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ARE WE READY? AN INDEPENDENT LOOK AT THE REQUIRED READINESS POSTURE OF U.S. FORCES

HEARING

BEFORE THE

SUBCOMMITTEE ON READINESS

OF THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES

ONE HUNDRED TWELFTH CONGRESS

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ARE WE READY? AN INDEPENDENT LOOK AT THE REQUIRED READINESS POSTURE OF U.S. FORCES

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SUBCOMMITTEE ON READINESS,
Washington, DC, Thursday, March 3, 2011.

The subcommittee met, pursuant to call, at 10:00 a.m., in room 2212, Rayburn House Office Building, Hon. J. Randy Forbes (chairman of the subcommittee) presiding.

OPENING STATEMENT OF HON. J. RANDY FORBES, A REPRESENTATIVE FROM VIRGINIA, CHAIRMAN, SUBCOMMITTEE ON READINESS

Mr. FORBES. Well, I want to start by welcoming this exceptional panel of witnesses that we have before the subcommittee and to thank you all for joining us today for what I believe is going to be an incredibly important hearing.

Hopefully, our Members will be streaming in, because I think this is going to be a very important hearing to lay the foundation for what we are going to be doing for the rest of the next several months anyway.

One of the things that we recognize is, nearly 12 years ago, this subcommittee met to hold a hearing on readiness regarding the Army AH–64 helicopter fleet. The spring and summer of 1999, we were involved in combat operations with NATO [North Atlantic Treaty Organization] allies in Kosovo. And you can see the helicopter up on the screen.

Chairman Bateman and Ranking Member Ortiz held a hearing on the readiness of the Apache fleet, because an internal Army memo had been leaked to the press. That memo was written by then-Brigadier General Richard Cody, and it showed shortcomings, training failures, and readiness issues associated with the Apache fleet and specifically related to the deployment of the 24 AH–64s as part of the Task Force Hawk.

In the reviews that followed, the GAO [Government Accountability Office] found 146 lessons learned, which ranged from insufficient training to the need for additional capabilities such as night-vision devices and improved command-and-control capabilities.

However, interestingly, Congress had been told previously that the unit that was deployed was C–1, or fully combat-mission-capable.

Today, we are here to talk about the readiness of the force, not just the readiness of today's force, but the force we will need to deal with global challenges the next decade and beyond.

If you flip from the Apache helicopter we talked about there and look to today's concern in the Pacific, something that I know is near and dear to the ranking member's heart, it is clear that we can't afford another Task Force Hawk situation, where we are told we are ready and we wake up to have hearings after that where we find out that we were very insufficient in our preparations and our preparedness.

We have a constitutional responsibility that none of us take lightly, but we must be informed if we are to successfully provide for the defense of this Nation. We learn all too often about critical shortfalls not from the military, not from the DOD [Department of Defense], but from leaked press reports, whistleblowers, and generals after they have retired.

Today we have a wonderful panel of witnesses to help us not only frame the challenges for the future but to also help this subcommittee ask the right questions and to get the answers we need to make critical resourcing decisions in extraordinarily challenging times.

Joining us today are some individuals who served on a panel. And I want to commend to everybody's reading, if you haven't, the Quadrennial Defense Review [QDR] Independent Panel, the report that was published. This was an incredibly bipartisan effort.

I want to commend all of you for your work on creating, one, a consensus that I know is very difficult in today's world to reach, but, secondly, the thorough analysis in the job that you have done; and commend to each of our committee members, if you haven't read this, I think it is good reading. And we have provided you with executive summaries that I think you will find useful.

Today we have joining us Mr. Rudy deLeon, the senior vice president for national security and international policy at the Center for American Progress; Mr. Thomas Donnelly, the resident fellow and director of the Center for Defense Studies at the American Enterprise Institute for Public Policy Research; Ms. Makenzie Eaglen, the research fellow for national security studies at The Heritage Foundation; and Dr. Thomas G. Mahnken, professor of strategy, U.S. Naval War College.

I just gave you what they are now. You each have in your memos their biographies, which I suggest you look at because they are very telling on the expertise that we bring to this panel today.

I also wanted to suggest that this is one of the most bipartisan panels—I am sorry—one of the most bipartisan subcommittees, probably, that we find in Congress. We hope to do some things this year that are out-of-the-box. We want to get to answers, and we don't want to go through the formats.

Historically, on our hearings, what we normally do is we bring in three generals and an admiral, and we spend the first few minutes telling them what a wonderful job they have done in serving the country. They next spend the next 10 minutes telling us what a great job we have done in supporting the men and women in uniform across the globe. Then everybody has a 5-minute window. Our witnesses oftentimes feel like they are in depositions where their goal is just to get out without saying anything. And we ask our questions in staccato.

We want to change that. It is my hope that we will have the support of the ranking member, at some point in time, so that, rather than be in those boxes, that we are bringing witnesses in here where we are not asking them for formal statements, we are not having just prepared statements, but we can really get at the answers that we need to make sure we have answered one crucial question: "Are we ready?" And we have to make sure that we are doing that.

I want our Members to feel as free as possible, if you have follow-up questions, if you want to explore an issue, that we can do that, so that you don't feel you are in those confines of normal structure.

So, with that, I would like to now turn to my dear friend and colleague and somebody that I know that is very concerned about the readiness of this Nation, especially in the Pacific, and that is Madeleine Bordallo from Guam.

Ms. Bordallo.

[The prepared statement of Mr. Forbes can be found in the Appendix on page 41.]

STATEMENT OF HON. MADELEINE BORDALLO, A REPRESENTATIVE FROM GUAM, RANKING MEMBER, SUBCOMMITTEE ON READINESS

Ms. BORDALLO. Mr. Chairman, thank you. And thank you for your leadership of this very important subcommittee.

To all our witnesses, thank you for appearing before our subcommittee today.

As the United States continues to be engaged in two wars in Iraq and Afghanistan, our military continues to experience significant readiness strains across the spectrum of capabilities. Further, larger fiscal matters in our Federal Government continue to squeeze the Department of Defense budget. Pentagon leadership is looking for places to find efficiencies, and, historically, the operation and the maintenance budget is a favorite target, given its size and availability.

The QDR and the Global Defense Posture Report have outlined an ambitious, yet realistic, defense posture that will be needed over the coming years. So it is important that we find balance in equipping, training, and positioning our force to deal with emerging threats abroad, such as Al Qaeda in the Arabian Peninsula or the extremist disturbances in Indonesia or the southern Philippines, which is right next-door to Guam. However, as a nation, we must not lose focus of more traditional threats that face us, such as Iran's and North Korea's nuclear programs or China's nontransparent military buildup.

Being a global power is not easy, nor can it be done cheaply. The QDR and the Global Defense Posture Review provided this Congress with a guideline for allocating resources over the coming years to deal with a multitude of threats.

Every defense budget since the beginning of budgets has assumed a certain amount of risk. The Department has been cautious over the past few years in the amount of risk it has accepted, while trying to balance the needs of the ongoing wars with the other threats that exist to our country.

At the outset of the wars in Afghanistan and Iraq, I believe we took too much risk, and the consequence was an under-equipped and ill-trained force for the type of wars that we are now conducting.

Even as we depended upon them more and more to provide critical, enabling capabilities, National Guard units across this country were left with paltry equipment levels. It took congressional action and oversight to provide them with the equipment they needed to train for the missions they would be performing in both Iraq and Afghanistan.

I recognize that we are not always at 100 percent fill for equipment, but we have done our best to apply resources to address the levels of risk that exist in the budget. I think the key is providing enough flexibility so that as threats emerge, the military can adapt and respond quickly and posture itself to protect our interests.

The military buildup on Guam is a perfect example of how defense and posture reviews can lead to net positive benefits for our strategic posture across the globe. Making our military capabilities on Guam more robust allows us to defend against North Korean aggression, as well as counter the secretive buildup of Chinese forces. The strategic location of forces on Guam sends a very clear signal to our allies in the Asia-Pacific region that we remain their partner and a power in the Asia region.

Similarly, a buildup of forces on Guam also allows us to address threats that may arise in Indonesia or the southern Philippines, not to mention humanitarian assistance missions to our Pacific island partners and other hotspots in the region.

The military buildup on Guam is not without its challenges, but it is the right thing for our Nation and the right thing for Guam. We just need to get it done right.

And to that end, I do have some concerns about the reduction in operation and maintenance funding across all the services in fiscal year 2012, as compared to 2011 levels. We need to examine these funding levels through the lens of strategic documents like the QDR and the Global Defense Posture Report and not lose sight of our emerging capability needs across the globe.

I would be interested to learn more from our witnesses today on what they think can be done to strengthen the QDR and the global posture review process. In some cases, these documents have been seen merely as budget drills. So what can Congress do to strengthen the process even further? I appreciate the work of the committee in creating a QDR review panel, but what other ideas should we consider in the future?

Again, I thank you, Mr. Chairman, and look forward to the testimony from our witnesses.

Mr. FORBES. Thank you, Ms. Bordallo.

And now we are going to hear from our witnesses. And we are going to go in alphabetical order, if that is okay with the witnesses. And we are going to start with Mr. deLeon.

And thank you so much for being here today.

STATEMENT OF RUDY DELEON, SENIOR VICE PRESIDENT FOR NATIONAL SECURITY AND INTERNATIONAL POLICY, CENTER FOR AMERICAN PROGRESS

Mr. DELEON. Thank you, Mr. Chairman and members of the subcommittee. I appreciate this chance to come and testify before the House Armed Services Committee [HASC] today.

And, certainly, as many know, I have a long-time relationship with the committee, but I was staff director of the committee so long ago that Mr. Reyes is probably the only Member that remembers me from that tenure. But it was a remarkable time, the tenure of President Reagan and many other things. So I certainly welcome this opportunity to testify today.

The four panelists, we are used to working with each other in a bipartisan way. We have different perspectives, and we will bring different views that I pledge will be interesting and, I think, informative to the committee. But I think what also—even where we disagree, we have a track record of finding the consensus, which I know is at the heart of what the Armed Services Committee does.

I would just like to take a few minutes—we each have formal written statements, if we can just submit them—and I will just make a few opening comments, because, ultimately, we want the engagement back and forth.

One, I think we all acknowledge Secretary Gates has really appropriately focused the Department on the ongoing combat in Afghanistan and in Iraq. That was a key decision made. His tenure began in late 2006. We have seen the impact of his leadership in the combat AOR [Area of Responsibility]. But, at the same time, when we look at these budgets, these budgets are driven by ongoing combat.

And when the QDR independent review looked at the budget, it was our job to, sort of, look beyond Iraq and Afghanistan to that period that will follow on. And so, that was the bulk of our work. Also, the QDR tasking coming from the Congress was not to be constrained by budget issues but to look at the big policy questions there.

So, very briefly, what I would like to just cover are four key points in my testimony.

One, we all agree the Asia-Pacific is critical. That is the new avenue of global commerce. And so we need new emphasis and new resources for the Asia-Pacific. The transparency of China is a key issue, the PLA [People's Liberation Army], and an element of our mil-to-mil dialogue. But Asia-Pacific is at the top of our list in terms of needing to focus strategically on that region, because the role of the United States in that region since the end of World War II has been absolutely critical.

The rise of China, the balancing of historic tensions in Asia, the growth of their economies have all been made possible by the protection that the U.S. military, our diplomats, but particularly the men and women of our Armed Forces have given the region of Asia. It has been a unique period. And Asia, because of the American presence, has been divorced from many of the regional tensions which created conflict in the past.

The second are what I will call new security concerns. That is cyber. That is homeland security; whole-of-government reforms to

assist our troops in the field with capabilities coming from other executive branch organizations. And then the importance of prolonged mil-to-mil relationships. The challenges in Egypt right now—the U.S.'s military ability to talk to the Egyptian military has proven to be just a crucial—a crucial set of skills.

When the Soviet Union disbanded, it was the mil-to-mil relationship with some of the emerging democracies of the former Warsaw Pact—Poland, the Czech Republic, Hungary—that allowed for a solid democratic transition of those militaries that are now very capable NATO members. And the Prime Minister of Poland, who is now one of the leading spokespersons for NATO, was here in town to be acknowledged by the Atlantic Council this week. But, you know, this is a dramatic change from 1980 and the end of the Solidarity movement to the end of communism. But the mil-to-mil relationships are extremely important.

The third issue that I have covered in detail in my opening statement is energy.

Right now, you know, 50 percent of our energy exports come from this hemisphere, from Canada and Mexico at the top. As we go further south, some of the suppliers become more problematic—Venezuela. But 50 percent of our energy imports come from the Western Hemisphere, and that is a good thing. Slightly less than 20 percent come from the Persian Gulf region, a higher percentage coming from Africa.

But, from a military perspective, the supply line of fuel is pivotal to the mobility of our forces. I know that there are initiatives that this committee created in the last several years to focus on the energy requirement. That is a key component of logistics. It is what makes the United States military unique.

We are in a tense period, in terms of the price of energy, but we still control our destiny. But figuring out our energy strategy, particularly for our troops that are deployed, is going to be a critical challenge for us.

Last piece, the U.S. economy as a component of national security. Meeting the readiness challenges of the next 20 years is dependent upon our country, the Department of Defense, working with Congress to really get our economic house back in order.

Now, during my tenure at Armed Services and then later my tenure at the Department of Defense, I lived continuously under balanced-budget rules. The challenge to go from high deficits to a balanced budget really started in 1987 with the Gramm-Rudman legislation that came from Senator Phil Gramm, Senator Warren Rudman. It was followed by an agreement in 1980 between President George Bush and negotiated largely with Congressman Gephardt here.

But when you look at these in their conclusion, that 1990 agreement really started a foundation moving toward a balanced budget. We have the Clinton initiatives in 1993 and then the negotiations in 1995 and 1996, which really lock us into a trajectory of a balanced budget that we realize in 1999. It was a lot of work to get there.

The challenge was to keep military readiness high. The Armed Services Committee, throughout that period of the 1990s, did a number of reports. Mr. Spence's report to Secretary Perry in the

early 1990s on readiness—I think Mr. Donnelly may have actually been one of the authors on that—was an important piece of the debate and the discussion.

But my key point is that we really do have to get our budgets and our economy in order; that throughout the late 1980s, throughout the 1990s, there were a series of very clear rules that applied government-wide that had a big impact in terms of focusing on spending.

Just a last point on that, and I don't want to speak much longer here. Clearly, coming out of the—we have had very high defense budgets the last 10 years, but those budgets have been fundamentally different than the high defense budgets of the 1980s. The 1980s defense budgets were largely investment budgets, and the budgets of the last decade have really been budgets to support military forces in the field and combat. And so they have been high on consumables.

So you have been consuming a lot of personnel dollars, you have been consuming a lot of readiness dollars. The procurement numbers are coming up. But coming out of this period of significant defense spending, we need to acknowledge that these really have been budgets that have supported combat operations in the field and not the investment budgets of the 1980s.

And then, finally, moving forward on the American economic challenge, you know, U.S. national security has long rested on the strength of our economy. If you go and read the NSC–68, which was the strategy early in the Truman presidency that really looked at the future, they had two big assumptions: an extremely capable military and a highly viable economy.

And so the challenge, I think, in the readiness area, in addition to the line items of the budget, will be to move forward on the economic challenge of creating jobs, promoting competitiveness and innovation, while reducing the long-term budget deficits.

That is a message that the rest of the world needs to know. This is a country that is capable of great things, that we are not in economic decline. And we need to send that message, because American national security leadership has been premised on our strength of global leadership, economically as well as from the national security perspective.

So, Mr. Chairman, we appreciate—I do—this opportunity to testify.

[The prepared statement of Mr. deLeon can be found in the Appendix on page 42.]

Mr. FORBES. Thank you, Mr. deLeon.

Now Mr. Donnelly.

STATEMENT OF THOMAS DONNELLY, RESIDENT FELLOW AND DIRECTOR, CENTER FOR DEFENSE STUDIES, AMERICAN ENTERPRISE INSTITUTE FOR PUBLIC POLICY RESEARCH

Mr. DONNELLY. Thank you, Mr. Chairman, and to the ranking member.

I would echo what Rudy said about what a pleasure it is to return to our former place of employment. One may leave the committee staff, but emotionally and mentally it is hard to escape.

