

SENATE ARMED SERVICES COMMITTEE

STATEMENT OF

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19<sup>TH</sup> CHAIRMAN OF THE JOINT CHIEFS OF STAFF

DEPARTMENT OF DEFENSE BUDGET HEARING

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Chairman McCain, Ranking Member Reed, distinguished members of this committee, thank you for the opportunity to join Secretary Mattis and Under Secretary Norquist in appearing before you today. It is an honor to represent the men and women of the United States military.

Today, the U.S. Armed Forces have a competitive advantage over any potential adversary. We are capable of meeting all the requirements associated with defending the homeland and our way of life, and we can meet every one of our alliance commitments. I am confident we can prevail in any armed conflict. That said, one of my greatest concerns as Chairman is the erosion of our competitive advantage over time.

Last summer, I testified that after years of sustained operational commitments, budgetary instability, and advances by our adversaries, our competitive advantage was eroding. I assessed that, without sustained, sufficient, and predictable funding, within five years, the U.S. military would lose its advantage in power projection—the basis for how we defend the homeland, advance U.S. interests, and meet our alliance commitments.

I estimated that arresting the erosion of our competitive advantage required real budget growth of at least three percent above inflation across the Future Years Defense Plan (FYDP), and restoring it would cost more. This figure represented the minimum investment necessary to rebuild readiness and modernize key warfighting systems while continuing to meet operational requirements.

Driven by the National Defense Strategy (NDS), the Fiscal Year 2019 (FY19) Budget Request builds on the FY17 and FY18 budgets and supports rebuilding the U.S. military into the lethal and ready Joint Force the nation needs. However, we cannot reverse a decade-plus of erosion in one fiscal year. The Department must continue to receive sufficient, sustained, and predictable funding for the foreseeable future to restore our competitive advantage and ensure we never send our sons and daughters into a fair fight.

## **Strategic Environment**

The 2018 NDS recognizes that “The central challenge to U.S. prosperity and security is the reemergence of long-term, strategic competition by... revisionist powers.” The Joint Force must face this long-term threat while still managing the immediate challenges posed by rogue regimes and terrorists. With China and Russia as the priority, we continue to use North Korea, Iran, and violent extremist organizations to inform our planning, force design, force development, and risk assessments.

Our adversaries—particularly China and Russia—continue to develop concepts and invest in capabilities specifically designed to counter our advantages. The United States military is in a fierce competition to harness the benefits of emerging technologies—including hypersonics, artificial intelligence, directed energy, and biotechnology—as these developments will fundamentally change the character of war. China and Russia are also increasingly active and adept at what we call “competition short of armed conflict”: integrating economic coercion, political influence, criminal activity, military posturing, unconventional warfare, and information and cyber operations to coerce opponents, advance their interests, and create strategic advantages without triggering a conventional armed response.

China intends to become a global military power and is building the capability to do so. Militarily, China seeks to limit our access and undermine our important alliances in the Indo-Pacific. They are developing a full range of air, maritime, space, and cyber capabilities while modernizing their nuclear enterprise. Their continued militarization of the South and East China Seas reflects their disregard for a rules-based international order. They are increasing their diplomatic and economic influence through the Belt and Road Initiative, and their military interests have followed this enterprise into South Asia, the Indian Ocean, and beyond. We continue to seek Chinese cooperation

on a number of fronts, especially with respect to North Korea, but their “strong-rule-the-weak” foreign policy approach is incompatible with U.S. interests.

Russia also continues to modernize and invest across the full range of military capability, including new aircraft, submarines, armor, counter-space, air defense systems, and conventional and nuclear strike capabilities. These investments and activities are specifically designed to limit our power projection capability and undermine the credibility of U.S. alliances, especially NATO.

While modernizing and preparing for long-term competition and potential armed conflict with these revisionist powers, we must also manage the ongoing challenges of rogue regimes and violent extremist organizations.

Although I remain cautiously optimistic about the potential for talks in the near future, North Korea’s reckless pursuit of nuclear and missile capability is perhaps the most immediate threat to the security of the United States and our Allies. In 2017, North Korea conducted an unprecedented 17 ballistic missile test events, two of which overflowed our treaty Ally, Japan. Last year also saw North Korea’s first successful tests of Intercontinental Ballistic Missiles (ICBMs) capable of ranging the continental United States—and they tested a nuclear device designed for ICBM delivery. I have testified to Congress several times in recent months about Pyongyang’s accelerated capability development and the threats it poses to U.S. interests, to our Allies in the Pacific, and to the homeland.

Iran continues to project malign influence and threaten freedom of navigation in the Middle East. They are also modernizing their space, cyber, missile, and conventional maritime capabilities, which pose a direct threat to our Allies and our interests in the region.

We continue to grapple with the challenge of violent extremism, including ISIS, a resurgent al Qaida, and associated movements. Our strategy remains focused on cutting the flow of finances, foreign fighters, and their disruptive narrative,

while working by, with, and through local partners to sustain pressure on their networks, disrupt attacks, and dismantle their capabilities.

