 combatting other biological threats to our national

1 security. The COVID-19 pandemic has really laid bare,
2 exposing many of our gaps in prioritizing, detecting,
3 responding to and preventing the spread of infectious
4 diseases that have the potential to not only cost human
5 lives but to cripple our economy and to weaken public faith
6 in our institutions.

7 How can we leverage our current national security and
8 foreign policy assets to improve on our surveillance and on
9 our response to infectious disease?

10 And second, I've advocated for a one-health security
11 approach that would use a multilateral strategy to address
12 public health disasters like COVID-19. The one-health
13 security approach integrates professionals with expertise in
14 security, law enforcement, and intelligence to join
15 veterinarian experts, agriculture, environmental, and human
16 health experts to address these problems.

17 How should the Federal Government develop the
18 multidisciplinary approach that is necessary to prevent
19 diseases, detect them as early as possible to maximize
20 response time, and, in the case of deliberate threats, hold
21 those responsible accountable?

22 General McMaster: Okay, so I'll take it first. The
23 three key tasks, the three key actions in the National
24 Security Strategy on the pandemic, I'll just go through
25 those very quickly, where they broke down and what we need

1 to do.

2 The first of these is stop a pandemic before it becomes
3 a pandemic, and that's through global surveillance and rapid
4 response to contain it. Well, thank you, Chinese Communist
5 Party. We weren't able to do that based on the subversion
6 of the World Health Organization and the disinformation and
7 going after anybody who was trying to ring the alarm bells
8 about it.

9 The second thing that we have to do is we have to
10 mobilize a biomedical response. This is where we fell down
11 at the beginning. We fell down for a number of reasons.
12 First of all, our supply chains became too biased in favor
13 of efficiency over resilience, for too long.

14 Secondly, we didn't coordinate well between various
15 levels of government, acknowledging the Federal system that
16 we have, and between the public and private sector because
17 we have a hybrid health care system. So authoritative data,
18 the transferability of that data, the ability to at least
19 not compete against each other when we're going after
20 critical elements of the response is very important. So how
21 we share data, that system that is put in place, that has to
22 change. We have to become much more effective at that, as
23 well.

24 And then finally, we need biomedical innovation. I
25 think that grade is going to be kind of an A-plus. It's

1 going to be an A-plus because we delivered a vaccine far
2 sooner than anybody thought we would. That's investment
3 really from this committee and others over many years on
4 being able to rapidly prototype vaccines and then be able to
5 produce them at scale.

6 So I think the most important thing we've learned is
7 writing anything on paper doesn't get it implemented, and we
8 need a high degree of competency in implementing the plans
9 that we have, and I think the biggest focus that we need now
10 is on that second task of mobilizing a biomedical response.

11 But also, the WHO -- and I'll ask Thomas to comment on this
12 -- needs to be reformed. I think there is no prize for
13 membership in international organizations, especially when
14 they're being subverted and turned against their purpose by
15 an adversary, like the WHO was with China.

16 Senator Gillibrand: Well, let me give you a more
17 pointed question. Obviously, COVID-19 was a zoonotic
18 pathogen, and I'm concerned that malignant actors will use
19 the pandemic as a teaching moment to add weaponized diseases
20 and spread a biological weapon in their arsenal attack.

21 How can we work with our allies to disrupt the spread
22 of biological weapons and ensure that emerging biotechnology
23 and bioengineering tools are used for good?

24 Dr. Wright: Senator, I can address that. I would just
25 add to General McMaster's comment that, number one, I think

1 that global health has to be a priority of the U.S.
2 intelligence community. We cannot expect transparency from
3 China going forward, so intelligence collection on this I
4 think has to be part of their mission set.

5 Secondly, I think the U.S. must engage the WHO and push
6 for reform, again because of China's role. We shouldn't
7 expect for transformative reforms, so we must develop in
8 parallel a group of like-minded countries that are willing
9 to go further, faster, and to hold countries accountable
10 when they do not cooperate and do not share information.

11 Senator Gillibrand: Thank you, Mr. Chairman.

12 Chairman Reed: Thank you, Senator Gillibrand.

13 Senator Cotton, please?

14 [Pause.]

15 Senator Manchin: Tom, this microphone works.

16 Senator Cotton: Thank you, Senator Manchin.

17 Thank you, gentlemen, for your testimony today.

18 General McMaster, we talked about a lot of new types of
19 competition with China. Let's talk about a very old-
20 fashioned, hard-power question about China. How bad would
21 it be for America's security and our national interests if
22 China went for the jugular in Taiwan, if China invaded and
23 annexed Taiwan to the mainland?

24 General McMaster: Senator, I would just say, first of
25 all, if we were to respond, the costs on China would be

1 tremendous as well. I think there's a race ongoing right
2 now to help Taiwan harden its defenses to make itself
3 indigestible prior to the period which I think is the
4 greatest danger, which is from 2022 onwards based on the
5 conclusion of the Beijing Winter Olympics and based on the
6 Communist Party Congress.

7 I think that the key thing is to work with the
8 Taiwanese Armed Forces, us and other like-minded countries,
9 to help them strengthen their defenses and to support the
10 policies, the reforms the president signed when it's
11 initiated.

12 But it would be extremely costly for both sides. If
13 the United States did decide to respond to Taiwan, I do
14 believe that the People's Liberation Army would suffer
15 tremendous losses based on the tremendous capabilities of
16 our joint forces. The important point that I would make,
17 though, is that it's immensely important to keep forward-
18 position-capable joint forces there because what China is
19 trying to do is to create in the South China Sea a barrier
20 that would make it just far too costly for us to come to any
21 ally's defense. This is vis-à-vis Taiwan, but it's also in
22 their effort to isolate China's major regional competitor,
23 Japan, as well.

24 Senator Cotton: And one of those new types of
25 competition is in advanced technology. If China were able

1 to invade and annex Taiwan, it would also put in Chinese
2 hands the world's leading producer of semi-conductor chips,
3 as well.

4 General McMaster: Absolutely. And if you look at geo-
5 strategic implications, if you just turn the map sideways
6 such that Taiwan is on the front, you see how that gives the
7 People's Liberation Army tremendous access to coerce others
8 in the region.

9 Senator Cotton: One final question on this, and I'd
10 like to address it to both of you. It was long U.S. policy
11 that we would maintain a position of strategic ambiguity
12 about supporting Taiwan should China invade it. Some
13 experts, to include Richard Haas, President of the Council
14 on Foreign Relations, has said that we should replace that
15 now with a policy of strategic clarity because China's
16 military is so much stronger, because specifically it's
17 geared increasingly toward invasion of Taiwan, because
18 Taiwan has developed a strong, robust democratic culture
19 that it wouldn't be a change of the end state we're trying
20 to achieve, which is the maintenance of peace in the Western
21 Pacific, it would simply be a change of the policy means to
22 achieve that end state by going from strategic ambiguity,
23 being unclear to the world, to Beijing, to Taipei about what
24 the U.S. would do, to one of strategic clarity that said
25 simply we will come to Taiwan's aid should China invade

1 Taiwan.

2 General McMaster, do you believe that strategic clarity
3 would be the right policy for the United States?

4 General McMaster: No, I do not. I believe the
5 strategic ambiguity is adequate, especially after we've made
6 public the six assurances to Taiwan. And I think if we act
7 in the way that the Trump Administration has acted, and the
8 new Biden Administration has acted, to assure Taiwan and to
9 send a pretty clear message to China -- and I think the
10 message to China ought to be, hey, you can assume that the
11 United States won't respond, but that was the assumption
12 made in June of 1950 as well, when North Korea invaded South
13 Korea.

14 So I think it's really by our actions rather than by
15 our words. Of course, I know it would strike home to all of
16 you that this is an Article 1 issue, right? To go to war or
17 to not go to war. So I think it would be appropriate to
18 maintain strategic ambiguity, and if that crisis occurs, I'm
19 sure that all of you and your colleagues would reflect the
20 will of the American people on what we do about it.

21 Senator Cotton: Dr. Wright?

22 Dr. Wright: Yeah, I fully agree with General McMaster.
23 I think I wouldn't revisit the concept of strategic
24 ambiguity, but I think through actions we can deter this
25 action and demonstrate U.S. commitment in a stronger and

1 closer relationship with Taiwan.

2 Senator Cotton: Thank you both, gentlemen.

3 I must confess, sitting here behind this Senator
4 Manchin nameplate, I'm tempted to announce the way the most
5 powerful senator in Washington is going to vote on all Biden
6 Administration nominations and legislation, but I won't out
7 of a show of gratitude that Senator Manchin allowed me to
8 borrow his microphone. Thank you, Senator Manchin.

9 Chairman Reed: Thank you, Senator Cotton.

10 Now Senator Kaine, please?

11 Senator Kaine: Thank you, Mr. Chair.

12 And thank you to the witnesses for your service and for
13 your wisdom today.

14 Let me follow up on Senator Cotton about Taiwan. Would
15 it be strategically valuable if Congress stepped up the pace
16 of, for example, CODELs to Taiwan once we're safely
17 traveling again? I've been sort of wondering about that.
18 Often, for strategic reasons, we haven't prioritized Taiwan
19 and CODELs, but it might be valuable to contemplate that.
20 What would your opinion of that be?

21 General McMaster: Senator, I think that's a great
22 idea. And in particular, it's an important counter to what
23 the Chinese Communist Party's talking point is oftentimes on
24 Taiwan, that they want you to believe that the Chinese
25 people are culturally predisposed toward not wanting a say

1 in how they're governed and that there is no alternative for
2 the Chinese people other than their authoritarian model. So
3 I think that's an important message, as well as the
4 oversight on military sales and assistance as well. So I
5 think it's great from a less tangible perspective and from a
6 very tangible oversight perspective, as well.

7 Senator Kaine: General McMaster, you and I spoke in
8 2017 shortly after you became National Security Advisor, and
9 we talked about George Kennan. We talked about Kennan's
10 famous 1947 Foreign Affairs article, "The Sources of Soviet
11 Conduct." I'm still quite an admirer of a lot of wisdom in
12 that piece.

13 Here's something he said in that article that I still
14 find troubling, and this will be a question for you too, Dr.
15 Wright. In talking about the way the U.S. can best
16 influence and, frankly, prevail over the Soviet Union and
17 the international communist movement at that point, here's
18 what he said: "It is rather a question of the degree to
19 which the United States can create among the peoples of the
20 world generally the impression of a country which knows what
21 it wants, which is coping successfully with the problems of
22 its internal life and with the responsibilities of a world
23 power, and which has a spiritual vitality capable of holding
24 its own among the major ideological currents of the time."