I am also going to end up agreeing a lot with Rudy. I think one of the most disturbing elements of the QDR panel for Rudy was that he found himself too often in agreement with me. I have always known Rudy to be a closet neoconservative or at least a Truman Democrat, but I think Rudy hadn't faced that reality yet.

But to turn to serious matters, I was impressed by both the opening statements because they went—both the question of Task Force Hawk and the question of the invasion of Iraq go directly to the questions that I hope you guys will consider when you are considering readiness.

The most important question, and where we have fallen short so frequently in the post-cold war years, is when we ask the question, not are we ready by the metrics and the yardsticks that the Department produces, but are those yardsticks the right assessment of what our forces need to be able to do? The question is, what should we be ready for? And if we don't answer that question adequately, the other metrics are interesting but not really the right ones that we should be using.

Also, interestingly enough, the QDR panel found itself very much in similar circumstances as we did our work. After we got the initial briefings on the QDR itself, there was widespread dissatisfaction among the members—a very distinguished panel, as Rudy said, bipartisan, even nonpartisan in its direction from Secretary Perry—about what the QDR process had produced.

We recognized that we did not have the time nor the staff capability to replay the entire QDR process, so we were looking around for a set of measurements to understand what the requirements for U.S. forces were.

And, actually, there was very spirited debate but pretty quick agreement that U.S. security interests remain constant over time, that the issues, the capabilities, and the interests of the United States don't change. Adversaries and enemies and allies and friends may change. Technological circumstances may change. But, certainly, in the post-World War II period, there is a remarkable consistency about what United States purposes have been.

And we felt that was a pretty reasonable set of measurements for us to use about what our forces should be prepared to do. And my prepared testimony goes through that in some detail.

I would also like to save—I have a good idea of what my colleagues are going to say, so I would like to just cherry-pick a few of the things, if I may, in my brief remarks here.

We found four, sort of enduring U.S. interests: the defense of our homeland, which includes, as Rudy suggested, our neighborhood—think of the Monroe Doctrine, for example—but larger North America, if you will; the ability to freely access, both for commercial purposes and when necessary in wartime, what are lumped together as the "international commons."

Secretary John Lehman loathed that word and excised it from the panel report—basically, the freedom of the seas, the skies, of space, and now of cyberspace. That is where the life of the commercial trading system occurs, and those are the domains, if you will, that are essential not only for protection of the United States itself, but the means through which we project power abroad. If we can't deploy our forces by sea, by air, watch them and talk to them and

provide them with intelligence and reconnaissance from space or communicate with them through the use of the Internet, then our ability to do what we have to do around the world is going to be severely constrained.

And it was very much the conclusion of the panel that those commons, which have been the distinct American way of war, are now contested commons. And the more modern—as you, sort of, go through the progression from maritime to cyberspace, the more you go through that batting order, the more contested the domains are.

We have also always worried about the balance of power in the vital regions of the world—in Europe, where we spent a century, two world wars, an immense amount of blood and treasure to produce what looks to be a durable peace and has allowed to us to draw down forces in recent years; and, obviously, in east Asia, as Rudy suggested and as others will comment; but also—and this is where I like to focus my remarks—on the greater Middle East, particularly now that we see the region actually—the peoples of the region, themselves, taking up the cause of individual freedom and liberty that so many Americans have sacrificed, including sacrificed their lives, for over the past generation, not just in the past 10 years.

The fact is, this has always been a volatile region. It is becoming more volatile now. Who knows how it is going to come out? But it will still be of critical interest to the United States and to the world.

Rudy mentioned energy supplies. We are lucky in that a relatively small percentage of our oil actually physically comes from the Persian Gulf. But, of course, oil is a fungible commodity, it is a global market. And our most reliable allies, particularly in east Asia but also in Europe, depend on those energy supplies. And it is also critical to the developing economies of China and India.

The entire world, and certainly the commercial world, the economic world, benefits from having a stable oil pipeline writ large, or energy pipeline, to which the Middle East contributes the largest amount, globally speaking, and which is critical for the world's economic progress and prosperity. We are obviously at a moment of fragile recovery, ourselves, here at home. We have seen gas prices spike in the last couple weeks. We can only imagine what an extended rise in gas prices and in energy prices would do.

The notion that Iraq and Afghanistan are the final chapters of America's involvement in the region seems unbelievable to me. There were many chapters before 9/11. We put up with Saddam Hussein for 15 years and he made our lives miserable long before the invasion of Iraq in 2003.

The same is true of Iran, which, as Rudy suggested, is on the verge, who can say exactly when, of acquiring a nuclear capability that would plunge the Gulf into even greater turmoil. And we see in places like Egypt, where luckily we have contacts, levers to ensure that the transition that comes is something that we can shape.

But that is almost an exception that proves the rule. There is very little that we could do in Libya that wouldn't involve, again, a use of military force. And, again, whether that is wise or the

right thing to do is not my point. The question is, we can see that it is already a question for our President.

So, again, as we look forward and try to say what should we be ready for, the idea that we are not going to be somehow, someplace, in some way involved in the Middle East seems to me to be just a faulty planning assumption.

And the one thing that we have seen since 9/11 is that we have not had that traditional two-war capacity to do many things at the same time. We had to essentially get to a point of culmination in Iraq before we could again focus adequate resources in Afghanistan. And let's hope those turn out to be durable successes in both cases. But, to go back to Rudy's tenure in the Pentagon and before, it is an expression of the win-hold-win force-sizing strategy.

Just to go back and to conclude by referring to your opening remarks, Mr. Chairman, Task Force Hawk is a perfect example of what I am trying to get at. Those Apaches were probably perfectly ready to destroy the Soviet tanks in the Second Echelon that they had spent their entire lives in Germany preparing to do. But when they were asked to pick up and deploy in support of the Kosovo war or in support of Bosnia, they didn't have the logistics or the transportation or all the other support structures that they needed to survive in the muck and mire or to get there.

Likewise, the invasion of Iraq in 2003 was as classic an example of mobile armored warfare as we will see in our lifetimes. Three weeks from crossing the line of departure to knocking down the Saddam statues in Baghdad is a remarkable accomplishment, probably moving faster than George Patton ever moved across France. But that wasn't the end of the story because it wasn't, obviously, the end of the war.

So the problem in assessing readiness, really, in a strategic sense, is much less, are we meeting the benchmarks, the formal, narrowly defined benchmarks, that are currently being employed, but have we captured in our assessments and in our readiness metrics those things that really, truly reflect the tasks that we are almost certain to ask our forces to do, that flow directly from this assessment of our interests and add up in sum to a global set of challenges?

And we have learned, again, much to our sorrow and pain, that what happens in the Middle East, although strategically connected to what happens in east Asia, may require an entirely different kind of force and will have to be things the U.S. military does simultaneously rather than sequentially.

So, as you guys look at the question of the readiness of our forces, I urge you to take that one step back and ask, are the benchmarks, themselves, the right ones?

Thank you for your time.

[The prepared statement of Mr. Donnelly can be found in the Appendix on page 50.]

Mr. FORBES. Thank you, Mr. Donnelly.

Ms. Eaglen.

STATEMENT OF MACKENZIE EAGLEN, RESEARCH FELLOW FOR NATIONAL SECURITY STUDIES, THE HERITAGE FOUNDATION

Ms. EAGLEN. Thank you, Mr. Chairman and to the ranking member, for your unconventional approach to your first hearing of the year. I think it is just an outstanding way to take a step back, take a look at the big picture outside of the, you know, defense witness "hearing in a box" and really talk about things to think about for the future.

I want to again thank Rudy for his leadership last summer on the QDR Independent Panel as our esteemed chairman on the Force Structure and Personnel Subcommittee, where we gained a lot of knowledge and experience into helping you answer these questions.

I think Task Force Hawk is a powerful way to open this hearing, because the two primary findings from GAO, which is insufficient training and the need for additional capabilities, is exactly where we are in almost every, sort of, major area across the services today. And I am very concerned, like you, that the likelihood of this happening again is high and is getting higher.

So Rudy and Tom very sufficiently laid out a snapshot of the world as it is, and I want to provide an overview of the state of our hard power capabilities, in particular our military to carry out a lot of things that might be asked of them.

I was told by a senior Special Forces official recently that if you look at a view of the world from space and America assesses the 50 most important nation-states on the planet Earth relative to the war on terror, whatever term you want to use there, they all have their lights out, for the most part. And we are talking countries very much like Afghanistan, which has, you know, very little infrastructure to begin with, but it goes much further beyond Iraq and Afghanistan. And it is something that, again, as Tom just said, you know, our efforts and interests around the world are not going to go away as we wind down in Iraq and we, hopefully, eventually wind down in Afghanistan.

What have we been seeing across the force lately? As most of you know, we have a pretty old and geriatric and rusting force structure on the equipment side. And we have a grand experiment occurring on the personnel side, employing an All-Volunteer Force for over 10 years in continuous operations, which has never been done since we stood it up in the early 1970s.

On the equipment side, not accounting for new systems like, for example, some helicopter rotary-wing platforms and some drones in particular, and leaving out some ISR [intelligence, surveillance, and reconnaissance] and coms [communications] capabilities, just looking at the major systems that we use to facilitate operations everywhere else around the world, our Air Force, Navy, and Marine Corps tactical aircraft are averaging 50 to 25 years old, depending on which service we are talking about.

The Army's armored personnel carriers are almost 30 years old. Bradley Fighting Vehicles are approaching 20 years old. Our cargo helicopters that we use heavily in Afghanistan are almost 20 years old; some have been upgraded, of course. Our helis are 35. Our cruisers are 20 years old. Our ORION long-range aircraft that we

use for ISR capabilities are 25 years old. Our bombers—our newest ones are 20, but our oldest ones are almost 50 years old.

I actually heard a story just yesterday that some of the bomber pilots in the Dakotas—actually, their grandfather literally flew same plane.

Our transport aircraft, our wide-body cargo aircraft are over 40 years old. And, as you well know, the tankers are almost 50 years old.

What we are seeing across the services is the cross-leveling of not just equipment, which is also known as the cannibalization, but of people, as well, to reorient for various missions and needs and to really scramble to match requirements in Iraq and Afghanistan. And this has a direct impact on the Reserve Component and on the National Guard and Reserves in each of your States and districts.

As the ranking member noted in her opening statement, over the past 5 years, on average, most States in the country have had less than 40 percent of their Guard equipment on hand, available to respond to everything else that the military does, including hurricanes, floods, wildfires, and more. And there is a direct effect on the health of the Active Force and, of course, the Reserve Component.

When you are cross-leveling people and equipment, everything from, you know, weapons systems like machine guns and handguns, to vehicles, tracked and wheeled, to helicopters, what that basically means is everything is upended in the readiness cycle as a result of this. And then you are having the units that are about to deploy, they are not able to actually train on their actual weapons systems in live-fire exercises as often as they need to be.

In the last 4 years, we have seen less than half of all Air Force units that were fully mission-capable. The Navy, a couple years ago, discovered that two surface combatant ships were unfit for combat and had to hold what they called a "strategic pause," where we basically halted the entire worldwide fleet of all of our surface combatants to assess their readiness levels, in the case that they were going to prove unready in a very embarrassing incident.

We are also seeing the effects on training. You know, obviously our forces have been very heavily emphasized in counterinsurgency capabilities, and it is coming at the expense of most others, as well, including combined arms and jungle warfare and amphibious capabilities and operations, as well.

The former chief of staff of the Air Force actually used the term "ancillary training creep" and I think that is actually effective for services like the Navy and the Air Force, in particular, that have to do things beyond supporting counterinsurgency operations. Their ability to prepare for other conflicts has been significantly degraded.

Quickly, I will just close out by talking—using the Special Forces again, going back to them as a snapshot. I referenced the Air Force in my testimony as a case study in readiness and how unready we actually really are for, again, things much beyond Afghanistan, including, for example, a no-fly zone over Libya, which would greatly challenge the military to undertake.

Currently, we have more than 80 percent of our Special Forces deployed in one region, in Central Command. And they have been

deployed at unsustainable rates since 2001. And what that means is it is coming at the expense of their jobs, for example, in Latin America and elsewhere around the world. Post-9/11, our Special Operations Forces are twice the size, they have three times the budget that they had before 9/11, but they have more than quadruple the demand that was on them previously.

Take, for example, the 7 Special Forces Group in Latin America, where they are supposed to be working right now. They have been carrying almost half the load in Afghanistan for 7 years. So we are leaving behind all of these other areas of the world, which are not becoming any more safe and the areas of risks and challenges are not growing any less steep over time.

Thank you.

[The prepared statement of Ms. Eaglen can be found in the Appendix on page 65.]

Mr. FORBES. Thank you, Ms. Eaglen.

Dr. Mahnken.

STATEMENT OF DR. THOMAS G. MAHNKEN, PROFESSOR OF STRATEGY, U.S. NAVAL WAR COLLEGE

Dr. MAHNKEN. Great. Thank you, Mr. Chairman, Ranking Member, members of the committee. Thank you for inviting me here to testify this morning.

Mr. Chairman, in line with your intent, I would like to keep my opening remarks brief and to submit my written statement to the record.

In the brief time I have, I would like to cover four topics: just a few words about maybe how we should think about readiness from a strategic perspective; then to zoom in and focus on one particular contingency, the need to deal with China's military modernization and development of anti-access capabilities; third, to talk about our readiness to counter China's anti-access capabilities; and then, hopefully, to end on somewhat of a note of opportunity for us.

So, on readiness, as someone who has spent a career studying, teaching, and practicing strategy, I am certainly sympathetic to those who face the challenging task of trying to ensure that U.S. Armed Forces are ready to face the full spectrum of challenges that we do face.

And I certainly applaud Secretary of Defense Gates' call to achieve a balanced defense capability, even as I acknowledge that achieving balance is extremely challenging. It requires us to balance the certainty that American soldiers, sailors, airmen, and marines are in combat today and will be in combat tomorrow against the possibility of other contingencies, including great-power conflict, contingencies that may be of lower probability than the certainty of today's combat but would have extremely high consequence.

And, finally, I think we need to acknowledge that readiness involves not only preparing for and fighting today's wars but also reassuring our allies and deterring aggressors in order to prevent war. And back to Tom Donnelly's comments, I think, you know, these are some of the criteria we should use to assess our readiness.

Certainly, the strategic environment that we face today further complicates the task. We face challenges all the way from nonstate terrorist organizations, such as Al Qaeda and its associated movements, up to regional rogues, such as Iran and North Korea, up to China's military modernization.

Let me focus on one of those challenges, I think a particularly stressing challenge: that posed by China's development of anti-access capabilities. As Rudy mentioned, the QDR Independent Panel identified a number of challenges that we face; it also identified a number of shortfalls in U.S. force structure. I want to focus on Chinese anti-access capabilities.

This is a matter of some urgency since China is, for the first time, close to achieving a military capability to deny the U.S. and allied forces access to much of the Western Pacific Rim. China's military modernization calls into question a number of assumptions upon which the United States has based its defense planning since World War II.

Specifically, the assumption that the United States will enjoy an operational sanctuary in space is now in question due to China's development of anti-satellite and other capabilities—capabilities that are adequately documented in a series of DOD reports to Congress on Chinese military power over the years.

Second, the assumption that U.S. bases in Guam and Japan and elsewhere will be secure from attack is also increasingly open to question, due to China's development of ballistic and cruise missile systems and other capabilities.

Third, the assumption that U.S. naval surface vessels can operate with impunity in all parts of the western Pacific—also open to question, due to the development of a range of capabilities on the part of China.

And then, finally, the assumption that in a crisis U.S. information networks will remain secure—also open to question, given China's cyber capabilities.

These developments have profound implications for U.S. national security. We have, since the end of World War II, based our defense strategy on the combination of forward-based forces to deter adversaries and reassure our friends and the projection of power from those bases and the continental United States to defeat foes in wartime. The spread of anti-access capabilities calls that formula into question.

Well, in response to these developments, the QDR Independent Panel argued that the U.S. force structure needs to be increased in a number of areas to counter anti-access challenges. Specifically, the panel called for an expansion of the U.S. surface fleet, the acquisition of additional attack submarines, replacement for the *Ohio* class cruise missile submarines, an increase in our bomber force, and an expansion of our long-range precision-strike capabilities. Those were among the recommendations of the panel.