Defending our homeland, our Allies, and our interests in the near-term while restoring our competitive advantage and building lethality will require a focused and sustained effort over many years.

### **Where We Are Today**

Fortunately, with your support, we have begun to arrest the erosion of our competitive advantage. The additional appropriation in FY17 supported immediate investments in readiness, including increases to end strength, funding for critical training, initial restoration of ammunition stocks, and continued modernization of critical systems.

PB18 builds on the readiness recovery started in FY17 and begins to balance the program. It allows the Department to meet operational requirements, begin rebuilding mid- and long-term readiness, and restore warfighting capability and capacity.

While we are grateful for the FY18 appropriation, we spent the first six months of FY18 with FY17 funding levels. The flexibility provided in recent legislation will enable the Department to execute the FY18 budget responsibly. This includes easing the 80/20 rule (that prevents obligating more than 20% of a one-year appropriation in the last two months of the fiscal year) and raising the Below Threshold Reprogramming amounts. Though these measures will help the Department utilize FY18 funds effectively, we need predictable funding in FY19 and beyond to restore our competitive military advantage.

The Department's FY19 budget funds ongoing operations, builds on FY18 readiness improvements, and supports the NDS by investing in modernization for high-end competition against near-peer adversaries.

Operations. Our first budget priority is to provide our deployed servicemembers the resources they need to effectively accomplish their missions—whether in active contingencies, deterring adversaries, assuring Allies, or building partner capacity.

PB19 supports deterrence and assurance efforts around the world. In the Pacific theater, this budget accelerates substantial construction projects to improve the infrastructure that facilitates power projection in the region. It funds prepositioning of critical munitions, increased intelligence activity, and increased rotational troop presence. PB19 also improves missile defense by deploying 20 additional Ground Based Interceptors, with redesigned kill vehicles, at Fort Greely, Alaska across the FYDP. To deter Russian aggression, this budget fully funds the European Deterrence Initiative, increasing the number and quality of exercises with our NATO Allies, deploying key U.S.-based enablers, and modernizing prepositioned stocks. It also recapitalizes the Integrated Undersea Surveillance System, enhancing our ability to detect Russian submarines.

This budget provides \$69 billion for Overseas Contingency Operations (OCO), the bulk of which funds operations in Afghanistan, Iraq, and Syria. In Afghanistan, we are working toward a sustainable approach to stabilizing the Afghan government and denying terrorist sanctuary. In Iraq and Syria, we remain committed to eliminating the remnants of ISIS and setting the conditions to ensure ISIS cannot return. OCO funding also supports Operation ENDURING FREEDOM-Horn of Africa and counterterrorism efforts in northwest Africa and the Philippines.

The FY19 funding for ongoing operations not only ensures our deployed servicemembers have what they need to execute missions in Iraq, Syria, and Afghanistan, but also makes conflict less likely by assuring Allies and deterring aggression in key strategic theaters.

Readiness. Ensuring our forces are able to meet current operational requirements and rebuild the readiness required for great power competition requires significant, continued investment in readiness. PB19 builds on the readiness gains of PB18 by adding end strength, accelerating training, and increasing capacity to extend our readiness focus to the mid- and long-term.

This budget adds modest end strength to each of the services, allowing them to fill gaps in existing combat formations, address critical shortfalls in aviation maintenance, and increase manning in cyber and information warfare. The Air Force will address pilot shortages by adding two new training squadrons, enabling the production of 125 additional new pilots per year.

PB19 funds flight hour programs and ground combat training accounts to near-maximum executable levels. The Air Force upgrades training ranges and funds weapons system sustainment, while the Army funds an unprecedented 20 Combat Training Center rotations for Brigade Combat Teams.

PB19 also increases available capacity for all of the Services. The Navy funds service life extensions for six cruisers, as well as infrastructure, spares, and ship depot maintenance. The Army will create a 16th Armored Brigade Combat Team while accelerating fielding of four Security Force Assistance Brigades. This budget also adds necessary capacity in air defense, mobile rocket artillery, and operational command and control in Europe. PB19 also funds munitions inventory levels sufficient to meet multiple demands across theaters.

Finally, we will improve readiness by refining our global force management processes to achieve strategic flexibility and freedom of action. As directed by the NDS, Dynamic Force Employment will allow us to proactively shape the environment through scalable military presence and quickly deploy forces for emerging requirements while preserving long-term warfighting readiness.



PB19's investments in readiness build on the gains made in the past two years and are foundational to ensuring the U.S. military is ready to meet the challenges of today and tomorrow.

### **What We Must Do**

The competitive military advantage we enjoy today is the result of capabilities developed by our Services in an era of unchallenged technological dominance. That era has now passed. Seventeen years of combat and seven years of budget instability have forced us to postpone modernization investments for the sake of near-term readiness. Meanwhile, our adversaries' investments in modernization have outpaced our own. As a result, the distinction between readiness and modernization has grown harder to discern. We must modernize now in order to be ready.