25 That piece of wisdom was focusing on the fact that it

1 wasn't necessarily the weapons systems or the defense budget
2 that was going to defeat communism. It was the power of the
3 United States as an example of being a world power, of
4 coping with the internal challenges and holding up a good
5 example to the rest of the world.

6 I'm very, very troubled about applying that Kennan
7 yardstick to today's reality. We just saw this attack on
8 the Capitol, sadly perpetrated by the repetition of a Big
9 Lie over and over and over again about the election. Some
10 of the people who were the attackers that day were people
11 with really bad backgrounds, neo-Nazi white supremacist
12 militias, but a lot of people weren't those folks. They
13 were just people who got bamboozled, and some of the people
14 who got bamboozled and got arrested had been ex-military who
15 the U.S. had trained to defend the nation, and they instead
16 breached the Capitol.

17 This is a committee that's going to focus on the
18 budgets and the weapons systems and the external reality.
19 But what should we be doing to try to meet the Kennan
20 standard of again becoming a nation that seems like it's
21 coping successfully with its own internal challenges and
22 where huge swaths of the population, including the military,
23 aren't so easily bamboozled by the Big Lie?

24 General McMaster: Well, Senator, I think the way to
25 think about this is how do we turn what the Chinese

1 Communist Party views as our greatest weaknesses into our
2 greatest competitive advantages? They see the fact that the
3 people have a say in how they're governed, they fear that
4 more than anything else and would see that as a weakness to
5 the Party.

6 Hey, we have representative government. We should be
7 more confident that all of us have a say in how we're
8 governed, and if we're not happy with the way we're
9 governed, we have recourse in our elections. That's why we
10 have to guard our confidence in our democratic processes and
11 institutions, like the election.

12 They see freedom of speech and freedom of the press as
13 a tremendous weakness to the Party. We have to encourage at
14 least the Fourth Estate to reform. I mean, why are we in
15 this situation where if you lean one way politically, you
16 watch one cable news station; you lean another way, you
17 watch one of two others? Social media is even worse in the
18 pseudo-media world, where a lot of these conspiracy theories
19 are sown.

20 So we have these forces in the information sphere which
21 are polarizing us and pitting us against each other and
22 reducing our common identity in who we are. But we can turn
23 that into our greatest strength, and I think we can be more
24 confident ourselves in our ability to do what our Founders
25 said we had to do, right? Our Republic was always going to

1 require constant nurturing.

2 Senator Kaine: Mr. Chair, could I ask if Dr. Wright
3 could just briefly answer the question, as well? Thank you,
4 briefly.

5 Dr. Wright: Thank you, Senator. I think while we sort
6 of aspire and work toward dealing with these problems at
7 home and to perfect U.S. democracy, I think it's important
8 to remember that it's precisely because there is a struggle
9 at home on these issues and precisely because people are
10 working to improve democracy that the U.S. ought to stand up
11 for this abroad as well, because the U.S. has a stake in the
12 outcome of this struggle, and I think it makes it even more
13 important to stand for democracy, human rights, and the rule
14 of law.

15 Chairman Reed: Thank you, Senator Kaine.

16 And now via Webex, Senator Rounds.

17 Senator Rounds: Thank you, Mr. Chairman.

18 Good morning, Dr. Wright and General McMaster. First I
19 want to thank you for your service and being with us today.
20 Your expert testimonies on our nation's global security
21 challenges and strategy are coming at a critical time.

22 My first question is for both of you. Dr. Wright, as
23 you know, there are some who believe that the nuclear triad
24 has outlived its usefulness and that a force of bombers and
25 nuclear missile submarines will suffice to maintain a

1 credible and reliable nuclear deterrent. In other words,
2 this school of thought deems the ICBM force to be no longer
3 needed. Others believe that the dollars the Air Force has
4 identified as necessary to modernize that force would not be
5 well spent. I'm curious as to your thoughts on these
6 arguments.

7 Dr. Wright: Thank you, Senator. I think modernizing
8 the triad and maintaining a credible deterrent is a
9 necessary pre-condition of a sort of successful U.S.
10 defense, a national security strategy. So I think that has
11 to be viewed in balance with the other priorities that the
12 Department has and to make sure that we're allocating
13 resources to be competitive in all domains, but I think also
14 maintaining a credible deterrent is an important priority.

15 General McMaster: Senator, I would just add to that
16 that there is a tremendous bow wave of deferred
17 modernization in the nuclear forces, as you know. I would
18 stand by the tremendous work that went on in the nuclear
19 posture review in 2018. It was published in 2018. I think
20 that, again, this is one of these areas where it takes a
21 sustained effort over multiple administrations to make
22 headway.

23 And then finally, going without the land-based element
24 of the triad works until it doesn't work anymore, because
25 our adversaries and potential enemies have counter-measures

1 available to them that could one day make us wish we had
2 that capability. And once you divest from a capability like
3 that, it's super hard to build it back.

4 Senator Rounds: I agree.

5 Let me ask you, just in the interest of time I'm only
6 going to ask you to think about one item in particular, but
7 once again for both of you. We all know that we face ever-
8 growing threats in cyberspace. If you could make one change
9 with regard to DOD's role in the defense of our nation in
10 this domain, what would that be? Right now it seems that
11 DOD, when we talk about defending this, we talk about
12 defending internally. And yet the purpose of DOD in the
13 first place is to protect our nation, and yet we seem to
14 have a challenge in that we're not allowed to work inside;
15 we work outside of our country with regard to our protective
16 nature. We defend forward and so forth.

17 But would there be anything that you would change in
18 terms of our policy in responding to these very aggressive
19 cyber attacks?

20 Dr. Wright: Senator, while we need to work across all
21 areas, including strengthening deterrence by denial in this
22 space, I think that ultimately is very difficult and we need
23 to give a lot more thought to offensive options to deter by
24 threat of punishment. We need to also think about ways for
25 us to respond to attacks like the Solar Winds attack by

1 working collectively with allies, too. I think in that
2 particular case, a NATO-wide response to Solar Winds would
3 be appropriate.

4 General McMaster: I would just add that the key is the
5 integration of efforts across departments and agencies. The
6 Cyber and Infrastructure Security Agency I thought was off
7 to a great start under Chris Krebs. I thought he did a very
8 good job there in a very short period of time, and I think
9 there are some good foreign examples to look at. I mean, we
10 are not Estonia. We are much more complicated than Estonia.
11 But Estonia has taken a very good holistic approach to cyber
12 security, and I think we can learn from some of our
13 international partners on how to better integrate especially
14 the security of infrastructure, which is in private hands,
15 and to incentivize security measures that otherwise
16 companies who are in a position to make those investments
17 are not really incentivized to do so.

18 So I think that's the biggest area. If I could change
19 one thing, it would be the incentive structure such that
20 companies that have and entities that have responsibility
21 for critical transportation, health care, you name it,
22 infrastructure are prioritizing those investments in
23 security.

24 Senator Rounds: General McMaster, one last question,
25 just briefly. There's been some discussion about nuclear

1 command and control and the decision-making process. Given
2 the speed with which nuclear weapons can be employed, do you
3 think diffusing nuclear command and control authority by
4 introducing multiple decision-makers will increase or
5 decrease the credibility of our nuclear deterrent, both in
6 the eyes of our adversaries as well as those of our allies
7 and partners?

8 General McMaster: Sir, I won't go into any specifics
9 of the system because I think there's already been too much
10 discussion about this in the public domain, but I have
11 complete confidence in it. Part of my responsibility was to
12 oversee exercise and so forth, ensure that we could, in
13 unimaginable circumstances, bring those decisions to the
14 right people. So I think the current system that's in place
15 is time tested. It's worth always looking at, and it's
16 consistent with your oversight responsibility to do so, but
17 my opinion is that it should stay as it is.

18 Senator Rounds: Thank you.

19 Thank you, Mr. Chairman.

20 Chairman Reed: Thank you, Senator Rounds.

21 Senator Blumenthal, please?

22 Senator Blumenthal: Thanks, Mr. Chairman.

23 Thank you both for being here today.

24 I want to pursue the line of questioning that Senator
25 Rounds began on the issue of deterring cyber attacks. We

1 have sanctioned our adversaries, we've indicted their
2 hackers, and we engaged in cyber operations to stop their
3 attacks, but clearly none of it has worked to deter, and I
4 emphasize deter those kinds of attacks. Just last week,
5 Microsoft CEO Brad Smith testified before our committee and
6 told us that our deterrent strategy has failed because we're
7 not communicating red line. As he put it, "It takes real
8 clarity about the lines that others cannot cross without
9 consequences, because without that kind of clarity I don't
10 think a deterrent doctrine can be effective."

11 I'm assuming both of you would agree we have failed to
12 establish red lines and our deterrence strategy, if it ever
13 existed, simply hasn't worked. Would you, in fact, agree?

14 Dr. Wright: Senator, yes, I would agree, but I think
15 when we talk about red lines in cyber, I think it's
16 important to recognize that we can't deter all types of
17 cyber attacks on all levels, right? I think what we're
18 focused on is those major state-sponsored attacks like Solar
19 Winds or like the attack on Australia in 2020 and how do we
20 deter those.

21 Senator Blumenthal: Well, I agree, we can't deter
22 every single skirmish, but as you just put it well, a major
23 attack that invades a number of government agencies,
24 including Defense and possibly Intelligence, is in my view
25 an act of war, but we have no idea what constitutes an act

1 of war in terms of red lines.

2 General McMaster?

3 General McMaster: Thank you. I would say that I think
4 there have to be really four aspects of cyber threats to
5 consider. First is cyber-enabled information warfare, which
6 we're talking about, that the Russians are the best at,
7 right? Polarizes, pits us against each other, and reduces
8 our confidence in our democratic institutions and principles
9 and processes.

10 The second is what you're talking about, attacks on
11 infrastructure. I think the first way to deter is to try to
12 harden that infrastructure so that your adversary doesn't
13 believe it can take it down without incurring costs. But as
14 Dr. Wright said, to also make clear that we have the ability
15 to impose costs on that actor that go far beyond what they
16 may factor into their decision to make that attack to begin
17 with. Those costs could be within cyberspace, but they also
18 have to be outside of cyberspace as well, and this is what
19 you've seen us do with sanctions probably more than any
20 other tool, as well as offensive cyber capabilities.