With the time I have left, let me just outline very briefly some opportunities in addition to the panel's recommendations. Because I think the United States has opportunities to work with our all allies and our friends to ensure security in the Asia-Pacific region.

First, are opportunities that would come from developing a coalition intelligence, surveillance, and reconnaissance network in the

western Pacific to help reassure our allies and friends and generate collective responses to crisis and aggression.

The second is the need to harden and diversify our network of bases in the Pacific. I believe we need to harden our facilities on Guam, we need to harden our facilities at Kadena in Japan. And we also need to be looking at a much broader and more diverse set of bases in the region.

Third and finally, I think we need to look for ways to bolster our submarine force and to work to link together our submarine force with those of our allies and our friends in the region. Undersea warfare is a comparative advantage for the United States and for many of our allies and one that is likely to be of increasing relevance in the future. And we need to think about creative ways that we can work with our allies to bolster our undersea capabilities.

In closing, I would like to go back to something that Mr. deLeon said about the deficit and about spending. None of the moves that I have outlined in my remarks would be free, but some of them could be undertaken with modest cost. And I believe that we need to think about the cost of recapitalizing our military, but, in doing so, we also need to consider the price for not recapitalizing. And, in the long run, that cost is likely to be much greater.

Thank you very much, and I look forward to your questions.

[The prepared statement of Dr. Mahnken can be found in the Appendix on page 82.]

Mr. FORBES. Thank you all.

And I am going to defer most of my questions until the end, so we can let other Members ask questions.

But I just wanted to get started with—we have the QDR, which is our major defense lay-down and strategy. And, of course, Congress, I think very wisely, set up the independent, bipartisan panel to look at the QDR and say, are we on the right track or the wrong track? There are three statements that came out of that panel that I would like to just read for you and ask your comments on.

I want to start at the end, where you said this statement. You said, "The panel's assessment is that the budget process and current operational requirements, driven by the staff process and service priorities, most likely shape the QDR far more than the QDR will now shape processes and drive future budgets and program agendas."

I want to overlay that on one that got my attention right off the bat, when you said, "The aging of the inventories and equipment used by the services, the decline in the size of the Navy, escalating personnel entitlements, overhead and procurement costs, and the growing stress on the force means that a train wreck is coming in the areas of personnel, acquisition, and force structure."

I would like your comments on those two statements, if you would. And compare that with—yesterday, the Secretary of the Navy was here, and I asked him about that statement. And he said that the only difference between the numbers the Navy has for ships and the number the panel had for ships was the way they counted the ships, and there really wasn't any difference.

Can you just give me your thoughts on those statements?

Mr. DELEON. Well, yes. One, on the QDR process itself, I think the members of the commission felt that there were times where there had been dramatic strategic reviews—Reagan Administration in 1981, the base force of Secretary of Defense Cheney and General Powell in 1991, the Bottom-Up Review in 1993. And then, in the other times, the QDR process had been process-driven more than strategically driven.

So I think one of the points was that the QDR may come too early in a new Administration. When we go through a transition from one Administration to the next, the legal requirement is for the QDR to come in year one. The challenge of staffing up a new Administration in the key Pentagon jobs and the speed with which the other body occasionally acts on the confirmation process means too many things just happen in that first year. So validating when the QDR needs to occur, it needs to be strategic. So that is point one.

I think point two, we were concerned that, in terms of the number of ships—we chose our words very carefully. Steve Hadley, the former national security advisor, and I wrote that section, "access to all of the international areas of the Pacific." And so that is a presence issue. It is probably maritime, because those are highly effective mobile platforms.

And so, you know, I think what we were emphasizing was you need to make sure you have the force structure for the Pacific, and you need to make sure that you have the strategy for the Pacific.

We did not get into a bean-counting on the number of ships. Our concern was that, again, not that the cost of the ships may be as much a constraint as the budget that is available for the ships, but that, clearly, if we were trying to prioritize, we would say the Pacific is the area where you have to prioritize.

Mr. FORBES. Mr. Donnelly.

Mr. DONNELLY. To take the questions in reverse order, I would stand by the panel's ship number, which was thoroughly scrubbed by John Lehman, who knows how to count ships. That is one thing he knows extraordinarily well. I think that this has been a Pentagon talking point and critique of the panel report since it was released. And I think, as a matter of analysis, we were right and they weren't. But to walk through all the details would be mind-numbing.

I want to just also totally agree with Rudy in terms of the panel's analysis of the QDR process. I was on the committee staff when the QDR legislation was written, and, in many ways, our model was the Les Aspin Bottom-Up Review that Rudy knows inside and out. And the, kind of, anomalous point of that was that Mr. Aspin uniquely, when he became Secretary of Defense, had been thinking about these issues, preparing for them and holding hearings when he was chairman of the full Armed Services Committee. So he came into office with that strategic set of viewpoints that Rudy references.

There is a recommendation in the panel report, if I recall rightly, for setting up sort of a senior advisory group that would be available to a new Administration to sort of help them get their strategic sea legs as they came into office and prepared to do an appropriate defense review.

But I think it was, as Rudy says, kind of a consensus view that the current process was not working, and the absence of a genuine strategic understanding and guidance had reduced the process to a budget drill.

Mr. DELEON. Just two quick points. One is that the review process has not been working for a while, throughout the last decade. And I think counting ships, I think your description may have been a bit simplistic, Tom. So I think there is an area for discussion that the committee needs to probe in terms of how many of the ships in the pipeline are combatants, how many are support ships?

But in terms of the critical presence issue, again it is a reorientation. It is a focus that across the Pacific, that is the new lines of commerce globally. That is where the critical issues are. And so you have got to look where are the resources going. We have also got to ask where are the resources going when our allies in Europe are significantly ratcheting their budgets down? So how much of our responsibility for their security do we continue to maintain? We have got this growing issue of access to the international areas of the Pacific at a time when we still have considerable resources aimed toward Europe, and our European allies are reducing their expenditures.

Mr. FORBES. Ms. Eaglen.

Ms. EAGLEN. Yes, I agree, of course, with the findings. What we have seen in the last 10 years largely is a shift in funding and priorities within the Department to focus on prevailing and current operations, which is commendable, and clearly common sense. The problem is that it is coming at the expense of preparing for the future. And I would argue that in many ways the future is now. It always seems like it is so far out, and a lot of the challenges that we are seeing come on line from the capabilities around the world that friends and foes alike are building presents it now.

But I do want to talk about just again the snapshot of the armed services. We have the smallest Navy that we have ever had since 1916, and we are asking it to do about 400 percent more than it has ever done in the past. We have the oldest Air Force in the history of the country since its inception in 1947, all of its fighters, cargoes, bombers, tankers, trainers. The Army has skipped three generations of modernization, and the last one which was canceled, the FCS [Future Combat Systems], even though there is a potential replacement hopefully coming online soon, was the only ground vehicle improvement that the Army has had in 60 years.

So I don't want to overstate the challenges, but that is the reality. We can't talk about the world as it is and what is required unless we actually talk about also the state of the military.

Now, the QDR Independent Panel—if I can speak for them, Rudy might jump in—used the rough metric of the Bottom-Up Review as a good assessment of a starting point specifically because that was what we thought, what they—leaders, policymakers thought was needed at a time when we expected the world to be a much more peaceful place. How could we need anything less than that today is really what the message that we are trying to send.

And to the CNO's [Chief of Naval Operations'] point, which actually the 2012 budget came in pretty strong for shipbuilding. I am thrilled about that. I think there is an understanding that there is

a true bipartisan consensus to grow shipbuilding and a genuine need to do that.

But analysis across the board from the CBO [Congressional Budget Office] to CRS [Congressional Research Service] and the Center for Naval Analysis will find that while our battle force fleet is about high 270s, low 280s in terms of ship numbers, we are really on a glide path to building a 220-ship Navy when you add it up and you project it forward. So I would not even focus on the 346. I would focus on what we are buying today, and if you carry out linearly, just where does that get you? We are in danger of a 220-ship Navy.

And I would close with just some thoughts on the process, on the QDR process. The HASC took real leadership in standing up the independent panel. The National Defense Panel was sort of a model for this, which you had done one time in the 1997 QDR process. And I think it is wise to consider making a standing national defense panel a permanent entity. It can shift in terms of its membership and all of that sort of thing, but one that actually informs the QDR process before the Department gets under way so that you can get out of some of that group think.

Mr. FORBES. Dr. Mahnken.

Dr. MAHNKEN. I would echo what my colleagues have said about the panel's recommendation of 346 ships versus the programmed or the planned 313. I think, as Mackenzie said, we did look back to the Bottom-Up Review as a blank-sheet look at U.S. requirements for a more peaceful era than we see today. I think there was a general sense that the current force structure is likely to be insufficient given the challenges that we face.

As to the QDR process, I am in the unique position of having played a minor role in the 2006 QDR, run the office that did a lot of the preparation for the 2010 QDR, and then being on the QDR Independent Panel. My general observations are two. First, Quadrennial Defense Reviews, their success is directly proportional to the amount of time and effort the most senior leadership of the Department is willing to commit. And I think that goes back to Mr. deLeon's point that there have been dramatic changes in our defense strategy, but those have really occurred when the President and the Secretary of Defense are directly, directly involved. At other times, things go less well.

As to the timing, I am one of those people that believes that the current timing is probably the least bad option. The QDR used to be submitted earlier, and I think the experience was that a new Administration didn't have all of its folks in place and could not really put its stamp on the review. If you wait later, which I think sort of sound analysis would say you want to take longer and so forth—if you wait later, you are really into the Administration's second or third budget going up before Congress, and there is very limited ability for the Administration to shape things.

So I am not a fan of the process, having been a part of it multiple times, definitely not a fan of the process, but I would say that the current timing at least is the least bad option out there.

Mr. FORBES. Ms. Bordallo.

Ms. BORDALLO. Thank you, Mr. Chairman. And again, thank you to all the witnesses. Each of your statements were very insightful, and some presented some daunting issues.

So I would like to start with Mr. deLeon first. As you know, U.S. Pacific Command, as well as other commands, has extensive programs in the military to foster military-to-military and military-to-civilian relationships in their respective AORs. You mentioned the Pacific region being a strategic area, and, of course, I have to agree with you on that.

My question for you is this: With what other countries should the U.S. be expanding our relationships to enhance our partnerships? Also can you comment on the effectiveness, both geopolitical and budget-wise, of the National Guard State Partnership Program? How do you see this program playing a part in the mixture of tools available to a combatant command?

Mr. DELEON. Thank you.

You know, when we look at Asia, our military-to-military relationship with Japan is crucial, and it has become all the more crucial given some of the challenges going on in the South China Sea.

Interestingly, we have a unique relationship developing with Vietnam. They are a critical country in the region, and that is one where we will do it step by step, but that is clearly an area, given their geographic position in Asia.

India, the relationship is still developing, but they are a risen power economically. They have their own issues in terms of their relationships with both China and Pakistan. But that is another area of opportunity. And then at a core minimum, the United States needs to continue to press the PLA for some kind of dialogue. It is much different than the U.S.-Japan military-to-military exchange. But there has got to be enough of an exchange so that both sides have the capacity to talk to each other when there is a crisis.

We had one on the Korean Peninsula. The Americans like to talk when things are at the crisis level because it creates stability, it creates understanding. The Chinese don't. And so this is a problem as China continues its economic development and as it continues to develop military capabilities.

But we start with those countries where we are in strategic alliance, and that begins with Japan, opening up with India. We have the model to follow. And I think our Army led right after the fall of—the breakup of the Soviet Union and those relationships that they had had informally that they were able to solidify with those Warsaw Pact countries that made for their rapid admission into NATO. But having those relationships—and you have to start them early. Young officers who become the leaders need to have those relationships when they are young.

Finally, there are great roles that the Guard can play, particularly on the humanitarian missions to support the Active Duty Forces, as well as the fact that the National Guard units are now a key strategic reserve. In our tenures we have seen the Guard go from being sort of a backup contingency for a big war in Europe to being operationally able to deploy quickly. The committee has had a clear voice on this in the last 30 years in terms of Mr. Mont-

gomery and the Guard and the critical role that they play and the contingencies that they bring on the nontraditional areas.

Ms. BORDALLO. Thank you very much.

Dr. Mahnken, I have a question for you. In your testimony you mentioned China's fast-growing anti-access capability—which I certainly agree in your statement—and the correlating recommendations from the QDR which call on countering this threat by expanding the U.S. Navy surface and subsurface fleets, increasing the bomber force, and expanding our long-range precision strike capability. These types of military weapons systems are often used in strategic environments, which are very different from those we have our men and women pursuing today in Iraq, Afghanistan, and elsewhere around the world.

How would you recommend that we continue to use our military forces to defeat nonstate actors and other threats, while training them and equipping them for the future strategic threats that you mentioned? And what do you consider the single most important shift in readiness priorities from the Department that this committee should consider during this year's cycle?

Dr. MAHNKEN. Thank you for that question.

On dealing with nonstate actors and dealing with terrorist organizations, I think the most important role that the U.S. Defense Department will be playing and the services we will be playing as we move forward is in training and advising foreign militaries. I think in many ways as we look back, Iraq and Afghanistan will not be the typical way that we will go about it. I think the typical way we will go about it is the typical way we have gone about it in the past, which is to help governments that are under threat from insurgencies and terrorist groups to build up their capacity to defeat those threats.

And certainly as we have seen in the Philippines, working with the Armed Forces of the Philippines strengthening their capacity, I think that is going to be a key role. And while in my remarks I focused a lot on naval and air capabilities for dealing with anti-access challenges, I think for the Army and for the Marine Corps, building the capacity to advise foreign militaries really is going to be key. It is not going to necessarily be the—you know, the majority of troops involved, but a very key part of the force structure.

As Ms. Eaglen mentioned earlier, our Army Special Forces are the only part of the U.S. military that are recruited and trained with an expertise and selected based on their aptitude for dealing with foreign militaries, and I think strengthening that capacity is key.

Now, you say single most important thing that the subcommittee can do, I would go back to dealing with China's anti-access capabilities. And again, there are a cluster of capabilities associated with that that you outlined, but then also improving our infrastructure and our basing infrastructure, and making sure that our bases in the Asia-Pacific region are hardened and survivable I think is important. I think it is important for deterrence. I think it is important for reassuring our allies, and should there be a conflict, and I certainly hope there won't be, it will be important then, too. But the greatest value for these types of investments is in averting conflict.

Thank you.

Ms. BORDALLO. Thank you very much, Doctor.

I do have other questions, Mr. Chairman, if we are going to have a second round. Thank you.

Mr. FORBES. The chair now recognizes the gentleman from Georgia, Mr. Scott.

Mr. SCOTT. Thank you, Mr. Chairman. And I would like to just make a general statement, and then I would like the committee members to respond as fast as possible.

And I believe, and I think most believe, that well-trained, well-equipped soldiers with proper dwell time should be our priority, and they are the key to victory for us in any conflict that we go into. The Department of Defense and the generals in most cases say the same thing. Yet when we look at DOD proposals, the DOD has proposed to eliminate the number of soldiers or reduce the number of soldiers by 43,000 and to hire 30,000 additional bureaucrats or procurement officers.

DOD proposes to eliminate the C–17 buy, which is arguably the most important plane in our fleet with everything that we do with it. I can understand reducing the purchase if we have enough, but to totally eliminate it when you have already got the line up and running to me seems not a very wise thing to do.

And they want a new bomber that they tell us they can't get to us before 2025. And if they follow their current track record, it will be somewhere closer to 2035 or maybe 2045 before we get the new bomber.

And my question is: There's an obvious disconnect here; what is wrong at DOD, and how do we fix it?

Mr. DONNELLY. I do not mean this as a flip answer, but DOD is an institution that is suffering from lack of guidance and not enough money to do all the things that it is being asked to do. I mean, it is a big bureaucracy, you know. They get a lot of money. But their tasks are larger than the force can handle.

Mr. SCOTT. Can I stop you right there, because I want to hear other people. Okay. But they are proposing to eliminate approximately 45,000 soldiers and hire 30,000 bureaucrats. If we talk about their budget, they are going to spend a whole lot more and pay those 30,000 bureaucrats a whole lot more than they are going to pay the soldiers. So from a budget standpoint they don't seem to care what they spend.