Restoring our competitive advantage in an era of great power competition will require a joint approach to concept and capability development, an ability to leverage cutting edge technology and asymmetric solutions, and sustained and predictable budgets. PB19 begins this restoration through targeted investments that develop the lethal, agile, and innovative Joint Force demanded by the threats of 2025 and beyond.

The Service Chiefs recently briefed you on their investments in the lethality of their individual Services. The following are priority investment areas for joint warfighting.

Nuclear. A safe, secure, and effective nuclear deterrent is essential to defending the homeland. Starting in the early 1990s, the Joint Force deemphasized the role of nuclear weapons, reducing our nuclear forces in both weapon types and overall size, and trading nuclear strength for arms control. Other nuclear-armed states did not follow our lead, choosing instead to embark on modernization and expansion efforts.

In accordance with the recently published Nuclear Posture Review, we will invest \$24 billion in FY19 to sustain and recapitalize the nuclear enterprise. This is a significant step in a 23-year program to recapitalize the all three legs of our aging strategic triad, our non-strategic nuclear forces, and our command and control systems. Initial delivery of modernized bombers and dual-capable aircraft (F-35s) is slated for the mid-2020s; we will achieve initial operating capability of modernized ground-based missiles in 2029; and the first modernized ballistic missile submarine will be operational in 2031. Nuclear deterrence is the highest priority mission for the Joint Force, and a truly joint enterprise. There is no margin remaining in the modernization schedule—we must deliver these critical programs on the established timelines.

Space. Unlike previous eras, when space was considered a benign and unchallenged environment, space is now a contested domain. The U.S. military depends on space-based capabilities to enable successful joint warfighting—specifically for intelligence collection; missile warning; weather monitoring; global communications; and precision positioning, navigation, and timing.

Potential adversaries understand the advantages space provides, and they view our reliance on this domain as a vulnerability they can exploit. Our near-peer competitors are increasingly challenging our competitive advantage in space.

We must bolster our space sensor architecture to improve our ability to characterize new and future threats. This budget builds on FY18 investments with a focus on space resiliency and mission assurance. It accelerates procurement of the next generation of space-based infrared systems to field a modernized, resilient space-based missile warning capability. Other investments focus on resilient systems for navigation, communications, and situational awareness. Given rapid advances in our adversaries' capabilities, the space domain will require continuous investment in future years.

Cyberspace. Cyberattacks threaten our military, our economy, and our society. Although China and Russia remain the greatest threats to U.S. security, Iran,

North Korea, and violent extremist organizations have all increased their capabilities and are aggressively conducting malicious activities in cyberspace. Most of these occur below the threshold of open warfare, but they are injurious nonetheless, and their implications for armed conflict are clear. FY19 cyber investments continue to prioritize defense of DoD information networks while improving offensive and defensive operations, building Cyber Mission Forces, and maturing command and control.

Electronic Warfare (EW). From voice and data communication to surveillance and targeting, every Joint Force operation today relies on access to the electromagnetic spectrum. As with space and cyber, potential adversaries see this reliance as a vulnerability they can exploit. The proliferation of technology has made electronic attacks both cheaper and more effective. To preserve our advantage in EW, PB19 invests in both offensive and defensive systems while exploring new concepts to maximize the effectiveness of our multi-domain EW capabilities.

Missile Defense. Our missile defense systems serve to protect the homeland, assure our Allies and partners, and deter adversaries. But the breadth of missile threats facing the Joint Force continues to increase in complexity and scope. Russia, China, North Korea, and Iran are all extending their operational reach and fielding larger and more capable arsenals. Their systems are increasingly mobile and resilient, with increased range and accuracy, expanding the risks they pose around the globe. Furthermore, they continue to develop means of complicating our missile defense operations. Among other investments and activities to counter this threat, we are increasing the number of Ground Based Interceptors and investing in additional Terminal High Altitude Area Defense and SM-3 interceptors.

While developing and refining the capabilities that will restore our advantage in competitive areas like these, we must accelerate research and development and experimentation in important fields with military implications. PB19 will see

increased investments in technologies such as hypersonics, artificial intelligence, directed energy, and biotechnology. We will also continue to refine our acquisition systems to enable rapid fielding of new capabilities.

Across the Joint Force, PB19 starts, accelerates, or continues funding for critical modernization efforts. These programs will require years of sustained funding to deliver material results, but they are all vital to ensuring the future force is capable of defending the homeland and advancing U.S. interests in the competitive security environment to come.

## **Conclusion**

To implement the National Defense Strategy, the Joint Force requires sustained, sufficient, and predictable funding. The funding levels in the recent Bipartisan Budget Agreement are sufficient; I look forward to working with Congress to make our funding sustained and predictable so we can fully restore our competitive military advantage.

PB19 represents a significant investment in the lethal Joint Force the United States will need to prevail in future conflicts. We are committed to the responsible, disciplined, and transparent use of that investment. With your continued help and commitment, we will ensure we never send America's sons and daughters into a fair fight.