21 I think that sometimes the government gets it right and
22 they put the right person in the right job, and I think
23 that's General Paul Nakasone right now. I mean, I would ask
24 him these questions. I think he is absolutely the right
25 person to help us address what you see as real deficiencies

1 in deterrence.

2 And then the third, there's criminality, which maybe
3 North Korea is best known for this right now.

4 And then the fourth is cyber espionage, which is in the
5 purview of APT-10, and also this recent attack by the
6 Russians.

7 I think that we need a range of capabilities so we can
8 apply them very quickly in combination based on scenarios
9 that we know will happen. None of this is really
10 surprising, right? I mean, in 2007 the Iranians went after
11 our financial infrastructure. So I think that we should
12 have a range of responses prepared across the government.
13 They should be classified, briefed to you, on how we can
14 integrate all elements of national power and, as Dr. Wright
15 mentioned, with efforts of like-minded partners to impose
16 the kind of costs that could deter future attacks.

17 Senator Blumenthal: Taking your frame of analysis,
18 imposing costs, do you think at this point sufficient or
19 proportionate costs have been imposed on the Russians for
20 their attack on us in Solar Winds?

21 General McMaster: No, probably not. Russia will
22 continue as they have with Russian new-generation warfare
23 and the cyber-enabled information warfare against us.

24 You know, Senator, I'll tell you, this is going to be a
25 battlefield every day, as it is already. I just don't see

1 it ever ending. I think the key question to ask is when
2 does this cyber activity cross over from the cyber world and
3 cyberspace into the physical world and begin to affect the
4 daily lives of Americans, and then how do we protect that
5 from happening? Of course, the likelihood of that happening
6 is growing greater and greater because of the Internet of
7 things and the degree to which we are connected.

8 So it isn't in our nature, because we're all about
9 customer experience and making our lives easier, but we have
10 to develop systems that can degrade gracefully, that have
11 firewalls in place.

12 Senator Blumenthal: Let me just close because my time
13 has expired. There will never be a mushroom cloud as a
14 consequence of a cyber attack. What it will look like is
15 what happened in Texas as a result of a natural disaster,
16 shutting down electricity and water supplies, but we have to
17 stop this kind of cyber attack on our country before we see
18 that kind of consequence by imposing proportionate costs.
19 And I agree with you, we haven't so far on Russia.

20 Thank you, Mr. Chairman.

21 Senator Kaine: On behalf of Chair Reed, I recognize
22 Senator Ernst.

23 Senator Ernst: Thank you, Mr. Chair.

24 Thank you, Dr. Wright and General McMaster. Very good
25 to see you. Thank you, gentlemen, so much for your service

1 and dedication to our country.

2 This is important testimony today. I'm glad to hear
3 it. There's been some very, very good topics brought up,
4 but certainly, as the Ranking Member of Emerging Threats and
5 Capabilities, we have to understand what our future
6 challenges are in order to secure our great nation.

7 General McMaster, if we could talk about Special
8 Operations Forces and how they fed into our National
9 Security Strategy and Great Power competition. We know that
10 our SOF has played a large part in carrying out our foreign
11 policy and enforcing our National Security Strategy
12 throughout the global war on terrorism. Now we must prepare
13 these elite forces for that challenge of the future and our
14 Great Power competition. So how do we continue to enable
15 these types of forces into the future to combat those Great
16 Power competitors?

17 General McMaster: Senator Ernst, I'd like to make two
18 points on this. First of all, we oftentimes define Great
19 Power competition as just the U.S. conventional forces
20 against Chinese or Russian conventional forces. As you
21 know, those arenas have viewed strategic competition, if we
22 could think about the unthinkable, a major war, are going to
23 play out really across the world, against our interests and
24 presence abroad and their interests and presence abroad.

25 So first of all, our Special Operations Forces can work

1 with allies to enable them to bring them a whole range of
2 our joint force capabilities.

3 The second is I don't know how many of you saw the 60
4 Minutes report on the attack on Al Asad Airbase. That's the
5 world we're living in now. We are like London in World War
6 I and the susceptibility to V1 and V2, those threats. And
7 we've seen this before. These are SCUDs out of the western
8 desert in Desert Storm. This is what Israel deals with out
9 of southern Lebanon or out of Gaza.

10 So the only way to really get at those capabilities,
11 what maybe tells rolling out of mountains in North Korea, is
12 to deploy forces on the ground. Well, that sounds kind of
13 crazy. Well, that's what we had to do. That's what Israel
14 had to do to defend itself. That's what we had to do in the
15 Gulf War in '91, is put Special Operations Forces.

16 So what we need is we need capable ground forces that
17 can be deployed rapidly into unexpected locations and
18 transition immediately into reconnaissance operations to
19 confirm or deny the presence of these sorts of capabilities.

20 So I think that our Special Operations Forces are
21 keeping us safe right now against jihadist terrorists, but
22 they also have to be capable in connection with this other
23 mission set.

24 Senator Ernst: Yes, absolutely. I would agree,
25 General. We use these forces with direct and indirect

1 actions. So can you describe, maybe for those who might be
2 viewing today, the types of indirect actions we can use soft
3 forces for to deter any type of future war in this Great
4 Power competition? Because you mentioned with the pandemic,
5 the best way to stop the pandemic is to prevent it in the
6 first place. How can we utilize SOF, then, to prevent war?

7 General McMaster: Right. I think it's Special
8 Operations Forces and also conventional forces rotating into
9 these missions. It's working with partner forces to develop
10 those relationships, that mutual trust, that allows us to
11 work together effectively so that when there is a crisis, we
12 can hopefully deter it ahead of time but then respond to it.

13 In the fight against jihadist terrorism, we are getting
14 tremendous results for a relatively small investment,
15 because essentially we are enabling other forces who are on
16 the front lines of really these modern-day frontiers between
17 barbarism and civilization to fight against these
18 organizations who want to commit further mass murder attacks
19 against our country.

20 So I think the American people should know more,
21 really, about what these forces are doing at a relatively
22 low cost to protect us. I wish the Department of Defense
23 would more often make public the evidence and intelligence
24 of external threats that are uncovered while operating
25 against groups like Al-Shabaab in Somalia, for example, or

1 Al Qaeda in the Arabian Peninsula, or fill in the blank.

2 Senator Ernst: Right on target, sir. You mentioned
3 the low cost of our soft forces. Their annual budget is
4 right around \$14 billion out of our Defense budget, so it is
5 a very small cost with a very large return on investment.

6 So as we're operating in a constrained environment when
7 it comes to our monetary resources and looking at how we
8 should be budgeting, this is definitely not an area to be
9 cutting because of the return on investment.

10 General McMaster: I agree completely with you,
11 Senator, on that.

12 Senator Ernst: Thank you. My time has expired. Thank
13 you, gentlemen.

14 Senator Kaine: Thank you, Senator Ernst.

15 On behalf of Chair Reed, I recognize Senator King via
16 Webex.

17 Senator King: First I want to thank the Chair and the
18 Ranking Member for even scheduling this hearing to give us a
19 chance to look at the broader issues.

20 Lincoln once said, when he was asked what he would do
21 if he was told he had an hour to split a cord of wood, that
22 he'd spend the first 15 minutes sharpening his axe. Most of
23 us would just commence chopping, and today we're having a
24 chance to sharpen our axe, to think about some of these
25 larger strategic issues, and I really appreciate that.

1 General McMaster, it's wonderful to see you again. I
2 still think you've written the very best book on Vietnam
3 that explains what went on, and let me take a page from that
4 book. Both of you touched on this earlier in your
5 discussion.

6 It seems to me that one of the problems with American
7 foreign policy is that we think the rest of the world thinks
8 like us and that they're going to react like us and that
9 everything is sort of a transaction from one minute to the
10 next, and we don't spend enough time understanding the
11 culture and the history of our adversaries.

12 General McMaster, do you think that would better inform
13 our foreign policy if we could get into the heads of Xi
14 Jinping or the Taliban or Mr. Putin?

15 General McMaster: Sir, thank you for that question. I
16 covered this at some length in my statement for the record,
17 and I think what you're talking about is what the historian,
18 Zachary Shore, calls strategic empathy, and to pay
19 particular attention to the emotions and the ideology and
20 the aspirations that drive and constrain the other. And I
21 think you're right.

22 We have this tendency towards strategic narcissism, to
23 define the world only in relation to us, which is a problem
24 because it's self-referential, but it also doesn't consider
25 the authorship over the future that the other has. And I

1 think as a result of this strategic narcissism we oftentimes
2 have implicit and fundamentally flawed assumptions that
3 underpin our policies and strategies. So I think this is a
4 fundamental aspect of strategic competence, is this quality
5 of strategic empathy.

6 Senator King: Thank you. I want to move on.

7 We talked a lot about cyber. I totally associate
8 myself with Senator Blumenthal and all the others who have
9 talked about cyber deterrence. I've been working, as you
10 know, on the Cyber Solarium Commission for the past two
11 years. It's one of our major recommendations.

12 But I want to touch on another theme that's come up a
13 lot today, and that's allies. Deterrence, whatever form it
14 takes, is much more effective if it's done multilaterally
15 rather than unilaterally. This goes also --

16 General McMaster: I think we just lost you. I think
17 you might be muted.

18 Chairman Reed: Senator King, we cannot hear you.

19 Senator King: Yes, I'm sorry. I think I'm okay now.
20 Can you hear me now?

21 Chairman Reed: Yes, we can. Go ahead, please.

22 Senator King: Okay. The question that I wanted to
23 posit to Dr. Wright is to talk about the essential quality
24 of allies, which frankly we have. Russia doesn't have much
25 in the way of allies. China has customers, not allies. I

1 think it's a major asset that we should be taking greater
2 advantage of. Cyber is a perfect example. If you can have
3 worldwide sanctions instead of just U.S. sanctions, I think
4 it would be much more effective.

5 Dr. Wright?

6 Dr. Wright: Senator, thank you. I 100 percent agree,
7 and I would actually link your second question to your first
8 question, which is I think we also need strategic empathy
9 with allies and partners, too, to understand where they're
10 coming from on this, that what's happening in Asia is not
11 all about China. It is about our allies and partners, as
12 well.

13 And on your second question, precisely when I think we
14 look at cyber but we also look at other means of coercion
15 and interference, including, for instance, what is happening
16 currently in Australia, I think a collective response by
17 free societies is incredibly important. And most of the
18 time in this environment it would be a non-military
19 response. It would be political, diplomatic, economic.