Mr. DONNELLY. Actually I believe Secretary Gates has put at least a halt on expanding the civilian workforce. I am not quite sure that the original plan to hire additional procurement officers is going to proceed as originally announced by the Administration.

I share a concern about Army and Marine Corps end strength cuts. We have seen this movie before. We always believe there will never be another land war, and then there is. So that is something that is deeply worrying to me.

Mr. SCOTT. Would one of the others speak specifically to the decision to absolutely eliminate the C–17 buy and the value of that plane to our fleet, while at the same time pursuing another plane that they can't have to us before 2025?

Ms. EAGLEN. Absolutely. First let us start with the practical implication to permanently shutting down a line, which you have al-

luded to here, and the great costs of doing so, not just in the termination fees, but losing America's only wide-bodied cargo production line in existence.

Mr. SCOTT. Absolutely.

Ms. EAGLEN. So it is not just the C–17, but you want the capability for more C–5s or C–130s or any one of these types of platforms that are incredibly—I mean, current operations grind to a halt without the ability to move people and equipment around the globe.

We saw when the U.S. military responded to humanitarian operations in Haiti, C–17s along with the other wide-body cargo aircraft were diverted from missions in Afghanistan because there just simply aren't enough to do everything, as Tom has said.

The benefits of this sort of strategic lift go beyond warfighting operations, of course, to every other type of mission, to building partner capacity, to the humanitarian assistance and more. The most interesting part about actually closing this line and then restarting it, if we choose to do so, which we usually find out after the fact that these are mistakes—the cost of closing down the line is about $6 billion if you want to restart it later.

To answer your question, what we are seeing in the Department are budget-driven strategies, and so you have a short-term cost savings that appears as a cost savings, but it is really going to cost you more money in the long term; whereas if you have sort of stable, predictable Defense budgets, and you are building enough of everything, you are able to save money. But what they are saying is, we need this dollar to go here as opposed to here. And it is a shortsighted investment decision that ends up again costing you more, because what is not noted publicly by DOD are two things: the cost of termination of any major program. It is very expensive to pay the contractors when you say you are going to build this, and then you build fewer than that number; but also the cost of restarting, as I mentioned, and then what you have are the long-term—nobody talks about the fact that you are going to have to rebuild something again in the future.

So, for example, take the Marine Corps Expeditionary Fighting Vehicle [EFV]. Yes, it saves money if you cancel it this year, but the Marine Corps still needs an amphibious combat vehicle. So we are not saving any money by not building it this year; we are just pushing that bill to next year or the year after.

Mr. DELEON. May I, sir?

Mr. SCOTT. That is up to the chairman. My time has expired.

Mr. FORBES. Go ahead.

Mr. DELEON. I think you are asking a good question, and you ought to ask that of the witnesses as they come. Maybe I will follow up and come and visit.

On the civilian side as we deployed to combat, we were short the people in the field who can do contracting. This is logistics contracting. We ended up taking a lot of people out of the Corps of Engineers who would manage $50 million or $100 million water projects, putting them into Iraq where they were supervising a billion dollars a week in logistics contracting. So it turns out that the people who can write contracts are fairly, fairly important to the effort.

Mackenzie talked about the slow rate of modernizing, particularly Army procurement equipment. One of the things the Army needs to do a little bit better is to frame their requirements so that the government knows exactly what it is buying. I am not sure that they still have some of the technical expertise to specify what the exact composition of the vehicles are to look like, things like that.

And so that is translating requirements to contracts, and it is hugely important to the warfighter who needs the equipment, and it is hugely important to the taxpayers because they need to pay a fair price for the equipment. So figuring out how to do that better, Mackenzie is right, we are living off of the M1s and the Bradleys and the legacy of those who put those in the pipelines as long as 30 years ago.

Dr. MAHNKEN. Mr. Chairman, if I could just briefly, and it is on this issue of shutting down production lines. I think we need to have a strategic view of these types of decisions. And we should be looking not only at U.S. acquisition, but also foreign acquisition as well. That is just to take the C–17 example. I could talk about other examples as well. We have sold a number of C–17s, and there are opportunities to sell more of them.

I think in our planning we should be taking those export opportunities into account to hopefully try to keep these production lines, as Mackenzie said, the expertise in place to bridge the gap until the next time we use them. And I think that there are all sorts of opportunities to do that in other parts of our production capability as well, to include, you know, UAVs [Unmanned Aerial Vehicles], for example, and even maybe our submarine capabilities.

I think we need to have that strategic view of our production capacity, because we have drawn it down. I think we have drawn it down to a point where you have maybe one or two providers of any particular capability. We are sort of at the ragged edge of where you want to be if you want to be competitive.

Mr. FORBES. Thank you.

I now recognize the gentleman from Texas, Mr. Reyes.

Mr. REYES. Thank you, Mr. Chairman. Thank you for holding this hearing. I think we are just starting to scratch the surface of the many different issues that affect our readiness. For instance, I am always, I guess, perplexed that 40 years ago when I was in Vietnam, I was dodging the AK–47 and RPGs [Rocket-Propelled Grenades]. Today those are still a basic staple weapon that our troops are very much concerned about not just in Iraq, but today in Afghanistan and in different parts of the world.

I got to Vietnam when the M–16 was an issue because it was jamming. It wasn't designed to be in the mud and the muck and all of that other stuff. I was in the 11 Bravo. I wasn't a grunt, I was a helicopter crew chief, but we carried them into battle, and so we heard all of those concerns, and some were openly saying we have got to kill the enemy and get their AK–47s so we can defend ourselves.

Now, why I mention that is because sometimes in our effort to modernize, to continue to modernize, we fail to see that sometimes the basic staple—now, the AK–47 doesn't work for our Special Ops troops. They carry weapons that have to be silenced and all of

those other things. But a staple of the regular weapons has to be different.

Which I guess the frustration I feel is that we shouldn't modernize for modernization's sake and to keep these things kind of self-perpetuating themselves. And one of the things that I have learned over the course of being on the Intelligence Committee and chairing that committee is the remarkable relationship today between intelligence and the military, you know, our soldiers and marines, because of the asymmetrical threats that exist against us.

So earlier this week I asked General Casey, I said—you know, he is retiring, so General Dempsey, if the Senate confirms him, is coming in—what kind of guidance have you received to prepare our Army for future challenges? I am very concerned about reducing the end strength of the Army and the Marines, because the ones that pay the price are troops and their families. That is how we got into that—I can remember when I first got to Congress that the philosophy was the two-war strategy—and I think you mentioned that, Mr. Donnelly, in your wrap-up, in your conclusion—which is no longer in vogue.

But I would submit we may have to do not just two operational commitments, but multiple operational commitments. And, yes, maybe it is not in the traditional sense in terms of committing thousands of troops, but still for the troops that you commit for the Special Ops that are supported by intel and vice versa, you still have to have a supply chain. You still have to take care to make sure that you don't send people out there and leave them hanging, because that is not the strategy that we follow. God knows we have got all of these challenges with not just the Horn of Africa, the Iranians and others, but the Chinese. The Chinese have been very active.

When you mentioned the Special Ops whose main duty is Latin America, I couldn't agree with you more. I found it the most ironic to be speaking Spanish on the border between Pakistan and Afghanistan with our Special Ops people who were telling me, you know, we need to do a better job of paying attention to Latin America. That is our hemisphere. That is where Chavez and all of those other actors are busily trying to undermine places like Mexico.

A scenario that in the next election, which is next year—remember we just dodged a major bullet with Obregon. We would have had Chavez's military advisors on our southern border, because that is what he had offered Obregon.

This is not something that we do a hearing and move on, and I applaud you for thinking in these terms. But we need to do more. Maybe in a roundtable would be better because I get frustrated—and I was a chairman, so I always tried to do what the chairman does and say, I will ask my questions at the end, because 5 minutes is not enough when you are dealing with the kinds of complex issues that this case represents.

Mr. FORBES. Will the gentleman yield?

Mr. REYES. Absolutely.

Mr. FORBES. I absolutely agree with you, and one of the things that we proposed was just what you said, sitting in that type of roundtable. The ranking member did not want to do that at this point in time. But I hope that we will continue to do that because

I agree with you 100 percent. These issues are vitally important for us to get at instead of trying to put our questioning in staccato mode where we really can't reach them. So I hope we can do that.

Mr. REYES. Thank you so much.

Can I just make one more observation? There is one thing we learned in the two wars, Iraq and Afghanistan. We learned that we shouldn't ignore the first one so we can carry out the second one, number one. Number two, is we learned that contracting out is not a way to do that.

I mean, I don't know, Mr. Chairman, how you have had input from our troops, but they are very frustrated that some of their former colleagues leave the service and go into contracting and earn two or three times more than they are earning because they go with the contractors. We have so many things like that that we have got to get our arms around. So I again thank you for doing this, and these are very—people with a lot of great insight, and we owe this system for the future more dialogue in terms of—like I said, a roundtable for me would work much better.

Mr. FORBES. If the gentleman would agree, and the committee, the gentleman raises an excellent point. One of the things that we know that we have found is that we had difficulty fighting in both Iraq and Afghanistan at the same time. We moved out of Afghanistan into Iraq. It left us with some vulnerabilities in Afghanistan.

And Congressman Reyes raises a good point about South America. What kind of vulnerabilities do you think that we are leaving exposed in South America because of our focus on other parts of the world? And maybe you could take just a quick moment to address those before we move to our next question.

Mr. DELEON. So Mexico is the key. We owe the government in Mexico our attention as a national security issue. It is much broader than the immigration question. Secretary Clinton was right. We have a drug consumption problem on this side of the border that fuels a lot of lawlessness on the other side of the border because it is a pipeline.

On the other hand, South America, you have got some very vibrant, energetic economies. Brazil is now a G–20 member trying to play a global role. That is another area where we have not really focused all that much on our mil-to-mil, but as Brazil, Chile, Argentina become global players in the economy. And then demographically in Central America we have got the issue of 18- to 22-year-olds and are there jobs for them, and do they become members of an economy, or do they get into the drug trade? The drug trade has been an attention point of this committee for 25 years, and it institutionalizes a series of very corrupting behaviors.

Some of this is homeland security, but some of it—and the mil-to-mil relationship between the U.S. and Mexico has always been one of a struggle because of the history of the two militaries—but figuring out how to engage that dialogue looking south.

Now, as we had an interdiction program in Colombia that had some successes, that had an impact on pushing more of the business into Mexico. Now as we focus on Mexico, some of the drug trade business gets moved to West Africa, and it creates different plans. But I think working with the government in Mexico as a

partner, and then realizing that we have got problems on this side of the border that we have got to deal with, that is a start.

Mr. FORBES. Now the chair recognizes the gentlewoman from Missouri, Mrs. Hartzler.

Mrs. HARTZLER. Thank you, Mr. Chairman.

Yesterday, General Casey said that the Army's rotational force model allowed them to hedge against unexpected contingencies. Is this a reasonable assessment of the state of the force?

Mr. DELEON. General Casey has worked hard to build in a rotation force. Since the end of the cold war, there has been a fundamental impact on our ground forces. Their optempo [operations tempo] has gone up much higher. During the cold war we would put our forces forward-deployed, in Korea, in Germany, and they would live there with their families, the schools were there, and you would go to a rotation, and it would be for 2 years, 3 years.

When the wall came down and we started to bring our troops home to garrison, we were deploying troops from the continental United States, and so they went from being forward-deployed to contingency-based, and so that started a lot of wear and tear on the ground forces in particular. And so it has developed over the years a different rotational philosophy. When you put someone forward-deployed in Korea, they are there for 2 years, but in a contingency operation we are deploying the forces regularly. We are sending them for a year, bringing them home, sending someone else. So it means you have got to have troops in the pipeline that replace the troops in the field, and when the troops in the field come home, we need to restore their quality of life with their families. We need, as Mackenzie said, to restore their training opportunities.

So General Casey, as one of his marks of his tenure as Chief, has really been focused on a larger rotational base. It gets to the earlier question on the size of your ground forces, because not only do you have to have troops for the mission, you have to have the ability to rotate those troops once they deploy.

Mr. DONNELLY. Can I add a quick footnote to that. I think Rudy is quite correct; however, the effect has been essentially to transform the National Guard from a strategic reserve to an operational reserve, as General Chiarelli said earlier this week. The rotational model may be the least bad choice that we have, but the rotation base inside the Army, the brigade combat team system was designed to get people out to make units smaller and lighter. The result is that every time they deploy, they have to be plussed up by as much as 40 percent with enablers, and National Guard units have to step up onto that rotational conveyer belt at rates that were not anticipated when these force structure decisions were made.

Mrs. HARTZLER. Do you think that we can rapidly respond to an unplanned event should several of them occur simultaneously?

Mr. DELEON. Well, one, you know, Mackenzie has raised the fundamental issue for us, and that is we have an All-Volunteer Force, and appropriately we compensate that All-Volunteer Force much differently than we did when we had a draft. We have now stretched an All-Volunteer Force through 10 years of combat. It has been a challenge to maintain the quality. It is more expensive, but

no one would want to shortchange the people who are sacrificing so much for our country by serving.

But the ground mission is a unique one because it is manpower-intensive. And so I think we as a country need to ask the fundamental question: If more and more ground contingencies are going to be the norm—I think we hope not, but the troops always need to be prepared—then we need to have a long-term debate about how we raise—you know, the constitutional mandate is to support a Navy and to raise an Army. So we should probably have a debate on how we raise an Army at some point.

Dr. MAHNKEN. If I could, I would broaden this out, and I would say that the Joint Force, all of our capabilities give us all sorts of opportunities to hedge. And so my direct answer to your question would be it depends. It depends on the type of contingency that we would face. In some types of contingencies, you know, our naval and air capabilities, which are relatively less stressed than our ground capabilities, would be able to take the fore. Depending on the contingency, our allies would have an important role. If we were talking about a contingency on the Korean Peninsula, for example, South Korea and the Republic of Korea's Armed Forces, particularly their ground forces, would play a major role.

This is a topic that OSD [Office of the Secretary of Defense] and the Joint Staff have to deal with constantly as they are looking at global force management and how to balance these risks on a day-to-day basis.

Mrs. HARTZLER. Thank you.

Thank you, Mr. Chairman.

Mr. FORBES. The gentleman from North Carolina, Mr. Kissell.

Mr. KISSELL. Thank you, Mr. Chairman and panel, for being here.

I am going to do something I don't normally do. I am going to talk more than I am going to ask questions. I generally like, when we have expertise here, to go straight to questions. And I think it is the nature, Mr. Chairman, of what you have got set up here today, and I have been writing notes, writing notes, writing notes, and I finally quit writing notes. I think it is more of an indication of what we are doing here. And the direction that I have decided I really would like to ask in goes back a little bit to what Mr. Scott was talking about, what Mr. Reyes was talking about.

It doesn't bother me as much that we are going to be hiring some people in the Pentagon if they are going to do the job, because we went through two major bills of procurement reforming when the bottom line was we keep coming up with these acquisition plans that don't come in on time, don't come in on budget, don't do what they are supposed to. We don't have oversight of what we want them to do, so we keep adding all the bells and whistles, and all of a sudden we wonder why the combat littoral ship, the expeditionary force for the Marines, the Army's experiment with the reforming to the combat futuristic models, whatever they were, on and on. And the F–35 is how many years behind? The engine is 4 years behind. On and on and on, and we wonder why we have old equipment. Because the new equipment is not coming in. And as Mr. Reyes said, we have contractors who seem sometimes their in-

tent is to maintain their position and not deliver the bang for the buck that the American taxpayers need.

So I don't mind if we bring some of that expertise in. I also recognize that a lot of the expertise is retiring. If the people won't do the job, save the money, and predict what we need, and get it done. And that is where a lot of the our legislation went. And I think, Mr. Chairman, that is kind of the gist.

And I think, Mr. Chairman, you may be the one that has pointed out that we go out and spend billions of dollars buying equipment, and we don't even own the intellectual rights to that equipment. We don't even get blueprints of that equipment. You know, we tell somebody to go spend billions of dollars and build it, then you get to keep it, and anytime we want something done, we got to come back to you as if you were the original possessor of that idea.

So all of that said, I have some concerns in how we go about doing this. But the end result is we have got old equipment, we have lines not coming in on time, and we are shutting down lines. And I guess I have got finally a question.