20 Senator King: Finally, General McMaster, I want to
21 differ with you a little bit on climate change and the Paris
22 Accords. The Paris Accords were aspirational, not
23 regulatory, as you know, and I agree that there are no teeth
24 there, but at least it was an international recognition of
25 the issue. And you talked about China. China today is the

1 largest user of renewable energy in the world. Yes, they
2 are building coal plants because they have such high growth
3 in their economy, but they are leading in electric cars and
4 renewable power.

5 But I want to get to the basic point, which is climate
6 change is an enormous threat to us and it's one that has to
7 be dealt with internationally. I totally agree with your
8 point that we could do everything here, but if China and
9 India don't do anything, it's not going to work. But I
10 think it needs to be acknowledged that other areas of the
11 country are, in fact, working on limiting CO2 emissions, and
12 that's important to the future of the country.

13 So I'll leave it at that, but I appreciate both of you
14 all being here for the discussion today, and I yield back,
15 Mr. Chairman. Thank you again for calling this hearing.

16 Chairman Reed: Thank you, Senator King.

17 Senator Sullivan, please?

18 Senator Sullivan: Thank you, Mr. Chairman.

19 I want to thank the witnesses for appearing here.
20 General, always good to see you.

21 Let me go to the issue of China, as well, for both of
22 you. You know, I've talked a lot about how I think this
23 period right now is analogous to kind of the 1946-'47 period
24 where our country is awakened to a new challenge, like we
25 did after World War II with the Soviet Union and the Cold

1 War and George Kennan and others laying out a long-term
2 bipartisan strategy of containment, and I think we're at a
3 similar position here.

4 I'm always amazed how quickly things have changed, in
5 my view, in a positive bipartisan way. When I got to the
6 Senate six years ago, I used to give a pretty regular speech
7 about China and the challenges, and I would say nobody is
8 talking about China. We're the U.S. Senate and nobody is
9 even talking about it. Well, you obviously can't give that
10 speech anymore. Everybody is talking about it. That's
11 good.

12 And to be honest, the National Security Strategy,
13 National Defense Strategy, which you had a lot to do with,
14 General McMaster, was a huge reason for that, and that's
15 very bipartisan, the recognition of Great Power competition.

16 But what do we need to do next? What do we need to do
17 next? We need to put meat on the bones, from my view, of a
18 strategy that you started. I've been reaching out to the
19 Biden Administration saying, look, this needs to be long
20 term, it needs to be bipartisan. This committee can help.

21 But do you, both of you, have ideas and suggestions on
22 kind of the next step? The awakening has occurred thanks to
23 you and others. But what kind of details for a long-term
24 bipartisan strategy do we need to address this issue, which
25 I've been saying is the next issue for our country for the

1 next 50 to 100 years? What do we need to do, General?

2 General McMaster: Well, Senator, we recognized that we
3 need to translate this recognition of the threat from the
4 Chinese Communist Party and its policies into real action,
5 and there we did develop seven components to that strategy
6 that you saw declassified, the Indo-Pacific Strategy.

7 I believe these are fundamentally sound. They all need
8 to be improved on in terms of conceptually, how they're
9 conceptualized, and how they're implemented.

10 But, for example, one of those is probably of paramount
11 importance, which is how to counter Chinese economic
12 aggression, because I think we understand what we have to
13 do. We have to commit the resources and do it from a
14 military and a deterrence perspective. But this sustained
15 effort by the Chinese under "Made in China 2025" and under
16 the overarching concept of military-civil fusion aims to
17 give the People's Liberation Army a differential advantage
18 in future war, and to do so mainly by vast state resources
19 committed, but also by sustained industrial espionage
20 against us and other developed economies and like-minded
21 liberal democracies.

22 So I think the most important thing is really, first of
23 all, let's defend ourselves. Let's make sure that the MSS,
24 the Ministry for State Security, and the People's Liberation
25 Army have not infiltrated our research activities, which

1 they did with almost impunity. I mean, it's gut-wrenching
2 to see how much has been stolen right out from under our
3 noses, and much of that research funded by the Congress.

4 But we have to go beyond defense. We need investments
5 in our own research and development programs and a greater
6 partnership with the private sector, and a recognition
7 across our entrepreneurial class that this is a real
8 competition. I think the financial dimension of this is
9 something worth a great deal of scrutiny. We are, in large
10 measure, underwriting our own demise by investments in
11 Chinese companies and in China which allow them to commit
12 those resources to gaining a differential military advantage
13 over us, and then to gain a predominant advantage in the
14 emerging data-driven global economy.

15 I'll ask Thomas to comment on this, as well.

16 Senator Sullivan: If you don't mind, before my time
17 runs out I want to throw out another idea for both of you to
18 comment on. Dr. Wright, I'd like you to comment on my first
19 question and the second one.

20 I couldn't agree more with Senator King on allies. We
21 have to look at comparative advantages. That's a huge one.

22 Let me give you another one that I think is actually
23 important. Senator King mentioned that China is the largest
24 producer of renewables. They're also by far the largest
25 emitter of greenhouse gas emissions. The United States from

1 2005 to 2017, we reduced greenhouse gas emissions by almost
2 15 percent. No major country in the world is even close to
3 how well we're doing on this. Meanwhile, China is double
4 the amount of emissions we have.

5 The comparative advantage I'm talking about is the
6 United States is now the world's energy superpower once
7 again. Prior to the pandemic, largest producer of oil,
8 natural gas, and renewables in the world. Is that a
9 comparative advantage in the competition with China we need
10 to accelerate? Or, unfortunately, with the Biden
11 Administration, they're focused on actually crushing this
12 advantage unilaterally. I guarantee you, the Chinese are
13 loving that policy from this new administration.

14 So if you'd both comment on these issues very quickly,
15 I'd appreciate it.

16 Dr. Wright: Senator, if I could address maybe the
17 climate change part of it and --

18 Senator Sullivan: Energy superpower.

19 Dr. Wright: Yes, and maybe merge it into the answer to
20 your first question, too. I think General McMaster and I
21 disagree on the Paris Agreement, but I think one element of
22 climate policy that's really important to look at in the
23 context of Great Power competition is that climate policy
24 will itself become a zone of competition, right? And
25 particularly in new clean technology and in access to

1 precious resources. I document some of these in the written
2 statement: magnets, batteries, high-performance
3 [inaudible], LEDs and the like.

4 Senator Sullivan: Clean burning natural gas from
5 America?

6 Dr. Wright: There will be a competition between
7 democratic countries and China. So I think it's important
8 to look at that part of it, as well.

9 And then in answer to your first question, I think one
10 area where the Congress could really help in bringing
11 forward the strategy of Great Power competition is
12 understanding, as we rebuild the U.S. economy after the
13 pandemic, how to make investments that make the United
14 States more strategically competitive, and I think there is
15 common ground across the aisle on that issue.

16 General McMaster: Senator, I would just offer that I
17 think the way you framed it is exactly the right way to look
18 at it. I think what happens is we only look at one
19 dimension of interconnected problems, and then we sub-
20 optimize in a way that cuts against what should be our
21 advantages, as well as our ability to help solve that
22 interconnected problem set.

23 What you're talking about is really the connection
24 between energy security, economic growth to a certain
25 extent, obviously, and then the very real problems of

1 climate change and global warming. I think if we disconnect
2 those, we miss opportunities, as you were mentioning. I
3 should mention that I advise a company that is engaged now
4 in exporting LNG. The reason I'm doing that is because I'm
5 a true believer in it. It was that conversion that reduced
6 carbon emissions to a very significant level here in the
7 United States, and this is I think a clear bridging
8 capability. But let me also say, though, that renewables
9 now are more affordable.

10 The point that I was making was not that we should be
11 out of Paris. It's that Paris can't give us a false sense
12 of security, right? We need to do more than what's in
13 Paris, and the only way to do it is with solutions that are
14 economically viable in developing economies such that the
15 Chinese will want to do it, the Indians will want to do it.

16 So that's really, I think, the way ahead, is to look at
17 the interconnected problem set and to work on it
18 holistically, because this also involves food and water
19 security as well. But I think that's the right frame to
20 have.

21 Chairman Reed: Thank you, Senator Sullivan.

22 Senator Sullivan: Thank you, Mr. Chairman.

23 Chairman Reed: Let me recognize Senator Manchin.

24 Senator Manchin: Thank you, Mr. Chairman.

25 And thank you to our guests. I appreciate very much

1 the service they've given to our country and basically what
2 they're continuing to do.

3 I have a couple of questions I want to ask. My first
4 one is going to be that I'm now chairman of the Cyber
5 Subcommittee. I'm particularly concerned about our
6 adversaries, both large and small, moving towards cyber and
7 influence operations due to the greater bang for their buck
8 and the ability for them to have plausible deniability they
9 offer.

10 So my question would be how can we ensure our allies
11 are effectively prepared and monitoring for those
12 destabilizing attacks, and how do we hold those perpetrators
13 accountable? So what I'm really asking is how do we make
14 sure that our allies are prepared but also let our
15 adversaries know we will not allow these attacks to go un-
16 responded to? We should respond to them, but I've heard
17 people say it should be an act of war. I think that might
18 be a little bit harsh, but we could sure show them the same
19 abilities that we have when these attacks happen to us.

20 So your thoughts on those, really quick, if possible.

21 General McMaster: Well, I think, Senator Manchin, your
22 point is immensely important. There are two ways to deter:
23 one, by denial, to convince your adversaries they can't
24 accomplish their objectives through the use, in this case,
25 of offensive cyber capabilities against you, and that has to

1 do a lot with defense but it's sort of the active-layer
2 defense that Joe Nakasone has advocated for and has put in
3 place; but then it's also the ability to deter by the threat
4 of punitive action later, and that would have to include
5 examples of responses from us that exceed the costs that a
6 malign actor in cyberspace factored into his decision-making
7 to begin with.

8 Now, the problem is going to be when non-state actors
9 over time get more and more of these capabilities. It will
10 be difficult to find something of value for that adversary
11 or enemy to hold at risk.

12 Thomas, any further comments?

13 Dr. Wright: I fully agree with what General McMaster
14 said, and I would just add that I think looking at the
15 alliance part of this is quite important. I don't think we
16 should see every cyber attack, or even major cyber attacks,
17 as an act of war, per se, because of what that would entail,
18 but I do think we should see them as acts of aggression that
19 have to be responded to. There may be ways to look at
20 elements of NATO and Article 5 and other mechanisms to have
21 a collective proportionate response, and we may also need to
22 consider ways in which that proportionate response may occur
23 outside of the cyber domain. So you might want to respond,
24 for instance, on sanctions or anti-corruption efforts or on
25 other measures short of war to deter future cyber

1 aggression.

2 Senator Manchin: Thank you. Well, the Russian attack
3 is quite extreme, as we know, and we don't know the far
4 reaches of that yet, how it's going to affect us, but we
5 know it was a very broad attack.

6 I have two more questions, very quickly.

7 Based on work resuming on the Nord Stream II project,
8 China's near monopoly on critical minerals that we're using
9 every day in America and depending on China for the
10 ingredients, if you will, we're reaching a point where a
11 line must be drawn between the typical economic growth and
12 economic warfare, because they can hold some of these
13 resources from us, which would really cripple our economy
14 into economic warfare. So, your thoughts on that?

15 And then finally, if you can, the 2 percent requirement
16 that we have with our NATO allies on defense spending.
17 They're meeting the spending levels, we thought, by 2024.
18 In 2020 we had 10 NATO nations meet the mark. That still
19 fell short of the full 30 members. So do you believe the 2
20 percent is an adequate figure, and do you believe that we
21 should keep the pressure on to make sure the others join in
22 their commitment?

23 So the economic warfare, and the 2 percent.

24 Dr. Wright: Senator, thank you. The economic warfare
25 piece of it I think is demonstrative of a broader -- what

1 political scientists are calling a weaponization of
2 interdependence, how our links with China, Russia, and
3 others are vulnerabilities for us, and their links are
4 vulnerabilities for them. I think our task is to increase
5 the resilience of our system so it is less exposed to that
6 weaponization on their side, and I was encouraged by
7 President Biden's statement on supply chains the other day.
8 I think there's a broad agenda set that can go out from
9 that.

10 On 2 percent, I mentioned this earlier but I think it's
11 important in the context of the post-pandemic economic
12 situation to realize that there will be severe downward
13 pressure on defense budgets in many countries. I think with
14 the view to Great Power competition, it's important to
15 measure their contribution to the collective defense effort
16 by whether or not they're retaining capabilities that will
17 ensure they are competitive. Some of those are in the space
18 of the 2 percent, but some are not. So I think we ought to
19 reform that concept to measure their effectiveness in this
20 competition more accurately.

21 General McMaster: I would just say that we need a real
22 focus on economic statecraft, as you're mentioning, and to
23 recognize that economic security is national security.
24 There have been some really encouraging signs across the
25 last two administrations. I think that Undersecretary Keith

1 Krach's work to develop a comprehensive strategy in this
2 area is worth resurrecting and widespread adoption from the
3 Biden Administration. I think the Biden Administration's
4 initiative now to audit critical supply chains is immensely
5 important. As you mentioned, rare earths is part of that.
6 And I think the legislation that I don't think has yet been
7 fully approved on computer chips and on 5G infrastructure,
8 for example, is an example of what we have to do to
9 compensate for the Chinese Communist Party taking advantage
10 of its authoritarian mercantilist system and weaponizing it
11 against our free market economic systems.

12 So I think we're on the right track, but obviously
13 there's more work to do, and I think Congress has been great
14 at taking a look at some of these issues. I think the
15 strategic act that was being drafted in the Foreign
16 Relations Committee is another good example of this.

17 So I think we're awake to it. There's a lot of great
18 work going on. I just don't know -- I mean, certainly it's
19 not adequate, but we're doing some of the right things
20 already.

21 Chairman Reed: Thank you, Senator Manchin.

22 I'm now prepared to call on Senator Cramer. Senator
23 Cramer?

24 Senator Cramer: Thank you, Mr. Chairman, and I thank
25 both of you. This has really been a fantastic hearing. I

1 say that every week in this committee, by the way. But this
2 really has been great. And I'm about to blow up everything
3 my staff prepared for me because I think we started a
4 discussion that I'd like to carry just a little further.

5 You're going to find that when it comes to the Paris
6 Accords, I probably am the oddest member of Congress from a
7 fossil fuel-producing state, especially a right-wing ogre.
8 But I kind of think that we should be in Paris, and I'll
9 tell you why. While it was aspirational -- I think we
10 forget that oftentimes, that Paris was aspirational, not
11 regulatory, an important point. But the one thing, General
12 McMaster, that I fear more than a large international body
13 trying to do good things is a large international body that
14 doesn't have us sitting at the head of the table. To that
15 end, I do think that we can bring some things that are
16 helpful.

17 But one very specific characteristic of China that I
18 want to ask you both about, a short answer, and then maybe
19 we can expound on a couple of other things, is should China
20 continue to be treated like a "developing" country? Because
21 therein lies one of the challenges. We kind of make an
22 excuse for them being able to do everything differently than
23 us while they're our near-peer adversary in many respects.

24 I would turn to Dr. Wright first.

25 Dr. Wright: Thank you, Senator. I mean, I view

1 climate change as a major national security threat. I think
2 it merits involvement diplomatically in all of these forums.
3 I think you have it exactly right, that it's important to
4 shape those agreements. Paris wasn't perfect. I'm glad the
5 U.S. is back in it. But I think looking forward, I think
6 there's a wide array of strategies needed. Part of that is
7 working with China, but part of it is actually working with
8 other countries to create an environment in which China has
9 to make better decisions.

10 Senator Cramer: General?

11 General McMaster: I would just say that I argued
12 unsuccessfully when I was National Security Advisor to stay
13 in Paris for all the reasons that you mentioned. But then
14 also what I wrote about in this recent book is that in
15 retrospect it wasn't all bad. There was a silver lining
16 because it had been a false sense of security. So I think
17 there is certainly more that has to be done.

18 I will just mention that to connect these two issues of
19 energy security, economic statecraft and, of course,
20 climate, it's important to recognize that China is the
21 leader in renewable manufacturing because they stole our
22 intellectual property, right? And they subsidized the
23 manufacturing of solar panels and wind turbines at levels
24 far below what the normal market would have borne and dumped
25 them on the international market to drive the U.S. companies

1 who gave them that technology out of the global market. The
2 same dynamic is at work now with batteries and electric
3 cars.

4 So I think it's really important for us to recognize
5 that this is not a free, fair, and reciprocal trade and
6 economic relationship. You already alluded to it in your
7 question as well, that they have never played by the rules,
8 even the rules in the WTO in 2001. They just never played
9 by the rules. And this is why, when they make the great
10 promises, when the Party does, about global warming and
11 carbon emissions, I would just say don't fall for it. Watch
12 their actions, not their words.

13 Senator Cramer: Amen to all of that. And that's why I
14 think if we sit at that table, and especially if we assume,
15 and I think we ought to, a leadership role, we ought to
16 shape a lot of those things, including those warnings about
17 their behavior and the trust factor.

18 I would also add to all the things you're talking about
19 things like clean coal technology. If, in fact, China is
20 going to build 30 to 50 new coal plants a year, perhaps the
21 solution to carbon capture, utilization and storage comes
22 from us and we become the marketer of that technology,
23 because I believe that the best will be invented here,
24 provided we don't kill our own industry, which is another
25 factor altogether.

1 I would just raise this one issue which happened just
2 last year. It serves to me as an illustration of what not
3 being at the table means. When Engie Gas, an LNG company,
4 as you know, Engie Gas had a deal to purchase U.S. liquid
5 natural gas, the French government intervened and killed
6 that deal and instead they're buying that natural gas from
7 Russia. Now, you don't have to be an expert to realize that
8 that's a national security problem. But worse than that,
9 the natural gas from Russia emits like 46 percent more
10 emissions than the LNG coming from the United States.

11 General McMaster: Let alone a dirtier production
12 process, as well.

13 Senator Cramer: All of that; exactly right. So
14 anyway, I'd like to see us reform Paris by being in Paris.

15 With that, I yield. Thank you.

16 Chairman Reed: Thank you very much, Senator Cramer.

17 Let me recognize Senator Duckworth by Webex, and also
18 remind all of the committee that the 5-minute timer is on
19 and should be observed. Thank you.

20 Senator Duckworth: Thank you, Mr. Chairman.

21 Gentlemen, thank you for being here. I have to say, I
22 want to give you another example, following my colleague,
23 Senator Cramer, of the fact that the PRC colluded with their
24 commercial arm, used corporate espionage to steal from
25 Lockheed Martin, and then they turned around and gave that

1 information directly to the PRC government, which then
2 allowed them to solve their problem with the landing gear of
3 their 5th generation fighter jet that is supposed to be the
4 competitor to the F-35. And they were very proud of that,
5 that partnership between their government and their private
6 sector. There's no real private sector.

7 I'm going to get to the events of foreign adversaries
8 on our national security, but I think we also need to start
9 at home. I think that with President Biden in the White
10 House, I am confident our Commander in Chief understands
11 that restoring alliances is critical to advancing American
12 security interests, and I know that President Biden
13 recognizes that the strength of our nation is not solely
14 derived from military might but also the strength of our
15 values. We have a president who now understands the wisdom
16 of then-General Washington's admonition to his troops that
17 discipline is the soul of the Army.

18 My relief at the arrival of the current occupant of the
19 Oval Office does not lessen my concern over the significant
20 and lasting damage that former President Trump inflicted on
21 the principle of good order and discipline, from denigrating
22 U.S. service members as killing machines to pardoning
23 individuals accused of committing war crimes. Over the past
24 four years, the former Commander in Chief sent a really
25 dangerous message that members of the military are above the

1 law, and we saw that on January 6th. Our nation witnessed
2 the consequences of such reckless behavior as President
3 Trump incited his followers, which disgracefully included
4 veterans and active-duty service members, to engage in
5 violent acts of sedition and insurrection. Effectively
6 addressing external security challenges abroad, I believe,
7 demands that we strictly correct internal deficiencies in
8 good order and discipline within the ranks.

9 General McMaster, you served in uniform for more than
10 30 years and have extensive experience commanding troops in
11 combat during the Gulf Wars. Can you please address why it
12 is critical to our own national security and stability that
13 the United States military, starting with the Commander in
14 Chief, prioritizes the principle of good order and
15 discipline and faithful adherence to the rule of law?

16 General McMaster: Well, Senator, thank you, and thank
17 you for your tremendous service to our nation in uniform,
18 and now as well.

19 I really think that it is most important for us to
20 maintain our professional military ethic and our warrior
21 ethos. I mentioned that in the opening statement. I have
22 more in the statement for the record. And I think that
23 there is a misunderstanding about the nature of our
24 warriors, their calling, and what motivates them to fight in
25 our name. I think most Americans don't recognize, don't

1 understand that our warriors are warriors and humanitarians.
2 They're humanitarians because they are engaged today against
3 the enemies of all civilized people, and they're also
4 humanitarians because they use force with great discipline
5 and discrimination, often taking on much more risk
6 themselves to protect innocent lives.