I believe one of the concerns that I have is that manufacturing has become kind of—something a lot of people don't think we need anymore in America. So if we have to ramp up, if we have the need to start rebuilding, where do we stand? What is our base industrial core strength in America in terms of if we had a higher than a normal response, how can we respond?

Dr. MAHNKEN. Just two brief responses. First is I think you raise a number of excellent points on acquisition, and I would just commend to your attention the acquisition chapter of the QDR Independent Panel's report. The task force was chaired by retired Air Force General Larry Welch, who I think has a lot of wisdom in those pages as to how to improve the acquisition process.

On the manufacturing base, I agree. I share that concern. If you look at the way America has traditionally fought its wars, we have been able to mobilize our industrial base, and we have been able to produce the materiel that we need in wartime. That base in a number of areas, whether it is shipbuilding, aircraft, even logistics and a lot of munitions and expendables, I think is not where it was. And I do think we need to think strategically about that, about that industrial base.

I mean, there was a time not too many years ago where we had a shortage of small-arms ammunitions because of some problems with a couple of the manufacturers' manufacturing facilities. That is relatively simple stuff. We could find ourselves in a situation where we need to replenish more complex items in the inventory. So I think that is an excellent observation.

Mr. KISSELL. Well, Mr. Chairman, I think you have set a good tone for what this subcommittee can be looking at. And one last specific question. That red light just went on. Do we need the Expeditionary Fighting Vehicle? If anybody wants to join? I am on Air, Land and this subcommittee, and I am hearing so much back and forth. Is that something that we need?

Mr. DONNELLY. My view would be yes. Mackenzie earlier said we need a capability that is something like this. The marines have to get from their amphibious ships ashore somehow. They can't all fly in a V–22. They can't all ride in an LCAC [Landing Craft Air Cush-

ion hovercraft] or walk ashore. And once they get ashore, they need mobility and firepower. And the way to get from ship to shore is either you plow through the water like an AAAV [Advanced Amphibious Assault Vehicle] currently does, or you get on top of the water like a speedboat, the way the EFV was supposed to do.

The idea that we won't need forcible entry capabilities in the future, particularly in a Pacific contingency, again strikes me as nonsensical. When you are talking about the anti-access question, what is vulnerable really are the ships themselves. So, you know, you can put all of these requirements in a blender, and some version is going to come out. And if it is going to do what you want it to do, it is going to look like an EFV; or you are going to have to sacrifice the speed, the ground mobility, the firepower, the ability to carry a full squad; or you are going to have to come in close to shore to disembark the marines. Anybody who has been in an AAAV, the first briefing you get is: Puke into your helmet so it doesn't clog the bilge that way. So you can pay us now, or you can pay us later.

Ms. EAGLEN. If I may, quickly. That is correct. So it is not about the EFV. You can call it the ACV, the Amphibious Combat Vehicle, but they need something. So the question I would argue for Congress and for the taxpayers since they funded this is when you look at how you build a major system like this, it is roughly broken down into design, development, and then production where you are actually turning them out. Congress has to ask, and all of you in this room in particular, do we finish that last marginal production at this point because it has been under development for over a decade, and we have spent—I don't know the exact number—I think over $10 billion so far, or do you make that a sunk cost and you restart the ACV?

The government should be leveraging the taxpayer investment in the development up to this point, I would argue. So even if you don't need the EFV, and you want to call it ACVX, the point is to keep all the investment in hand so you don't throw overboard the taxpayer money spent to date.

Mr. FORBES. Thank you.

Now Mr. Gibson from New York.

Mr. GIBSON. Thanks, Mr. Chairman.

I thank the panelists here today. I appreciate your experience and your scholarship. I also note Ms. Eaglen's previous experience for the good people of New York 20 I now represent, and I appreciate your service there.

I would like to pick up on a point Mr. Donnelly mentioned earlier about lacking guidance and the mismatch between requirements and resources. I concur with that assessment. And, of course, just the central question for today's hearing, are we ready, begs the question: Ready for what?

Now, you know, from an a priori statement, I don't believe that we can afford to start a war that we don't finish and we don't win. We have to do that. I supported the surges; I fought in the surge in Iraq. And clearly I think it is a consensus, we are going to protect this cherished way of life, and we are going to make sure that we resource us to do just that.

There are a variety of opinions as to exactly what that means. And looking towards 2015 and beyond and the kind of force posture, the structure, and how we are going to lay down forces and command and control, I really come at this from the standpoint that we are asking too much of our military. And I want to go to the point earlier made as far as the potential groupthink, of the QDR, and the role the independent panel can play, and I am curious to know are there divergent viewpoints in any arguments that resonated that we should take a look at how we array our Armed Forces both in terms of posture, command and control, the requirements thereof, discussions that came in the QDR and independent panel, and your assessment as to whether or not you think we have a system that allows for alternative viewpoints?

Mr. DELEON. Well, Mr. Gibson, I think first the alternative viewpoint in our process comes from the Congress, and so that is the institutional role. The President is the Commander in Chief. Most of us have taught courses on this. The President is the Commander in Chief, and the Congress provides for the common defense in terms of the raising of the Army and supporting a Navy, and the rules and regulations thereof. So this is the unique relationship that every Administration and every chairman of the committee and chair of the subcommittee have to deal with and come to grips.

And so it is we have spent a morning talking about the requirements. We are sitting on this side of the table, and we are no longer responsible for the resource generation. When we served in our various offices, we had to have that balance. And that is where I think the challenge and the debate comes.

Looking at each of these situations, the Pacific, the troops in Iraq and Afghanistan, you know, I have always felt that when you have fighting troops in the field, they become the number one priority.

I think Secretary Gates told the QDR panel one of his issues in the Pentagon was that the Pentagon was too quick to get into the next budget instead of focusing on the troops in the field and what are their requirements. And you are correct; once we start, your moral obligation is to the troops in the field.

We probably need a better, more detailed process at the front end when we decide to deploy the troops. With an All-Volunteer Force and supplemental appropriations, it is very easy to do. If you look back at FDR on the Lend-Lease, these were votes that went one way or the other. On Desert Storm it was a very close vote not in the House, but in the Senate, and lots of questions back in 1991 about the first ground combat the country was considering. And so it was good in terms of what were we asking the force to do, what would we think victory looked like, things like that.

So we probably owe a front-end process, because Iraq and Afghanistan have been a bit unique because we really have funded those through emergency supplementals. That has been a departure in our history in terms of how we have provided for the common defense. And then with the Volunteer Force, these are folks that are well-trained, ready to go, highly professional, and, whether intended or not, the Guard has stepped in and really made an enormous contribution to the country.

So I think it is easier to define the requirements and look to the future than it is to engage in that discussion on how many re-

sources are we now prepared to provide. In terms of actual dollars spent, we have gone through a decade where we have spent more than we spent during the Reagan 1980s. Now, in terms of the economic measure of that, it was 7 percent GDP in the 1980s; it is 4.5 percent in this decade. So the economy has historically grown and is larger.

But I think deciding on the resources, deciding on what the priorities are and how you balance, one of the points that Tom Mahnken in our staff on force structure wrote is that we constantly add to the missions of the force, but we really don't increase the size of the force. We increase the budget, but we have wrapped around a lot more contracting around the Active-Duty men and women than we had, for example, during as recently as Desert Storm.

So that is, I think, that issue of the balance between requirements and resources. Your subcommittee is at the heart of that in deciding what is right and what is appropriate.

Mr. DONNELLY. I will try to be brief.

There was certainly a lot of spirited discussion amongst the panelists. At the same time, I am struck about how at the end of the day most of those got worked out. So people from a wide variety of backgrounds very much came together on a core set of conclusions.

And there was a lot of discussion about what is an appropriate military mission and what should be the job of other agencies. I am not sure that we have fully answered that, but we certainly did talk about it a lot.

I would just conclude by saying it has been more than 20 years since the Berlin Wall fell, and we haven't gotten to those questions that Rudy described. They have been out there, but we have been looking through the wrong end of the telescope, if you would, and having arguments about how many tanks and how many ships, without really thoroughly addressing this question of what is it that we really need to be doing.

Again, I think the panel felt that was more than we could really—had the time or the resources to address. And I would really commend this idea of, you know, a panel of wise men or whatever that could be both a resource for the executive and the legislative branch. It would just be a focus for discussion of these issues, because, you know, it is a garbage-in, garbage-out process. If you can't define what the yardstick would be, any measurement of readiness is as good as the other.

Mr. GIBSON. Mr. Chairman, if I could have 30 seconds to wrap that up.

Mr. FORBES. Go ahead.

Mr. GIBSON. Thanks, Mr. Chairman.

I appreciate the commentary here, the testimony. And, you know, to me, I think these a priori questions, now is the time to be asking—it is really overtime to be asking it. But as we look towards the backside of Iraq and Afghanistan, we should ask some fundamental questions: Who are we as a people? I think we would agree we are a Republic, but when you look at the facts, we look like an empire. We are laid down all over the world. We have command

and control that reaches all over the world. I am not convinced we are any safer by doing it that way.

Something that strikes me as wrong, that when there is an event overseas, the number one seat in protocol goes to the combatant commander rather than the ambassador. I think we should take a look about the way that we array our forces and how we look at a whole government approach. We are talking about protecting our cherished way of life here, but I think there are alternative visions and approaches that I am not convinced have been fully developed and at least compared and contrast.

So thank you very much for your testimony, and I look forward to working with you as we go forward.

Mr. FORBES. Thank you, Chris.

We just have a couple of questions left. Thank you so much for your patience.

Ms. Bordallo.

Ms. BORDALLO. Thank you, Mr. Chairman. I do have a couple of questions, but I will enter them into the record, and hopefully the witnesses will be able to answer them.

And also on the subject of the roundtable discussions, I have thought about that, and I think it is a good idea. So I look forward to that. And Mr. Reyes also mentioned to me that he thought off-site visits would be very valuable. Thank you.

Mr. FORBES. Thank you so much, Madeleine.

If I could just close with two questions, and I know some of our Members may need to leave, but I deferred these.

We are constantly trying to get the balance between whether or not the budget is driving our defense strategy or our defense strategy is driving our budget. We have yet to have anyone from the Department of Defense to acknowledge that the budget is driving the strategy, as we might appreciate.

There seems to me to be three components that we are always talking about, but we blend them quite a bit. One of them is something that Mr. Gibson was raising: What is our strategy? Are we asking the right questions for the strategies that we need?

The second one is what we saw with the helicopters we had up at the beginning of this hearing, which is: Are we making the right assessment of our ability to meet that strategy?

But the third one is the assessment of what part of the strategy can we afford to implement?

We are always concerned here that we are not getting those three in balance. How do we ferret out and make sure we are really hearing the strategy and not somebody's filtering of the strategy through the budget? Do you have any suggestions, any wisdom for us as we move down that road of how we make sure that we are dividing those three so that we are getting this right?

Mr. DONNELLY. Well, I would just go back to the readiness reports that the committee did back that Rudy referred to earlier. Obviously the point of departure is the information that you get from the Department, but it is important to sort of go beyond that and ask, well, are these the right measurements? And I think one of the things we found was that, particularly looking outside of the spotlight in terms of looking at units that were not immediately deployed, if you look at units that are in the trough of unreadiness,

that is where you kind of get a better assessment of the problems that beset the force in terms of manpower filler or equipment readiness or in the National Guard, for example.

But to go to the question of affordability, I keep using Rudy as a point of reference, but I think he was quite right. In the absolute, or as a slice of our national wealth, our military commitments are at pretty historic low, at least a post-World War II low, but the nature of the government, and what the government spends its money on, and the nature of our society has changed. So probably the largest contributor to our long-term strategic readiness is whether we can get the government's fiscal house in order, I would say.

Mr. FORBES. Mr. deLeon.

Mr. DELEON. In the mid-1980s, this committee was instrumental in passing the Goldwater-Nichols Act. Back to that setting of priorities and how to match the budget with the strategy and, most importantly, the strategy with the budget, you now have two very independent sources of information. You have the commanders from the field. You have General Mattis and Admiral Olson this afternoon upstairs in the full committee. So they are in the field, and they are at the front of the spear. And so their mission is are we ready to execute the missions that the command authority has asked them to do today.

You have another group, the Joint Chiefs, and under Goldwater-Nichols and the Title X, their job is to organize, train and equip, and not only today, but to be thinking about where we will be in 2015, in 2020, and 2025.

And then you have got the committee, which I think needs to ask the questions of where do we see the country—because we are still operating, in terms of the sizing of the military, under many of the assumptions that are still derivative of the cold war, and yet we are in an economic period where the economic power is much less concentrated.

My colleague and I, who is with me today, we were in a conference, and we were in Beijing a year ago. And the thing about the economists on the Chinese side is that they not only have been trained in the United States, but they are tenured professors of economy at Stanford and Princeton and Johns Hopkins, so they know what they are talking about. But their point was during the cold war, we wanted to be on your side. There were only two choices, and your side was the side that the whole world wanted to be on.

And now the economic drivers are much more diffuse. You have got a Middle East that is dominated by 18- to 22-year-old young men who don't have jobs. You have got an Asia which is focused on manufacturing excellence and how you continue to grow economic capability and economic influence; a Europe which is sort of status quo; and then America which has been the great leader of the global coalition.

But the broader issues that I think—it has changed much since Presidents Truman and Eisenhower through President Reagan dealt with a set of issues. The Presidents since then are dealing with a much different kind of threat, a much different kind of

world, but yet still people look to the United States on the national security side for the leadership. So I think that is your challenge.

Ms. EAGLEN. Verbally, you are right. The Department isn't going to acknowledge or admit the reality that most of their decisions are budget-driven, but practically we all know that that is true. How do we know that? They told you indirectly. So if you go back through the hearing transcripts from just the last 3 years, because the 2010 budget was really the pivotal year where we restructured the investment portfolio—the Secretary did—for the armed services and proposed killing over 50 major programs that have been on the books some for two decades, and when you go back in the posture hearings and everything from combat search-and-rescue helicopters for the Air Force, to the F–22, also for the Air Force, to even just recently the EFV, all of them said, I need this, and I want this. We can't afford it. What they are telling you is it is just a budget—exactly what they are saying, it is purely budget-driven.

Now, practically, the tools that you have available to you are not, you know, archaic. They are still very valuable. And I would just take you back. I'd applaud you for your conversation with the three stars, as we are calling it, bringing over those less than sort of the same old faces. The dialogue on that sort of upper middle management is important to get outside of this groupthink. Field hearings, I found, are very instrumental in the work that you do to get outside of Washington; of course, CODELs [congressional delegations] as well.

Senator Dole's former MLA [military legislative assistant] just recently put an op-ed out in the Washington Times, and basically it said—she had asked the current Chairman of the Joint Chiefs, how are you going to do everything—to Mr. Gibson's question—with the money that you are getting and what we are asking you to do, and it is too short? And he said in this one-on-one: How do I give you an honest answer without losing my job? Now, of course, it is in the public domain. But my point is that they will tell you perhaps in just various venues.

And then lastly I would applaud the full committee chairman Mr. McKeon for continuing the tradition for asking for the military's unfunded requirements list. The challenge is that the Secretary has upended that process by requiring OSD vet those lists. And I would encourage you to push back, because obviously they are night and day in terms of what they look like now. Yes, nobody is going to ever say, you have the whole world at your feet and you can buy anything you want, but they were an instructive benchmark of what the service thought they needed in order to accomplish everything. It doesn't mean that you were going to give them that. But those were very valuable tools before 2010 until the Secretary took them over in highlighting to Congress some of the things they need to buy and are unable to do so.

Dr. MAHNKEN. Mr. Chairman, I think this committee offers an important independent venue for assessing risk, and I think really what we have been talking about throughout this session really in different ways is risk and ways that you balance risk. I mean, in the old days we used to be able to throw money at it and buy down risk. We can do that to some extent, but I think we are much more

in a situation where we need to accept some forms of risk, but we need to be cognizant that we are doing so.

I think what my colleagues have been saying is it can be difficult to get a straight answer as to what the real risks are. And so I think groups like the QDR Independent Panel and things like this hearing are a great venue to get other voices and other assessments of risk that can then help you make the decisions as to how we deal with that risk.

Mr. FORBES. Thank you.

Ms. Bordallo has, I think, a follow-up question.

Ms. BORDALLO. No.