7 That ethos is one about honor and courage and self-
8 sacrifice. But, as you're alluding to, it's also what bonds
9 them together under mutual respect and common purpose and
10 affection for one another, and pride, pride in what they're
11 committed to, to one another, and pride in their commitment
12 to our nation. And nothing is worse for unit cohesion and
13 confidence than breakdowns in discipline and if expectations
14 for our own conduct are lowered.

15 I think the question to ask of any unit is what do
16 servicemen and women in this organization expect of one
17 another? And your answer to that helps you understand the
18 health of that organization. I believe our ethos is strong.
19 I wish more of the American people understood what it is.
20 And, of course, our leaders have to nurture it and protect
21 it.

22 The one thing I would say is what is really dangerous
23 is if political leaders try to drag the military into
24 partisan politics. I think that we've seen a tendency to do
25 that. The most extreme one was on the part of the

1 president, but I think others across the political spectrum
2 have done that at times, and it's really a danger to that
3 professional military ethic.

4 You know, Senator, I will just mention that I never
5 voted -- I voted just recently, but when I was on active
6 duty, ever since I took the oath of service to the country
7 at the age of 17, I followed the example of George Marshall,
8 and the reason was to keep that bold line between our
9 military and partisan politics. I don't expect that from
10 anybody else. I expect all Americans to vote. But I think
11 that's an important aspect of the military professionalism
12 you're alluding to.

13 Senator Duckworth: Can you speak, then, General, to
14 the efforts of right-wing extremists and domestic terrorists
15 to recruit and radicalize members of the U.S. Armed Forces
16 and tie that to what you have worked on extensively, written
17 on extensively, which is Russian disinformation activity?
18 Because our adversaries recognize the strength of that
19 warrior ethos, and I do think that there is a threat to our
20 military's strength with these concerted efforts to provide
21 disinformation to our troops.

22 General McMaster: Thank you, Senator. I feel good
23 about our Armed Forces and their ability to insulate
24 themselves from that kind of infiltration and
25 disinformation. There may be some members who come into the

1 military with really a skewed interpretation of what
2 military service means. This isn't new. I remember as we
3 were waiting to attack into Iraq in 1991 Baghdad Betty on
4 the radio talking to our soldiers. It was very
5 unsophisticated, but the effort was to get our soldiers to
6 be pitted against each other and lack confidence in who they
7 were and to get them to focus on micro-identities rather
8 than their identities as soldiers in service of our
9 citizens.

10 So I think it's incumbent on every leader to protect
11 and nurture our warrior ethos and our professional military
12 ethic, and I think we have the right leaders in place in our
13 military to do it. But I think this is obviously an area
14 worth more scrutiny after what we witnessed on the 6th of
15 January.

16 Senator Duckworth: Thank you.

17 I yield back, Mr. Chairman.

18 Chairman Reed: Thank you very much, Senator Duckworth.

19 I will now recognize via Webex Senator Blackburn.

20 Senator Blackburn, please?

21 Senator Blackburn, I think we have a problem with the
22 connection.

23 Let me now recognize Senator Tuberville. And before I
24 do that, let me commend both Senator Tuberville and Senator
25 Kelly for their patience, persistence, and determination as

1 they come first to the meeting and leave at the end of the
2 meeting, for obvious reasons. So, thank you very much.

3 Senator Tuberville?

4 Senator Tuberville. Thank you, Mr. Chairman. I'm new
5 on the job, but I'm glad to be here.

6 I'm a military brat. Dad died on active duty, and I'm
7 going to do my due diligence on this committee.

8 But I want to thank both of you for your service.

9 You know, I grew up in team sports, and you know a lot
10 about the other teams when you play them. And we've talked
11 about Korea and Russia and China, and we've got national
12 security, and we should know all that. I've had buddies
13 just died in the military. I just barely missed the Vietnam
14 War.

15 But we have to take care of ourselves here. If we
16 don't have a military here that's organized, well trained,
17 well funded, we're going to be in trouble. Over the years
18 I've seen political correctness take over. I've talked to
19 generals who said, Coach, we spend more money on gender
20 equity than we do covering for \$35, \$40 million airplanes.

21 We've got to have our priorities right. This country
22 that pays the taxpayers' money, that pays the money for our
23 military, needs not just a military because we're in
24 trouble; we need a killing machine. We need people who are
25 well trained that's going to attack, that when we're

1 attacked or if we have to do something to defend other
2 people, we can count on them. We need to get out of this
3 political correctness stuff, the climate change. We just
4 had a secretary of defense who said we need to look at
5 domestic terrorism within our military. That's fine. But
6 we need a military that will fight.

7 I just want to know, just both of you, the only
8 question I've got, what do you think about the direction
9 that we're going in terms of what we're doing here, of what
10 we're doing, not what anybody else is doing but what we're
11 doing to make that killing machine prepared and ready to
12 fight?

13 Dr. Wright?

14 Dr. Wright: Senator, I feel pretty good about where
15 the U.S. military is at. I think much that remains to be
16 done was articulated in the NDS in 2018. But I think we
17 need a pretty broad conception of national security if we're
18 to compete in the next decade or two. To me, that includes
19 traditional threats and challenges, whether it's ISIS and
20 China and Russia, but it does also include the transnational
21 pieces, pandemics and climate change, because of the
22 problems they pose and the way in which they intersect with
23 those traditional challenges.

24 I think it also is about perfecting our values at home,
25 as well.

1 So I think you can do all of those. I don't see that
2 -- I guess we might disagree a bit here -- as political
3 correctness. I think much remains to be done on that, but I
4 think that will make the military and the United States
5 stronger over time.

6 General McMaster: Thank you, Senator. What I want to
7 say is, hey, the military is not perfect. Even though we
8 have a small professional force, we reflect all the maladies
9 in our society. But one of the things I loved about serving
10 in our Army is you see new soldiers come in from all
11 different backgrounds. They bring all kinds of prejudices
12 and biases with them. But then, in the crucible of tough,
13 challenging training where they're relying on each other,
14 you see that melt away and they become cohesive teams that
15 rely on each other, that are bound together by affection and
16 mutual trust and respect for one another. That's where real
17 combat power comes from, and that's why I think it's
18 extremely important that we cultivate and maintain in our
19 military that we don't judge anybody by skin color or
20 religion or sexual orientation or any category. It's what
21 you bring to the fight.

22 And when you're in a fight and there are bullets coming
23 in your direction, nobody is checking skin color. I mean,
24 you're fighting together as a team. I think we can learn
25 from that in our society, and we have to guard that kind of

1 environment where military units take on those
2 characteristics of a family.

3 I think there is a fundamental choice, and I think it's
4 going to be our leaders who understand how to do that by
5 either getting mired down into this interaction between
6 racism and white supremacy, whatever you want to call it,
7 all forms of bigotry and prejudice, and identity politics
8 and critical race theories, whatever you want to call that,
9 that emphasizes micro-identities at the expense of who we
10 are as Americans and who we are as human beings. You can
11 either get sucked down into that or you can transcend it,
12 and I think we're better off transcending it. Not to paper
13 over any problems, but to ensure that we understand who we
14 are as a people, but in a military unit who you are as
15 soldiers, sailors, airmen and Marines, and how you rely on
16 each other and don't categorize each other because you all
17 have a role that's much bigger than yourselves.

18 So I hope that we can continue to insulate our military
19 from some of these maladies we see in our society, but we're
20 not going to be able to do that perfectly. Our leaders, our
21 commanders at each level are going to be the ones who are
22 best positioned to do that.

23 Senator Tuberville. Thank you, General. Thank you,
24 Dr. Wright. You're exactly right, we have to have a team,
25 and I'm afraid we're getting away from it. We need to take

1 politics out of it and build a team that's going to defend
2 this country because it gets more dangerous, as we know,
3 every day. Thank you very much.

4 Thank you, Mr. Chairman.

5 Chairman Reed: Thank you, Senator Tuberville.

6 Senator Peters, please?

7 Senator Peters: Thank you, Mr. Chairman.

8 And thank you, gentlemen, for your testimony here today
9 and your service.

10 Two days from now in Beijing the Two Sessions begins,
11 and from there China will approve its 14-year plan going
12 forward. It's most likely going to be focused on a variety
13 of things, but will also continue the state-led development
14 around the world, the Belt and Road project that they've
15 been engaged in.

16 So my first question is just an assessment from both of
17 you. How concerned should we be about those types of
18 efforts, and what should we be doing to respond to them?
19 And I guess the second part of that question, too, is
20 related to the fact that as we're thinking about the
21 competition with China, that we also have to be concerned
22 about gray zone activities and to what extent should that be
23 leading a lot of our thoughts.

24 I'll start with you, General.

25 General McMaster: Well, I think we have to be

1 extremely concerned about what I would describe as the
2 Chinese Communist Party strategy of cooption, coercion, and
3 concealment, coopt companies and countries with the lure of
4 profits or attractive loans or corrupt payments or access to
5 the Chinese market, and then once you're in, to use that for
6 coercive purposes to advance their foreign policy agenda, to
7 punish you if you act against their agenda. This is the
8 case of Australia that Dr. Wright already brought up. This
9 is under the philosophy of kill one to scare 100.

10 So the approach of one belt, one road fits into these
11 other strategies which are designed to create servile
12 relationships that China can then use to create really
13 exclusionary areas of primacy across the Indo-Pacific
14 region, and then to challenge the United States globally.

15 I think the most important point to make about this is
16 that when countries say, hey, don't force us to choose
17 between Washington and Beijing, we have to really highlight
18 the fact that this is fundamentally a choice not between
19 Washington and Beijing but a choice between sovereignty and
20 servitude, and I think we have to work together. I think
21 what the Administration has done initially to convene like-
22 minded liberal democracies around this problem set is
23 immensely important, and there was a great deal of
24 international cooperation under the Trump Administration as
25 well that didn't get a lot of billing. But I think it's

1 time to build on that, to accelerate it and expand it.

2 Dr. Wright: Thank you, Senator. I would just add to
3 General McMaster's comments that I think in addition to
4 being concerned, which I think we should be, and to
5 reacting, as I think we should on many occasions, I would
6 just underscore a point he made that it's very important to
7 have a positive, affirmative vision for democratic free
8 societies about what the U.S. and what liberal democracies
9 are offering. It's not about American interests that they
10 must follow. It's about their own interests as they
11 articulate it.