Mr. FORBES. You are done?

If not, then I just want to thank all of you for the service you have done to your country in so many different venues, coming in here, the great work that you did on that panel. And thank you for spending this morning with us and help bring us up to speed, and we look forward to picking your brains down the road as we go. So thank you all very much, and we are adjourned.

[Whereupon, at 12:02 p.m., the subcommittee was adjourned.]

A P P E N D I X

MARCH 3, 2011

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

MARCH 3, 2011

Statement of Chairman J. Randy Forbes (R–Virginia)
House Subcommittee on Readiness
Hearing on
Are We Ready? An Independent Look at the Required Readiness Posture of U.S. Forces
March 3, 2011

I want to start by welcoming the exceptional panel of witnesses we have before the subcommittee and to thank you all for joining us to today for what I believe is an incredibly important hearing.

Nearly twelve years ago this subcommittee met to hold a hearing on the Readiness of the Army AH-64 Helicopter Fleet. Spring and summer of 1999 we were involved in combat operations with NATO allies in Kosovo.

Chairman Bateman and Ranking Member Ortiz held a hearing on the readiness of the Apache fleet because an internal Army memo had been leaked to the press. That memo written by then-Brigadier General Richard Cody and it showed shortcomings, training failures, and readiness issues associated with the Apache fleet and specifically related to deployment of the 24 AH-64s as part of Task Force Hawk.

In the reviews that followed, the GAO found 146 lessons learned which ranged from insufficient training to the need for additional capabilities such as night vision devices and improved command and control capabilities.

However, Congress had been told that the unit that was deployed was C-1, or fully combat mission capable.

We are here today to talk about the readiness of the force … not just the readiness of today's force, but the force we will need to deal with global challenges in the next decade and beyond.

Look to the Pacific and it is clear we can't afford another Task Force Hawk.

We have a Constitutional responsibility that none of us take lightly, but we must be informed if we are to successfully provide for the defense of this nation.

We learn all too often about critical shortfalls in the military—not from the Department of Defense but from leaked press reports, whistle-blowers, and Generals—after they've retired.

Today we have a wonderful panel of witnesses to help us not only frame the challenges for the future but to also help this subcommittee ask the right questions and to get the answers we need to make critical resourcing decisions in extraordinarily challenging times.

Statement of Rudy deLeon
Senior Vice President, Center for American Progress, Washington, DC
Presented to Subcommittee on Readiness, Committee on Armed Services
U.S. House of Representatives
March 3, 2011

Are We Ready?
An Independent Look At the Readiness Posture of U.S. Forces

Mr. Chairman and Members of the Subcommittee:

You have asked this panel to review potential issues that will drive U.S. military readiness requirements in the future. While each member of the panel has different professional and political experiences in the national security area, we have had the opportunity to work together to help create America's National Security Needs in the 21st Century, the Report of the 2010 Quadrennial Defense Review Independent Panel established by Congress.

We worked as a bipartisan group, and I would like to acknowledge Mackenzie Eaglen, who took the lead on military personnel issues, and Professor Thomas Mahnken, who labored hard to produce a bipartisan text for the force structure and personnel panel that I chaired. I should also acknowledge the efforts of Thomas Donnelly to the QDR panel staff. He is well respected and always has an interesting point of view.

We are not here to testify on the QDR review. Our Panel co-chairs William Perry, the former Secretary of Defense, and Stephen Hadley, the former National Security Advisor, have appeared before the full committee and accomplished that task. But the QDR work helps frame your question on military readiness.

Secretary of Defense William Gates is correct to focus all the necessary resources of U.S. national security on the mission of supporting our armed forces in Iraq and Afghanistan. Our current budget focuses on the war fighter in current combat operations—and that is the necessary focus when at war. But using the QDR experience, my participation on the Defense Policy Board, and other studies in the defense area, I would like to offer four key areas that are likely to impact U.S. military readiness in the future:

- The Asia-Pacific region
- New security concerns
- Energy
- U.S. economic competitiveness

First, the Asia-Pacific region.

Looking across the Pacific Ocean and the vast Asian landmass, the emerging powers of the previous decade are now key regional geopolitical players and global economic powers. Asia today is leading the global economic recovery, and it will be essential for America to engage with Asia in all areas—economics, security, energy, finance, and trade. These relationships will lead to collaboration and partnership, but they also will be fraught with exceptional complexity.

In this remarkable period of change, global security will still depend upon an American presence capable of unimpeded access to all international areas of the Pacific. In a regional geopolitical and economic environment in which "anti-access strategies" are openly discussed by these new emerging powers, and where assertions about unique "economic and security zones of influence" are suddenly back in vogue, America's rightful and historic presence will be critical to maintain the security and balance across the entire Pacific littoral.

In order to preserve U.S. interests, the United States will need to retain the ability to transit freely the areas of the Western Pacific for security and economic reasons. Our allies depend on us to be fully present in the Asia-Pacific region as a promoter of stability, and ensure the free flow of commerce. A robust U.S. capability is largely rooted in maritime strategy. And the strategy, resources, attention, commitment and force structure to meet these necessary capabilities will be essential to future readiness.

Second, new security concerns.

There are key emerging challenges where our force structure and readiness is likely to be pressed. The items listed below are areas where more attention is warranted. There are certainly other issues, but my sense is that future readiness may be greatly impacted by these items:

Cyber Security. The expanding cyber mission—the protection of critical information technology networks that directly support U.S. national security requirements—needs to be examined. If requested, the Defense Department should be prepared to assist civil authorities in developing tools and capabilities to defend cyberspace beyond the Department's current role.

Homeland Security. There should be a timely review of Reserve Component roles and missions with an eye to ensuring that a portion of the National Guard be dedicated to and funded for the homeland defense mission. Further, responsibilities between the Department of Defense and the Department of Homeland Security need to be clarified, and contingencies created.

Expanded Military-to-Military relations. Recent events in the Middle East once again highlight the critical relationship between U.S. military officials and their counterparts in the armed forces of our allies and partners. As we press forward

into new and unchartered areas of opportunity, uncertainty, or conflict, the mil-to-mil relationship remains exceptionally important. This will be especially true for field-level officers, as well as for senior officers. Just as this tool was very important in the immediate months after the break up of the Soviet Union in the early 1990's, the mil-to-mil exchange will be an important resource in the post-Iraq and post-Afghanistan environment. The mil-to-mil should be measured as a key readiness indicator.

Whole-of-government reforms. Absent improved capabilities from "whole-of-government" Executive branch departments and agencies, U.S. ground forces will continue major responsibilities for post-conflict stability operations abroad, consuming force structure resources. Civilian agencies, properly resourced and staffed, can make a significant contribution in this area, and have the potential to enhance military readiness by removing tasks more appropriately performed by civilian professionals.

Third, Energy.

Currently, petroleum—the major product of crude oil—dominates as the leading source of all energy supply in the United States at 35.3 percent, accounting for 94 percent of transportation fuel and 41 percent of industrial fuel. Since 1994, the majority of crude oil supplied in the United States has been imported. Since 2008, oil imports have been down based on a combination of factors that include efficiency, conservation, and the practicality of tight family budgets.

The top oil exporters to the United States, in order, are Canada, Mexico, Saudi Arabia, Venezuela, and Nigeria. Increasing oil exports from reliable neighbors is unquestionably a good development. In 2007, four stable allies of the United States—Canada, Mexico, Great Britain, and Brazil—supplied 35.5 percent of crude oil imports. But this will not continue for much longer. At the current level of production, the numbers appear to suggest that only Canada can maintain current supply to the United States for the long term. Of our current oil imports, approximately 50 percent come from the western hemisphere, 22 percent from Africa, and 17 percent from the Persian Gulf.

Great Britain, Brazil, and Mexico face imminent supply issues. By 2020, production in the North Sea oil fields—the primary source of Great Britain's oil—is expected to fall 66 percent from its peak production level of 1999. Brazil's reserves will deplete within the next 10 years, and Mexico will begin importing oil to meet domestic demands within five years, competing with the United States for foreign reserves.

Without changes to our energy infrastructure, disappearing "friendly" foreign oil will cause the United States to grow more reliant on countries that have different values and relationships. This situation will be less than ideal as many of these nations are plagued with instability and hostility toward the United States, and often use the energy reserves to pursue aggressive political agendas. Our energy strategy has a direct impact on

military readiness and is an area of national security concern, which is why we need to invest, and invest heavily, in new alternative sources of energy.

Finally, the U.S. economy as a component of national security.

Meeting the readiness challenges of the next 20 years and creating the financial wherewithal for these capabilities will not happen if the Department of Defense and Congress maintain the status quo on managing fiscal resources—both within the defense budget and across the entire federal budget. In order to reap savings that may be reinvested within defense, and to justify additional resources for force structure and equipment modernization, the Department and Congress must work together to reestablish the tools that restore fiscal responsibility to the budget process—tools that were lost when balanced-budget rules were abandoned about ten years ago.

The Gramm-Rudman budget agreement in 1987, the 1990 Budget agreement between President George H. W. Bush and Congress, and the 1996 budget agreement between President Clinton and Congress that produced a balanced federal budget by the end of the 1990's, protected the fiscal resources needed for our national security. But these agreements also demanded sound budget management on the national security side.

But it is not just sound budget management of our national defense that's needed. The United States must get its entire economic house in order. The notion that the economic decline of the United States is inevitable and irreversible hurts American security—even as U.S. military capabilities remain dominant.

U.S. national security has long rested on the strength of our economy, but creeping doubts about American economic resiliency feed the foreign perception that Washington is a declining power. This gives rising global powers little incentive to heed U.S. calls for greater responsibility, cooperation, and transparency. Instead, it may well give them more license to discuss "anti-access strategies" and "economic and security zones of influence"—developments that could conceivably lead to military miscalculations highly dangerous to our national security.

That is why moving forward on the American economic challenge of creating jobs by promoting economic competitiveness and innovation while reducing our long-term budget deficits are extremely important to U.S. security interests. The character of American enterprise and resourcefulness should not be underestimated, but it requires unified actions by the United States and effective leadership by U.S. policymakers. The President and Congress need to make clear that they are up to the task, and then prove it in the coming months. There is no higher national security priority.

Mr. Chairman, and Members, there are many other issues that could have been added to this list, but I wanted to offer these topics for consideration of the Subcommittee at this hearing.

Rudy deLeon

SVP of National Security and International Policy

Rudy deLeon is the Senior Vice President of National Security and International Policy at American Progress in Washington, D.C. He serves on several nonprofit boards and is a part-time college instructor. deLeon is also a former senior U.S. Department of Defense official, staff director on Capitol Hill, and retired corporate executive. For five years, beginning in 2001, he served as a senior vice president for the Boeing Company.

deLeon's 25-year government career concluded in 2001 after his tenure as deputy secretary of defense, where he was a member of the Deputies Committee of the National Security Council and the National Partnership Council. In earlier Pentagon assignments, deLeon served as undersecretary of defense for personnel and readiness from 1997 to 2000, and as undersecretary of the Air Force from 1994 to 1997. He was nominated for these positions by President Bill Clinton and confirmed by the U.S. Senate.

From November 1985 through 1993, deLeon served on the Committee on Armed Services in the U.S. House of Representatives as a member of the professional staff and as staff director. In 1986, deLeon participated in the debate and passage of the 1986 Goldwater-Nichols Act, which made fundamental changes in military organization and operations.

deLeon began his career in the federal government in 1975, holding various staff positions in the U.S. Senate and U.S. House of Representatives.

He earned a bachelor's degree from Loyola Marymount University in 1974, and in 1984 he completed the executive program in national and international security at the John F. Kennedy School of Government at Harvard University.

deLeon received the Defense Civilian Distinguished Service Award in 1994, 1995, and 2001, and received the National Intelligence Distinguished Service Medal in 2001. He was recognized by the National League of POW-MIA Families in 1999 and by the National Military Families Association in 2000.

DISCLOSURE FORM FOR WITNESSES
CONCERNING FEDERAL CONTRACT AND GRANT INFORMATION

INSTRUCTION TO WITNESSES: Rule 11, clause 2(g)(5), of the Rules of the U.S. House of Representatives for the 112th Congress requires nongovernmental witnesses appearing before House committees to include in their written statements a curriculum vitae and a disclosure of the amount and source of any federal contracts or grants (including subcontracts and subgrants) received during the current and two previous fiscal years either by the witness or by an entity represented by the witness. This form is intended to assist witnesses appearing before the House Armed Services Committee in complying with the House rule. Please note that a copy of these statements, with appropriate redactions to protect the witness's personal privacy (including home address and phone number) will be made publicly available in electronic form not later than one day after the witness's appearance before the committee.

Witness name: Rudy deLeon

Capacity in which appearing: (check one)

_x_Individual

___Representative

If appearing in a representative capacity, name of the company, association or other entity being represented:

FISCAL YEAR 2011

federal grant(s) / contracts	federal agency	dollar value	subject(s) of contract or grant
none			

FISCAL YEAR 2010

federal grant(s) / contracts	federal agency	dollar value	subject(s) of contract or grant
none			

FISCAL YEAR 2009

Federal grant(s) / contracts	federal agency	dollar value	subject(s) of contract or grant
none			

Federal Contract Information: If you or the entity you represent before the Committee on Armed Services has contracts (including subcontracts) with the federal government, please provide the following information:

Number of contracts (including subcontracts) with the federal government:

Current fiscal year (2011):_____;
Fiscal year 2010:_____;
Fiscal year 2009:_____.

Federal agencies with which federal contracts are held:

Current fiscal year (2011):_____;
Fiscal year 2010:_____;
Fiscal year 2009:_____.

List of subjects of federal contract(s) (for example, ship construction, aircraft parts manufacturing, software design, force structure consultant, architecture & engineering services, etc.):

Current fiscal year (2011):_____;
Fiscal year 2010:_____;
Fiscal year 2009:_____.

Aggregate dollar value of federal contracts held:

Current fiscal year (2011):_____;
Fiscal year 2010:_____;
Fiscal year 2009:_____.

Federal Grant Information: If you or the entity you represent before the Committee on Armed Services has grants (including subgrants) with the federal government, please provide the following information:

Number of grants (including subgrants) with the federal government:

Current fiscal year (2011): none;
Fiscal year 2010: none;
Fiscal year 2009: none.

Federal agencies with which federal grants are held:

Current fiscal year (2011): _____;
Fiscal year 2010: _____;
Fiscal year 2009: _____.

List of subjects of federal grants(s) (for example, materials research, sociological study, software design, etc.):

Current fiscal year (2011): _____;
Fiscal year 2010: _____;
Fiscal year 2009: _____.

Aggregate dollar value of federal grants held:

Current fiscal year (2011): _____;
Fiscal year 2010: _____;
Fiscal year 2009: _____.

ASSESSING THE STRATEGIC READINESS OF U.S. ARMED FORCES

Prepared Statement
Readiness Subcommittee of the House Committee on Armed Services
March 3, 2011

Thomas Donnelly
Director
Center for Defense Studies
American Enterprise Institute

I would like to begin by expressing my thanks to the chairman, ranking member and the members of this committee for inviting me to testify this morning. As an alumnus of the committee staff, it is an honor and pleasure to return, though I might prefer to be on your side of the dais.

The topic of this hearing – the "strategic readiness" of the U.S. armed forces – is a particularly important one. Since the attacks of September 11, Americans in uniform, and especially the soldiers and Marines who have born the biggest burden of our efforts in Iraq and Afghanistan, have constantly scrambled simply to keep up with the tasks the nation has ordered them to perform. They have proven themselves to be remarkably resilient and, in my judgment, victorious. But the hectic pace of operations has made it very difficult to look at any larger picture.

Unfortunately, the problem of assessing American strategic readiness began long before 9/11. This is the essential question of the post-Cold War era: absent the Soviet superpower doppelganger, what should America's military be prepared to do?

Measuring readiness is a straightforward task. It's easy to count how many people are present for duty, or how many aircraft are in flying condition, how many munitions and spare parts are on the shelves. The hard part is designing the right yardstick. To measure "strategic readiness," one must first define a strategy. This is something that successive administrations, of both parties, have utterly failed to do. As a result, the defense budget is in free-fall and the Department of Defense in organizational chaos.

The Strategy Deficit

By logic and by law, the Defense Department should receive basic guidance from the National Security Strategy of the United States. Indeed, the 1986 Goldwater-Nichols Act specified that such reports are to be issued each year along with the submission of the

president's budget; Congress quite rightly demanded that the executive branch make its priorities plain so that it might best perform its Article 1, Section 8, Constitutional functions.

With time, and particularly in the post-Cold War years, this process has become almost hopelessly debased. The definition of "security" has been expanded beyond meaning: "national" security now subsumes "natural" security, energy security, economic security and dozens of other flavors of non-military security. President Obama's 2010 NSS made climate change a top priority. Whether one believes that climate change is an ecological imperative or not, it is at best a secondary security consideration. The 2006 NSS of George W. Bush likewise stated that the United States "must engage the opportunities and confront the challenges of globalization." Even more problematic, these are statements of strategic *ends*; strategy itself is better understood as a "how-to" process that frames the *ways* in which government agencies should execute their missions, and gives them guidance in determining what *means* will be most appropriate and effective in doing so.

Is sum, it ought to be no surprise that the Department of Defense has been confused about what its missions are, how it should organize itself, and what to buy. The only thing worse than a big government bureaucracy is a big government bureaucracy with little guidance or oversight. The long-running and unsatisfactory series of post-Cold War defense reviews reflect the failures of strategic guidance.

Indeed, this was a problem confronted very early in the deliberations of the recent Quadrennial Defense Review Independent Panel, an initiative that originated in the House Armed Services Committee, co-chaired by former Secretary of Defense William Perry and former National Security Adviser Stephen Hadley. Indeed the line-up of today's witnesses also participated: Rudy DeLeon was one of the leading members of the blue-ribbon panel while Mackenzie Eaglen, Tom Mahnken and I served as consultants. The nonpartisan, unanimous consensus was that the defense review process was deeply flawed, and its "original sin" was the absence of strategic guidance.

This recognition almost brought the panel's deliberations to a halt. It faced the same conundrum as the Pentagon has faced. How could the panel perform its mission of assessing the QDR without a set of strategic benchmarks? What defined success or failure?

At the same time, the panel understood that, having somehow become the world's "sole superpower," the United States must have been doing something right. There was an extremely consistent U.S. national security strategy through 50 years of Cold War. it has remained the de facto – if unarticulated – strategy of the years since, has been maintained in essence by President Obama and ought to continue as the "rebuttable strategic proposition" if we wish to preserve the remarkably peaceful, prosperous and free world it has produced. Certainly a change in strategy would likely mean an unwelcome change in the international system and the balance of military power. The panel's deduced principles of American strategy are succinct and worth quoting.

> America has for most of the last century pursued four enduring security interests: the defense of the American homeland; assured access to the sea, air, space, and cyberspace; the preservation of a favorable balance of power across Eurasia that prevents authoritarian domination of that region; providing for the global common good through such actions as humanitarian aid, development assistance, and disaster relief.

Each of those compact clauses requires some consideration, but they contain the essential measures of "strategic readiness." If U.S. military forces cannot carry out the implied missions and tasks related to these four tenets of long-term American strategy at an acceptable level of risk, they must be considered dangerously unready.

Threats and Challenges

A second step in evaluating force readiness is to assess what present and potential adversaries may threaten these core security interests. The Independent Panel's framework is a useful formula for analysis:

- **Homeland defense.** The Defense Department is, of course, only one agency charged with "homeland security," but its role is critical and its mission has been expanding. Beyond providing domestic support to civilian agencies, the military also plays a critical role in the broader "American homeland" – that is, North America from the Arctic to the Caribbean Basin. Recent years have seen a challenge to – indeed in places like Venezuela a reversal of – the democratic tide that swept Latin America in the 1980s. These rogue states have made common cause with still more noxious allies: drug cartels and international terrorists. In sum, the U.S. military must expect to be more deeply engaged in this mission in the future.

- **Access to "the international commons."** While there are distinct differences across the maritime, aerospace and cyberspace domains, they are common in providing the means for international commerce as well as being theaters of war. Indeed, while it is impossible to put an exact price tag on the value of the U.S. security guarantees that underpin globalized trade, it is intuitively obvious that the loss of such guarantees would play havoc with the system. And as commerce and capital seek additional just-in-time efficiencies, the system paradoxically becomes more brittle and subject to shocks from instability, as oil markets now demonstrate.

  While U.S. capabilities in all these domains remain unparalleled, it is also the case that the margin of dominance is disappearing, and at a distressingly rapid pace. At sea, pirates prey on commercial shipping and murder private sailors; dozens of navies have dispatched ships to patrol the waters off Somalia, but it has required the U.S. Navy to bring a modicum of coherence to the policing of an area larger than the western European continent. More menacingly, China's massive and accelerating military modernization has concentrated on complicating the ability of U.S. forces, and especially the Navy, to project power across the

western Pacific. China's successes will be imitated, and indeed China is likely to export these "anti-access" systems like anti-ship ballistic missiles as it seeks to build clients and allies as a global power.

China's massive ballistic missile force is proving the People's Liberation Army with a new and cheap form of air power – offsetting what has been the unique element of U.S. military power in the late 20th century. This is noting less than "shock and awe" by other means and without the bravado. Yet it is arguably the most strategically important military technical and operational development of our time, one which already has destabilized the military balance in East Asia.

The realm of cyberspace is also one that appears to favor the attacker. We have already seen "low intensity" or "irregular" forms of cyberwar and "cyber-piracy." The Stuxnet attack might be regarded as a kind of strategic raid not unlike the Doolittle Raid on Tokyo in World War II – one with limited tactical value but pregnant with larger meaning. And much has been written about more sophisticated and even massively destructive forms of cyberwar that may be available to more sophisticated and powerful actors. So while the facts and the future are murky, it is also clear that broad "cyber-stability" is way beyond the means of the private sector and thus, in the event of a genuinely catastrophic threat, the world will certainly look to the United States as the "cyber-guarantor of last resort." Again, while we must coordinate a whole-of-government approach to the mission, the greatest threats are most likely to demand a Department of Defense response.

- **Continental balances.** It is often argued that the United States is naturally an "offshore balancer," a referee of disputes across Eurasia. However, through the course of the 20th century, the United States has routinely, regularly and decisively "come ashore." The first step was into the Philippines – part of what the Chinese would regard as "the first island" chain and a de facto part of the strategic geography of Eurasia's eastern littoral. The next, unfortunately retraced, came in Europe with World War I. But after World War II America did not "come home" to the status quo, but remained to reconstruct and defend western Europe and deter – and ultimately defeat and disband – the Soviet Union. Similarly we remained in Japan and advanced into Korea and Vietnam; the withdrawal from Vietnam was a retreat that proved the rule on U.S. posture in East Asia. And finally, the United States has, reluctantly, slowly, hesitantly but continuously, become more deeply engaged, and engaged "ashore" in the greater Middle East.

These "continental commitments" are not blunders but successes; like the British before us, Americans see these distant lands as elements in a single, global system. The defense of the "commons," in fact, begins on the continents. These continental interests remain today, and we benefit from our past successes. That we have residual forces in Germany or Korea or Japan – or should retain a core element in Iraq – is a testament to our abiding interests and also that, in Europe

for example, we still need way-stations for projecting power elsewhere. But where those interests are threatened, we must expect to increase forces, or, in the strategic sense, redeploy them. After a century of unprecedented war in Europe, that is a low probability. In a turbulent Middle East, in the throes of a hopeful change but also in the shadow of a nuclear Iran, it is myopia of a high order to presume that the story will end on schedule in 2014 when we imagine that we'll hand over "lead responsibility" to the Afghans. In South Asia, in particular, the story is only beginning. Likewise in East Asia, where China rises as a global power, we hope to find a like-minded "responsible stakeholder" in the international system we maintain – and which has been the framework for China's new prosperity – but are increasingly aware of a strategic competitor.

- **The Common Good**. Reflecting America's own founding political principles, the United States has an interest in a certain quality of international life that compels us to take military steps that a narrow calculation of our material or "power" interests cannot justify. It includes a variety of humanitarian operations, but in fact goes beyond that. It includes a kind of political common good in the form of representative governance. We do not go to war simply to create democracies, but when we do fight we tend to define lasting victory not just with the fall of the tyrant but with the rise of the republic. This has proved to be strategic good sense as well as principle-in-action.

A Strategic 'Stoplight' Assessment

The U.S. military's readiness reporting system is complex to the point of being arcane. The "C-level" status of any unit is only the roughest of measures, and gives immense latitude to commanders' discretion – or, sometimes, manipulation. Almost inevitably, these calculations get boiled down to the traditional red-yellow-green "stoplight charts" that allow senior leaders to conduct their quarterly reviews at least in an expeditious manner. What follows is a kind of home-grown "strategic" stoplight chart, in summary text rather than in PowerPoint, and following the formula adopted by the QDR Independent Panel.

HOMELAND READINESS

- ***Bottom-line assessment**: Green, gradually trending toward yellow.*

The Defense Department is reasonably well prepared to respond to many of the tasks of homeland defense, including an attempt at a repeat of a 9/11-style terrorist attack. The creation of U.S. Northern Command should clarify previously uncertain command relationships as well as directing any required military support in case of a Katrina-sized natural disaster. One question concerns the readiness of National Guard units, which have not only been heavily employed in Iraq and Afghanistan but suffered equipment shortfalls as well. Such units are likely to be at high states of personnel and training readiness, while their equipments status should be scrutinized. Further, while much work has been done to think through the consequences of an attack at home involving weapons

of mass destruction, and even if in fact the probability of such an attack is low, it is also clear that such circumstances would demand a massive mobilization of forces that would tax both active and reserve components of all services quite severely.

In considering the current and emerging missions that might be associated with the defense of the "regional homeland," larger uncertainties arise. The U.S. Southern Command area of operations is an increasingly volatile region, and the initial Pentagon response to the Haiti earthquake, while superb, also showed that many systems and units are at a "low-demand, high-density" premium. For example, despite numerous assertions to the contrary, it's hard to be comfortable with Air Force assertions that they have sufficient C-17s or C-130s to meet real-world lift requirements. Broadly speaking, U.S. force posture in Latin America is a shadow of its former self, and there is at least a correlation in time between our retreat and the rise of new dangers.

'COMMONS' READINESS

- ***Bottom-line assessment:*** *Red-yellow, rapidly trending red.*

The United States Navy and Air Force have ruled the waves, skies and near-earth space without challenge since the end of the Cold War. But now all three of those domains are at issue.

The challenges to American sea-power and air-power superiority are regional and local, and come mostly in the form of new capabilities being fielded by the Chinese People's Liberation Army. As numerous studies both by the Defense Department and outside researchers have detailed, the PLA has done a sophisticated analysis of U.S. power projection operations, thought hard about how those operations would be conducted in the western Pacific, and developed "anti-access" and "area denial" capabilities – ranging from a large, varied and increasingly accurate fleet of ballistic and cruise missiles; to the intelligence, surveillance and reconnaissance means to target U.S. surface combatants; to a growing fleet of attack submarines and other vessels. Taken altogether, the Chinese challenge is significant. Moreover, the PLA is now moving toward the systems needed to project their own forces into the waters and skies it wishes to deny to U.S. forces and exceeding the capabilities of our regional allies.

We can also expect that, beginning in the near-term, China's anti-access capabilities will command a buyer's market in international sales. Iran, for example, confronts a very similar challenge in breaking out of an American "containment" regime that frustrates its aspirations to regional hegemony. Further, Beijing has attentively cultivated a kind of low-key "sponsor-client" relationship not only with Tehran but with other anti-American regimes. It is quite conceivable that China would make these capabilities available at bargain-basement prices to its current and prospective clients.

If China is working to offset American advantages at sea and in the skies, it seeks its own advantages in space and cyberspace. Superiority in both realms is critical to American military preeminence, but that is already at risk; the unknown question is the

limit on China's ambitions and capabilities. The PLA has successfully tested an anti-satellite weapon, but there is much more to the picture. China's space industry is massive and mature; it is an important player in commercial space. In some areas, such as heavy lift vehicles, the Chinese already may have an advantage, and its ability to produce sophisticated satellites is rapidly improving. By comparison, the U.S. space industry has been in a long period of slow decline, as both Pentagon and NASA efforts have been repeatedly reduced. U.S. industry is handicapped in international commercial competition, not only by China but also by European and other government-subsidized space industries. For the past two decades in particular, U.S. armed forces have enjoyed singular and near-monopolies on the military exploitation of space, but that monopoly is coming to an end. And because these space advantages accrue to all American military activities – down to street-by-street infantry operations in Iraq or Afghanistan – the loss of this monopoly will have pervasive effects.

It is impossible to assess the "military balance in cyberspace." While the U.S. government rightly has spent liberally to develop capabilities, they are of course deeply classified. And, at the same time, there is an exploding, global world of commerce in these capabilities that may prove to matter more. We do know that a "cyber arms race" has begun, but we have little idea of the capabilities "bean count," let alone a way to do a broader net assessment. It is apparent that cyberspace is already and will continue to be a realm of conflict and war, and that any outcome in cyberspace would have serious implications in other realms of war, especially for today's "information intensive" systems, operational concepts and military organizations: the assumption of information supremacy is baked into every aspect of American military power. Even if more extreme imaginings of cyber-war are science fiction, the prudent assessment – that U.S. military forces cannot be certain of the dominance heretofore taken for granted – is scary enough.

This leads to the inescapable conclusion that the "global commons" has become contested in new ways. This represents, in fact, more a return to the historical norm – there is nothing exceptional about having to fight for "access" in war – but at the same time represents a reversal of recent experience. And while our adversaries and potential adversaries have invested in capabilities to contest the commons, the United States has not made sufficient investments to preserve its predominance.

'CONTINENTAL' READINESS

***Bottom-line assessment**: Yellow slipping toward red*

The hard-won ability of U.S. armed forces to dominate the international commons – the investments of more than a century beginning with Theodore Roosevelt's determination to build a large, ocean-going Navy – has permitted the United States to move from becoming one great power among several to history's "sole superpower." But the measure of that "superpower" status has been America's ability to sustain its presence for the long haul and in many places across the Eurasian continent. We have long since ceased to be an "offshore balancer" – intervening to preserve a stable balance among local powers and then receding – and gradually become an "onshore guarantor" –

remaining engaged (usually with small garrisons of U.S. forces deployed in the area), changing the nature of local regimes (Germany and Japan are the starkest, but hardly the only, examples). The result is remarkable: an extraordinarily peaceful, prosperous and free global system of states.

The central achievement of America's continental commitments is the current peace of Europe. It's been more than 20 years since the Berlin Wall came down and the better part of two decades since the collapse of the Soviet empire, and the fundamental balance of power in Europe has only improved: despite the initial failure of democracy in Russia, the Georgia war and Moscow's slinking attempts to reconstruct a sphere of influence in southeastern Europe, and the 1990s Balkans wars, all of central Europe and a substantial part of Eastern Europe are securely tied to the West. But most of all, the reunified Germany has proved to be the model of a "responsible stakeholder," not only providing the economic engine of Europe (and now bearing the load of others' profligacy) but gingerly contributing ever more to common security endeavors. The wonder of Germany's presence in Afghanistan is not that sustaining and expanding the mission is so difficult, but that it's been sustained at all. After 50 years of working within NATO, Germany is no longer the greatest threat to Europe, but now the greatest hope for Europe.

As a result, the prospects for sustaining the U.S. continental commitment in Europe are bright. We have a continuing role to play – less in reassuring the Europeans about each other and more in prodding Europeans to behave more like "normal" nations. Additionally, the residual U.S. military presence in Europe is key to our ability to project power farther abroad, particularly in the greater Middle East. In sum, our European posture is a strong positive element in American strategic readiness.

By contrast, our preparedness to continue our long-term and ever-expanding commitment to the greater Middle East is questionable. Since the end of World War II, the United States has replaced France and Britain as the active Western power in the region, responded to Soviet attempts to develop regional clients, balanced among local powers and, since Operation Desert Storm, again crossed the line between "off-shore balancer" and "on-shore guarantor." In addition, our appreciation of the extent of the theater has expanded from Arabia and the Persian Gulf to South Asia and, more recently has amounted to an increasingly comprehensive and connected view of the Muslim world. In light of the political winds now sweeping North Africa and the region, it seems extremely unlikely that this is a moment that will require less American effort or will be less volatile or violent. Yet that appears to be this administration's strategic planning assumption.