12 And then I think it's important when we look across the
13 regions for all of those free societies to work with each
14 other and to show solidarity with each other when they are
15 threatened on an individual basis, whether that's
16 traditionally militarily or non-traditionally in the
17 coercive economic political sphere.

18 Senator Peters: Well, Dr. Wright, you talked about the
19 importance for folks to look at our democracy here, the
20 small "L" liberal democratic system as a model for what they
21 may aspire to and ways that we can help. Could you comment
22 a little bit about what we are seeing here domestically?
23 You know, it's interesting that we're talking about our
24 position globally and how to influence the global community,
25 and tomorrow we're going to have a hearing talking about the

1 insurrection on our Capitol and the violent attack on the
2 citadel of democracy and the perpetration of the Big Lie of
3 trying to undermine the integrity or the perception that the
4 election was not free and fair.

5 What sort of message is that sending to our allies and
6 our adversaries? Isn't that something we should be very
7 concerned about?

8 Dr. Wright: Yes, I think they are worried. Yes, I
9 think we should be worried. And, yes, I think it's very
10 important to work on that and to strengthen democracy at
11 home. I would also add, though, that that does not mean
12 that we should not be active in standing for that abroad, as
13 well. It's precisely, I think, because of the stakes and
14 the importance of that small classic "L", as you said,
15 liberal democracy and those values of freedom and liberty,
16 it's precisely because of that, I think, that it's important
17 to stand for that abroad as well.

18 Senator Peters: And, General, we talked about the
19 Pacific Defense Initiative that you're very familiar with.
20 To what extent should the PDI allocate resources to create
21 opportunities for irregular warfare, particularly in the
22 cyber space and other activities that will likely be the
23 main domain of conflict going forward?

24 General McMaster: Senator, absolutely it has to,
25 because as my friend the historian and retired colonel,

1 Conrad Crain, says, there are two ways to fight,
2 asymmetrically and stupidly. You hope your enemy picks
3 stupidly, but they're unlikely to do so. China has
4 developed, obviously, a very sophisticated capability, also
5 like Russia has under Russian new-generation warfare, to
6 accomplish objectives below the threshold of what might
7 elicit a military response. You see this with the maritime
8 militias and how active they are in the South China Sea and
9 toward the Senkaku, for example. You see it with their use
10 of organized crime and illicit networks, the use of corrupt
11 networks to extend their reach into countries that become
12 kleptocracies, like Cambodia or Zimbabwe.

13 So you have to be able to really integrate not only
14 what you're doing militarily but what you're trying to
15 achieve diplomatically in the information sphere, with law
16 enforcement and intelligence operations, and with economic
17 policies. And that requires really a sophisticated look in
18 cyberspace, as well, and organizations that can integrate
19 those elements of power in a multinational environment,
20 because that's what magnifies our responses, when we can do
21 it with partners.

22 Senator Peters: Thank you, appreciate it.

23 Chairman Reed: Thank you very much, Senator Peters.

24 Senator Hawley, please?

25 Senator Hawley: Thank you, Mr. Chairman.

1 And thank you both, General and Dr. Wright, for being
2 here.

3 General, let me start with you, and let me talk about
4 our pacing theater, China, or our pacing theaters into PACOM
5 and our pacing threat, China and Taiwan. I know you've been
6 asked about this some already. Let me just get your views.

7 If China moves slowly with regard to a threat to
8 Taiwan, that will obviously give us more time to react. But
9 what if China moves quickly? What if we find ourselves in a
10 fait accompli scenario? I just want to ask you, do you
11 share my concern that the fait accompli possibility scenario
12 against Taiwan is one of the most serious, maybe the most
13 serious that we face in that theater, and therefore we need
14 to maintain combat credible forces postured forward in the
15 region to deal with it?

16 General McMaster: Yes, Senator, I do. I do think it's
17 the most significant flashpoint now that could lead to a
18 large-scale war, is Taiwan, and I think that has to do with
19 really Xi Jinping's belief that he has a fleeting window of
20 opportunity that's closing and he wants to, in his view,
21 make China whole again. You see this with the extension of
22 the Party's repressive arm into Hong Kong and this horrible
23 genocidal campaign in Xinjiang. Taiwan is the next big
24 prize.

25 So I think what we have to be able to do is have

1 forward positioned capable forces because what Xi Jinping
2 wants to do with what would be the largest land grab, so to
3 speak, in history if he succeeds in the South China Sea is
4 to weaponize the South China Sea and just make it too
5 difficult for us to be able to employ forces inside of that
6 inner island chain.

7 If you have forward positioned forces there, that
8 automatically transforms denied space with the PLA, the
9 People's Liberation Army, into contested space.

10 Senator Hawley: Very good. Thank you. Thank you for
11 that very clear articulation. Now let me just play out some
12 of the implications of that. When you think about our other
13 security commitments across multiple theaters, so not just
14 in PACOM now but in Europe and elsewhere, my concern is we
15 may lack the resources to fulfill our various commitments
16 all at the same time.

17 So let's think about, for instance, in the European
18 theater. Do you think our NATO allies should be developing
19 the capability to, for example, defend the Baltics with
20 minimal support from us so that we can focus on PACOM and
21 the Chinese threat should we face a simultaneous or near-
22 simultaneous challenge in both of those theaters?

23 General, I'll ask you that, and then, Dr. Wright, I'd
24 like your opinion on that too.

25 General McMaster: Yes, definitely. I mean, these are

1 countries that have the means to be able to do that within
2 NATO, and I think they have to bear their fair share of the
3 burden. Of course, it's been a disappointment with Germany,
4 which is a nation that could commit a good deal more
5 resources to defense. So I think yes. I think it is our
6 forward presence as well that enables sometimes others to do
7 more. Sometimes we have this idea, hey, if we do less,
8 others will do more. Sometimes if we do just a little bit
9 more, we can get others to do a lot more, and I think this
10 is the case with burden sharing in Afghanistan these days,
11 for example.

12 Senator Hawley: I want to come back to Afghanistan.

13 Dr. Wright, give us your views. I'd like your views on
14 the same question about the simultaneity problem and the
15 burden sharing problem.

16 Dr. Wright: Yes, Senator, I would like to see Europe
17 do much more in this area, but I don't think, really as an
18 analytical matter, that it is likely that they will be able
19 to carry 90 percent of the burden in a simultaneous sort of
20 challenge in the Asian Pacific and in Europe. I guess I
21 would say that as we think about the 2 percent burden
22 sharing, I'm probably more concerned about Europe developing
23 capabilities that would make it more competitive vis-à-vis
24 China. So I probably care more about their decisions in 5G,
25 on high-end technologies and incurring costs now to be more

1 resilient in the future than in transferring 90 percent of
2 the burden of fighting in the Baltics. I think the U.S.
3 forward presence there will continue to be required and be
4 necessary for the security of NATO.

5 Senator Hawley: Just on that last point in terms of
6 their capabilities, our European allies' capabilities,
7 shouldn't we be pushing them to develop capabilities that
8 are devoted towards the theater in which they are? I mean,
9 I agree that we could use their help on China, we need them
10 to do more vis-à-vis China, and we should certainly use as
11 much help on PACOM as we can get. But with regard to a
12 Baltic scenario, a fait accompli scenario in the Baltics,
13 for instance, shouldn't we be encouraging them to focus
14 their stand-up capabilities there so if we find ourselves in
15 this extremely stressing position of two near-simultaneous
16 conflicts, we presumably -- if we have a problem in PACOM on
17 the order of a Taiwan fait accompli, we're going to have to
18 direct the bulk of our resources there. Am I missing
19 something?

20 Dr. Wright: I think that in that scenario they will,
21 of course, be called on to do a lot more, and I do think
22 they should be doing more now. But my view is that the NATO
23 posture in Europe basically works at present. I think the
24 European Deterrence Initiative was helpful in that regard.
25 I am more concerned, frankly, about Europe's exposure to

1 China and about that collective resilience of free
2 societies, particularly in the non-kinetic space and those
3 long-term investments in technology. So to the extent that
4 we have limited political capital, I would be going to
5 Berlin, Paris, and elsewhere, and trying to build that
6 coalition to make sure that over a 10-, 15-, 20-year period,
7 that we come out of it in a much more competitive posture on
8 those new technologies.

9 Senator Hawley: Just one more quick question, if I
10 may, Mr. Chairman. The same question, but now it's to the
11 Gulf, switching regions. Shouldn't we be in the Gulf
12 broadly? Shouldn't we be pushing our partners and allies
13 there similarly to develop capabilities so that with regard
14 to Iran, for instance, they can carry most of the cost of
15 resisting around themselves, barring something very serious,
16 but deterring Iranian aggression without our forces needing
17 to get involved for the same reason, the simultaneous
18 conflicts? General, and then Dr. Wright.

19 General McMaster: Yes, I think that's the goal, but it
20 will take some degree of forward positioned U.S. forces, not
21 a large number, and a sustained commitment. The problem is
22 we keep saying we're leaving the Middle East, and people
23 believe us. We never really leave, but just by saying that
24 we encourage hedging behavior, and this is why some of our
25 key partners in the region, besides the suspension of arms

1 sales and that sort of thing, don't believe we're reliable
2 partners, and they hedge with Russia in particular, and
3 Russia is the key enabler of Iran. Russia gets away with
4 being both the arsonist and then posing as the fireman
5 because the countries in the region think we're about to
6 leave completely.

7 So I think a small U.S. sustained commitment and a
8 common vision for the region in terms of the defense
9 architecture, they can step up over time. As you know, the
10 Gulf states, nobody disappoints you more than the Gulf
11 states. Some partners are stronger than others, and I think
12 we ought to go with those who make good on their commitments
13 and develop those kind of capabilities.

14 Dr. Wright: Senator, I agree. Actually, in this case
15 I would agree that it's important that the Gulf allies take
16 on more of the burden. I do think there is a tradeoff
17 between long-term security and strategic commitments in the
18 Indo-Pacific and long-term strategic commitments in the
19 Middle East, and I do think there needs to be a managing of
20 that not just militarily but also diplomatically, and I
21 think that may involve some difficult choices over time.
22 But I think it's important to communicate that message to
23 the Gulf Arab states. I think Israel is in a different
24 category there, but that's sort of how I would see it.

25 Senator Hawley: Thank you, Mr. Chairman.

1 Chairman Reed: Thank you, Senator Hawley.

2 Let me recognize Senator Rosen via Webex.

3 Senator Rosen: Thank you, Mr. Chairman.

4 Thank you to both gentlemen for being here today.

5 I'd like to continue to build on talking a little bit
6 about Iranian aggression, as Senator Hawley was talking
7 about. One of the most pressing security challenges that
8 the Biden Administration faces in its early days is a
9 rapidly escalating crisis with Iran. Iran continues to be
10 the world's leading state sponsor of terrorism. It's a
11 threat to the region. It's a threat to our U.S. interests.

12 Last year Senator Toomey and I co-led a bipartisan
13 resolution, co-sponsored by 58 senators, that called to
14 extend the arms embargo on Iran. That embargo, which
15 limited the flow of sophisticated weapons to Iran and
16 restricted Iran's ability to provide its proxies with arms,
17 expired last October.

18 So, Dr. Wright, and then General McMaster, now that the
19 UN embargo has lapsed, what policy options do we have to
20 curb the flow of advanced weapons to Iran?

21 Dr. Wright: Senator, I agree that this ought to be a
22 concern of the U.S. I think that we ought to see continued
23 action to push back on Iranian assertiveness and aggression
24 in the region, and I agree about the continuation of an arms
25 embargo. I think, obviously, we're seeing a particular sort

1 of space open up that would mix with diplomacy, but I think
2 a precondition of the success of that diplomacy is regional
3 stability and a broader conception of the problem, which I
4 think is understood and being acted on.

5 General McMaster: Senator, thank you for the question.
6 I agree that this is a huge problem, and our allies have to
7 work with us. Saying we need stronger alliances is great,
8 but it has to be better than a better atmosphere at cocktail
9 parties in Paris, right? When you look at the Iranian
10 regime, I think we have to consider two fundamental aspects
11 of the threat from the regime that we often overlook.

12 First of all, the regime has been fighting a four-
13 decade-long proxy war against the Great Satan, us, the
14 little Satan, Israel, and the Arab monarchies, and they
15 haven't let up in that proxy war, and in large measure they
16 have been able to escalate it with impunity, at will.

17 The second is that the ideology of the revolution
18 drives the regime. There was, over time, some tension
19 between the conservatives and the reformists, or you might
20 want to call them the Republicans and the revolutionaries.
21 But the revolutionaries won, and we keep talking to the shop
22 window of Rouhani, who is about to be voted out here, in an
23 election where they only let people who support the ideology
24 of the revolution run in the election, and Zarif, the
25 foreign minister, when they are powerless. It is the

1 Supreme Leader who is getting up there in age. What's going
2 to happen next? I'm glad the Pope is going to visit
3 Sistani. This is going to be very important for Shi'ism and
4 the direction it takes and maybe a rejection of the rule of
5 the IRGC. The Iranian Revolutionary Guard Corps has
6 preponderance influence over foreign policy decisions.

7 This is why, combined with the irresponsible behavior
8 -- the attack on an Israeli ship just in the last couple of
9 days, the attack on our bases in Iraq -- this should get our
10 allies to help us with sanctions. We know that Russia and
11 China are going to throw them a lifeline, but our European
12 allies should not be aiding and abetting a regime that is
13 permanently hostile to the United States, Israel, the Arab
14 countries; and, by the way, they're hostile to Europe too.

15 So I think this should be top of the agenda for better
16 cooperation with our European allies to force the Iranian
17 regime to make a choice. You can either be treated like a
18 responsible nation or you can suffer the consequences of
19 economic isolation.

20 Senator Rosen: Thank you. I want to quickly build on
21 what Senators Duckworth and Peters talked about, white
22 supremacist terrorism. The violent white supremacists are
23 increasingly interconnected. They're international. They
24 transcend national boundaries. They exploit the same
25 technologies that ISIS used to create a decentralized

1 network of global terror. We can talk about people
2 challenging Ukraine, the Russian Imperial movement. There
3 are so many things going on. But in the interest of time,
4 what more can the U.S. Government do to keep Americans safe
5 from white supremacist terror and to gather intelligence on
6 the global nature of this threat?

7 Dr. Wright: Just very briefly, Senator, I think two
8 things. I think, number one, making it a priority on
9 intelligence collection and making it a domestic priority,
10 which I think the Biden Administration has done. And
11 secondly, to the extent that this is an international
12 network problem -- and I agree that it is -- I think working
13 with allies and partners, particularly in the security
14 services and law enforcement internationally, is an
15 important part of the response.

16 General McMaster: Senator, I think a way to think
17 about this longer term is as a cycle, the cycle of
18 ignorance, hatred, and violence. Ignorance is used to
19 foment hatred, and then hatred is used to justify violence
20 against innocents.

21 So I think you have to break that cycle at all points,
22 and it begins with education. There is a study that is
23 going to be announced this afternoon, the results of civic
24 education and what we need to do to teach our history and to
25 build our confidence in who we are as a people, to recognize

1 the great gifts of our republic and for all Americans to
2 work together toward our unalienable rights that all men and
3 women are created equal.

4 So I would just highlight education as a long-term
5 solution and to recognize that this is fundamentally a
6 destructive cycle that is part of this problem of
7 centripetal forces that are pulling us apart from one
8 another. It has a lot to do with the information sphere.
9 It has a lot to do with those who feel as if they don't have
10 a voice. They feel disenfranchised. They feel left behind
11 economically. There are a lot of causes of this, but I
12 think we have to attack it holistically and begin with
13 education.

14 I think if you look at the curricula to which many of
15 our young people are subjected in primary and secondary
16 education, I would characterize it as a curriculum of self-
17 loathing, not that we should replace it with a curriculum of
18 a contrived happy view of our history, but we should
19 recognize the great gifts that we have in our democracy and
20 recognize our common identity as Americans and our ability
21 to work together to build a better future.

22 Senator Rosen: Well, I love the idea of investing in
23 education. Investing in good, quality, diverse, broad
24 education is always a great thing. We agree on that one for
25 sure.

1 I know my time has expired. Thank you, Mr. Chairman.

2 Chairman Reed: Thank you, Senator Rosen.

3 Senator Kelly, I commend you for your patience.

4 Senator Kelly: Thank you, Mr. Chairman.

5 Chairman Reed: You have 5 minutes.

6 Senator Kelly: Thank you.

7 And thank you, General McMaster and Dr. Wright.

8 Senator Cotton highlighted a specific risk that we face
9 with regards to China and Taiwan. The most advanced semi-
10 conductor chips in the world that are in regular use, the 5-
11 nanometer chip, is only made in Taiwan and South Korea. And
12 even without any issue there currently, during COVID-19 some
13 U.S. industries have experienced disruption due to chip
14 shortages, and this shortage threatens to hamper auto
15 production, medical devices, and health care systems.

16 So with that in mind, the shortage and the risk of
17 further constraint on supply, how integral should our
18 industrial policy, ensuring that we have a chip supply, and
19 education policy be as we construct a national strategy
20 that's responsive to this challenge?

21 General?

22 General McMaster: Senator, I covered this in my
23 statement for the record because I agree this should be
24 important. I would call it economic statecraft. But I
25 think we have to recognize that there are real

1 vulnerabilities associated with the way that the global
2 economy has developed, especially after the accession of
3 China into the World Trade Organization in 2001.

4 We have put our industries and our workers at a
5 competitive disadvantage and, as you mentioned, this has a
6 big impact on not only our ability to grow our economy and
7 to compete effectively internationally in the global
8 economy, but for national security as well.

9 I think chips and 5G and the legislation associated
10 with both of those ought to be funded and pursued, and I
11 think this is for the Biden Administration top on the agenda
12 for cooperation with the so-called T-10, the group of 10
13 technologically advanced, liberal-minded democracies.

14 So I think economic statecraft has to be a priority and
15 a recognition, as you're mentioning, that now economic
16 security is national security.

17 Senator Kelly: Dr. Wright?

18 Dr. Wright: Senator, I completely agree with the
19 premise of the question and with General McMaster's
20 comments. I would just underscore that this, to me,
21 demonstrates the need to really think about in new ways the
22 domestic economic agenda to ensure that the U.S. remains
23 competitive. So things that may not have been of interest
24 in the past, like a targeted industrial policy on high-end
25 technology, that may be necessary when you're dealing with a

1 competitor that is not bound by normal market rules, that is
2 massively subsidizing their own industries and is
3 benefitting from the theft of intellectual property. I
4 think we have to think about that in a wholly new way, as
5 you suggest, and then also to work with those countries,
6 those allies that are critically important, including Taiwan
7 and South Korea, of course, but also Germany and others,
8 particularly on semi-conductors.

9 Senator Kelly: We're looking into legislation here
10 that would appropriate funding for the CHIPS Act, the CHIPS
11 for America Act that would support development of a domestic
12 production capability here. Any specific policy approaches
13 that you would recommend?

14 General McMaster: The only thing I would recommend --
15 and I'm not an economist. A general should not talk about
16 economics. But I would just say how do you guard against
17 the disadvantages associated with subsidies, that we don't
18 get complacent? How do we maintain our competitive
19 advantages? And then in particular, how to bridge into
20 next-generation capabilities, from basic research to applied
21 research into rapid prototyping? We're so far behind on 5G,
22 I think the telecom sector is an area to look at.

23 What's coming next? How do we make sure that we can
24 regain our competitive advantage? I think nuclear energy is
25 another area where next-generation could give us another

1 tremendous advantage.

2 So I think really looking further down the line. The
3 immediate problem is chips, but I think we have other key
4 sectors that have big implications for security that we
5 should focus on longer term, as well.

6 Senator Kelly: We've got to figure out how to get to
7 the point where, as the industry shifts to a 3-nanometer
8 chip, a 1-nanometer chip, how do we have that capability
9 here? What do we have to do today to build that capacity,
10 to have the educated workforce available, to graduate the
11 number of electrical engineers, software designers, to be
12 able to meet the challenge of not only getting back to par
13 with other nations on this, because we are lagging behind,
14 but to getting ahead and being the first one to roll out a
15 3- and 1-nanometer chip? It's going to take some time, it's
16 going to take an investment, and we've got to have the
17 commitment as a nation to do this.

18 Thank you.

19 Senator Inhofe. As Ranking Member and representing
20 also the Chairman, I've got to say this is one of the best
21 hearings we've had. I really mean it. You offered two
22 different perspectives on several things. Of course,
23 General McMaster, you covered areas we haven't covered
24 before, and you've said some things that weren't easy to
25 say, and I want you to know that I appreciate it very much.

1 We are adjourned.

2 [Whereupon, at 11:15 a.m., the hearing was adjourned.]

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