Further, a nuclear-armed Iran would introduce an entirely new and immensely destabilizing element into the regional balance of power, one that would place still greater burdens on the United States, whether we expand and extend our current policy of containment – based on a highly uncertain strategy of deterrence – or opt for some more aggressive posture, an expansion of the current "quasi-war." Finally, it must be considered that the region's energy resources will continue to be a critical interest around

the globe, not only for current developed economies in Europe and East Asia but for the rapidly developing great powers of China and India. If American power in the region wanes, these countries will be certain to seek other means of securing the resources their economies demand.

Despite the difficulties of Iraq and Afghanistan and the persistent dangers posed by al Qaeda and its associated movements, the net result of the enlarged U.S. presence in the region has been geopolitically positive, in my judgment; that is, our position as the most influential actor across the region has been improved. At the same time, it must be recognized – and the heartening developments in Tunisia, Libya and Egypt should be a reminder – that the future of the region will be most determined by its own people. What is worrisome from an American perspective is that we are making long-term force-reduction decisions based on the expectation of a reduced presence in Iraq and Afghanistan in the near-term. Even if conditions in those countries were conducive to a lessened posture, the long-term trend over the past generation has been toward increased commitment.

But the most serious gap between U.S. strategy and force posture is in the Asia-Pacific region, or the "Indo-Pacific," to include the Bay of Bengal and the littoral states that border it. Fortunately, our presence in Northeast Asia remains relatively robust and our Japanese and Korean allies are among our most capable strategic partners. The Korean army is largely capable of defending its territory and Seoul is gradually but significantly improving its naval and air power-projection capabilities, including advanced diesel submarines, Aegis-equipped destroyers, land-attack cruise missiles and the F-35 strike fighter. Japan's modernization – and its development toward strategic "normalcy" – has been slower, and the refusal to sell Japan a version of the U.S. F-22 was not helpful. Further, disputes over future basing rights have yet to be settled. Nonetheless Japan remains the keystone of U.S. posture in the western Pacific.

Beyond the problems posed by North Korea, the ability to defend Taiwan against a variety of Chinese threats is increasingly uncertain. And, alas, successive U.S. administrations have tended to take a blame-the-victim approach, citing Taipei's tardiness in contracting to buy approved weapons. It must also be said that fear of provoking China has been the dominant philosophy behind the approach to Taiwan arms sales; Taipei would be an excellent candidate for the jump-jet version of the F-35, but the Pentagon tends to discourage such forward thinking. And it is really the U.S. failures to respond to growing PLA capabilities, despite a region-wide appreciation that even a nominally "peaceful" unification of the island with the Chinese mainland would unhinge American Pacific strategy, that are most worrisome. The utility of traditional U.S. Navy and Air Force forms of power projection – relatively short-range forces limited to a small number of highly developed operational bases – is declining, and there are few substitutes readily to hand.

The picture in Southeast Asia is murkier still. U.S. presence in the region has steadily declined since the retrocession of Clark Air Field and the Subic Bay naval facility to the Philippines. While there has been a big expansion of facilities on Guam,

these are no substitute. The bright spots in the region are Australia, an ever-constant ally of increasingly like-minded strategic views and one undertaking an energetic program of military modernization, and Indonesia. A common concern about Islamist terrorism reversed a tide of military and strategic isolation imposed upon Jakarta by the United States, and the deepening of democracy in Indonesia and its own worries about China's rise are creating new opportunities for cooperation. But if Australia is a partner of the greatest currency, a working partnership with Indonesia remains just a hope for the future.

Completing the regional picture – and completing the Northeast Asia-Persian Gulf link as well – is the eastern Indian Ocean, from the western end of the Strait of Molucca through the Andaman Sea and the Bay of Bengal. This is a region where expanding Chinese global interests are intersecting with India's traditional – but also expanding – security interests, and also a piece of the world's most critical sea line of communication. The United States has only the most fleeting military presence in the region, and the hopes for a strategic partnership with India are in very early stages of development. It's also apparent that there is very little U.S. force capacity to maintain such a presence, nor provide the kind of logistics support that presence would require. While it is impossible to predict with certainty what crises or conflicts might arise in the region and what an appropriate American response might be, it is not too early to think about the capacities that such a contingency would call for.

In sum, the preparedness of U.S. forces to deal with the range of Indo-Pacific contingencies varies widely, but in the aggregate appears to be increasingly inadequate. And in the effort to compute a total stoplight assessment of our readiness to fulfill our traditional "continental commitments," the problems of Asia make the overall picture much worse, especially given the rise of new global great powers in the region. To oversimplify, things are going well in Europe, going along in the greater Middle East and going downhill in the Indo-Pacific.

'Public Good' Readiness

***Bottom-line assessment**: Green*

The ability of U.S. armed forces to contribute to the larger public good, quite beyond the greatest public good of providing global security guarantees, is inevitably a residue of its combat preparedness, a measure of its overall size and capabilities. The ability to employ military organizations, people and equipment for humanitarian and other purposes, including providing the largest contributions to American "state-building" efforts in hostile environments, is an indispensable tool of U.S. strategy or statecraft. And, of course, the military possesses capabilities not found elsewhere in the U.S. government or around the world.

However, the ability to so employ U.S. military forces has mostly been a serendipitous effect; there has never been a consistent force-planning measure that accounts for even the most predictable kinds of public-good missions, such as post-

combat reconstruction. The danger is that the demand will exceed what a reduced force can supply.

Conclusion

Even this cursory tour of the strategic readiness horizon suggests that the capacity of the U.S. military is both dangerously small and imperfectly shaped for the coming decades. At the same time, it is also apparent that the world's appetite for American security guarantees is growing and that there is no obvious substitute in sight. In sum, we are not well able to continue to meet the needs of our traditional strategy in a rapidly changing security environment, we are not "green to go" across the variety of missions that make for global strategic readiness.

As a good number of recent analyses have suggested, the United States needs a different force. After a lost generation of military modernization and in the throes of a series of technological shifts related to the revolution in information technologies, this should come as no surprise. Indeed, if there is a surprise, it is that modified and upgraded versions of the basic platforms bought during the Reagan buildup have had such long and useful service. But absent a significant recapitalization of the force, the era of unquestioned American military advantage is drawing to a close.

Yet too few studies or forecasts care to dwell on the quantitative decline in U.S. military power. In particular, the decision to again reduce the size of the Army and Marine Corps on the presumption that Iraq and Afghanistan mark the end of lengthy land wars is to repeat a persistent past mistake. But the point bears broader application. Since Teddy Roosevelt insisted on a "two-ocean" Navy, or Franklin Roosevelt faced the need to fight World War II in the Pacific as well as Europe, American strategists have understood that a global power may have to simultaneously operate on multiple fronts. This long-standing wisdom was translated into the well-known "two-war" force-sizing constructs of the post-Cold War era, but that construct is no longer fashionable. My contrarian view is that, unless such a force-sizing construct is reinstated, the United States will face a recurring problem of strategic unreadiness.

Finally, we must accept that it is beyond the scope of any possible defense "reform" to solve this problem. There is a presumption that a $700-billion-per year defense budget must include a lot of waste, fraud, and abuse. Yet if we turn the telescope around to consider the value that Americans get for their defense dollars – still less than 5 percent of GDP – it looks like a remarkably effective return on investment. And while we may not be as ready as we need to lead as we have in the past, we are far less prepared to live in a world where we have to follow the Chinese, or the Iranians, or others who do not share our desire for liberty.

Thomas Donnelly

Resident Fellow and Director, Center for Defense Studies

Biography

Thomas Donnelly, a defense and security policy analyst, is the director of the Center for Defense Studies. He is the coauthor with Frederick W. Kagan of ***Lessons for a Long War: How America Can Win on New Battlefields*** (2010). Among his recent books are ***Ground Truth: The Future of U.S. Land Power*** (2008), coauthored with Frederick W. Kagan; ***Of Men and Materiel: The Crisis in Military Resources*** (2007), coedited with Gary J. Schmitt; ***The Military We Need*** (2005); and ***Operation Iraqi Freedom: A Strategic Assessment*** (2004). From 1995 to 1999, he was policy group director and a professional staff member for the House Committee on Armed Services. Mr. Donnelly also served as a member of the U.S.-China Economic and Security Review Commission. He is a former editor of *Armed Forces Journal*, *Army Times*, and *Defense News*.

Experience

Member, U.S.-China Economic and Security Review Commission, 2005-2006
Editor, *Armed Forces Journal*, 2005-2006
Director, Strategic Communications and Initiatives, Lockheed Martin Corporation, 2002
Deputy Executive Director, Project for the New American Century, 1999-2002
Director, Policy Group, 1996-99; Professional Staff Member, 1995, Committee on Armed Services, U.S. House of Representatives
Executive Editor, *The National Interest*, 1994-95
Editor, *Army Times*, 1987-93
Deputy Editor, *Defense News*, 1984-87

Education

M.I.P.P., School of Advanced International Studies, Johns Hopkins University
B.A., Ithaca College

DISCLOSURE FORM FOR WITNESSES
CONCERNING FEDERAL CONTRACT AND GRANT INFORMATION

INSTRUCTION TO WITNESSES: Rule 11, clause 2(g)(5), of the Rules of the U.S. House of Representatives for the 112th Congress requires nongovernmental witnesses appearing before House committees to include in their written statements a curriculum vitae and a disclosure of the amount and source of any federal contracts or grants (including subcontracts and subgrants) received during the current and two previous fiscal years either by the witness or by an entity represented by the witness. This form is intended to assist witnesses appearing before the House Armed Services Committee in complying with the House rule. Please note that a copy of these statements, with appropriate redactions to protect the witness's personal privacy (including home address and phone number) will be made publicly available in electronic form not later than one day after the witness's appearance before the committee.

Witness name: Thomas Donnelly

Capacity in which appearing: (check one)

_x__Individual

___Representative

If appearing in a representative capacity, name of the company, association or other entity being represented:

FISCAL YEAR 2011

federal grant(s) / contracts	federal agency	dollar value	subject(s) of contract or grant
none			

FISCAL YEAR 2010

federal grant(s) / contracts	federal agency	dollar value	subject(s) of contract or grant
Quadrennial Defense Review independent Panel	US institute of Peace	$50,000	Support to panel activities

FISCAL YEAR 2009

Federal grant(s) / contracts	federal agency	dollar value	subject(s) of contract or grant

Federal Contract Information: If you or the entity you represent before the Committee on Armed Services has contracts (including subcontracts) with the federal government, please provide the following information:

Number of contracts (including subcontracts) with the federal government:

Current fiscal year (2011):_____none_____;
Fiscal year 2010:_____1_____;
Fiscal year 2009:_____none_____.

Federal agencies with which federal contracts are held:

Current fiscal year (2011):_____none_____;
Fiscal year 2010:_____US institute of Peace_____;
Fiscal year 2009:_____none_____.

List of subjects of federal contract(s) (for example, ship construction, aircraft parts manufacturing, software design, force structure consultant, architecture & engineering services, etc.):

Current fiscal year (2011):_____none_____;
Fiscal year 2010:_____straetgy consultant_____;
Fiscal year 2009:_____none_____.

Aggregate dollar value of federal contracts held:

Current fiscal year (2011):_____none_____;
Fiscal year 2010:_____$50,000_____;
Fiscal year 2009:_____none_____.

Federal Grant Information: If you or the entity you represent before the Committee on Armed Services has grants (including subgrants) with the federal government, please provide the following information:

Number of grants (including subgrants) with the federal government:

Current fiscal year (2011): none;
Fiscal year 2010: none;
Fiscal year 2009: none.

Federal agencies with which federal grants are held:

Current fiscal year (2011): _____;
Fiscal year 2010: _____;
Fiscal year 2009: _____.

List of subjects of federal grants(s) (for example, materials research, sociological study, software design, etc.):

Current fiscal year (2011): _____;
Fiscal year 2010: _____;
Fiscal year 2009: _____.

Aggregate dollar value of federal grants held:

Current fiscal year (2011): _____;
Fiscal year 2010: _____;
Fiscal year 2009: _____.

ASSESSING THE STRATEGIC READINESS OF U.S. ARMED FORCES

Prepared Statement

Readiness Subcommittee of the House Committee on Armed Services

March 3, 2011

Mackenzie Eaglen
Research Fellow
The Heritage Foundation

Thank you Chairman Forbes, Ranking Member Bordallo, and members of the Readiness Subcommittee for the opportunity to evaluate readiness broadly and provide a framework from which you may examine the President's defense budget request for fiscal year (FY) 2012.

America's military remains the most capable and professional in the world. The Armed Forces are combat hardened and of high quality. Yet, such standing cannot be contained without the continued support of Congress. Today's world is home to a growing number of threats from both state and non-state actors, each with a myriad of ever-expanding capabilities ready to challenge our own. If the supposed peace dividend of the post Cold War years was insufficient to allow for an easy military drawdown, today's intense pace of operations unquestionably requires a strong defense capability. Between force reductions, a dramatic slowing of new starts, and closures of production lines, America's domestic industrial capacity is slowly being whittled away. Once domestic military production capabilities are lost, it will be almost impossible, if not nearly prohibitively expensive, to rebuild the industry.

It has been said that America waits for wars to become prepared for them. Such a pattern, as evidenced by repeated procurement holidays in the twentieth century, leads to repeated surges in spending that are more expensive than continued, sustained outlays. The best and most cost effective way to preserve the military's core capabilities, high readiness levels, our domestic production, and a sound defense budget is to keep the military in a constant state of health, ever ready to defend this country from both known and unknown threats.

Not since the end of World War II has America more urgently needed honest and clear thinking about its enduring national interests and a bipartisan commitment to building up the civilian and military capabilities necessary to protect them.

Yet Washington is increasingly looking inward. Policymakers spend enormous energy arguing about tactics without thinking about strategy. They react to events rather than planning for the future. Without a common purpose and driven by the desire to save money, they take steps which reduce military spending in the short term but vastly increase the danger and cost to America over the longer term.

A Sample of Events that Should Have Been Wake Up Calls ... But Weren't

A recent survey of events around the world serve to highlight that others are not sitting still while U.S. defense budgets and select capabilities are set to decline. Though such declines do not guarantee the rise of new peer competitors, they do provide sufficient incentives to all but guarantee that others will challenge the United States even more in those areas where the nation is less prepared.

China's January 2007 anti-satellite weapon (ASAT) text not only showcased a new missile development, but did so from a transporter-erector-launcher. According to the Congressional Research Service, the "mobility of this ASAT weapon under development also could present challenges for U.S. tracking and warning time." Admiral Robert Willard, Commander, U.S. Pacific Command, recently announced the initial operational capability of China's anti-ship ballistic missile capable of threatening U.S. aircraft carriers from significant distance. During the Secretary of Defense's recent visit, the People's Liberation Army conducted a test flight of the Chengdu J-20 stealth fighter. The debut of this capability was admittedly "further ahead in the development of that aircraft than our intelligence had earlier predicted," according to the Secretary of Defense Robert Gates.

China's unveiling of the J-20 comes on the heels of Russia's own stealth fighter with advanced stealth technology and high-tech avionics debut last January, the PAK FA, one more in an impressive and unexpected list of Russian military modernization programs. Russia is also selling modern fourth-generation fighter aircraft to the Indian, Chinese, Algerian, Vietnamese, and Libyan militaries. In August, Russia undertook the largest airborne military exercises since the collapse of the Soviet Union, only a short time after its illegal invasion of Georgia that went largely uncontested by Europe or the country's prospective NATO allies.

With closure of the F-22 production line and changing air power and air defense capabilities across the globe, American air supremacy is not as assured as the U.S. Department of Defense (DoD) once predicted. Indeed, Lieutenant General David Deptula, recently departed Deputy Chief of Staff for Intelligence in the U.S. Air Force, recently announced: "For the first time, our claim to air supremacy is in jeopardy.... The dominance we've enjoyed in the aerial domain is no longer ours for the taking." These events and more should have been opportunities for policymakers to revisit basic assumptions in current defense planning, identify gaps in strategic thinking, and reevaluate investment decisions.

Death by a thousand cuts

Over the past two years, policymakers have cut plans and programs which are critical to recapitalizing the legacy fleets of all the military services. The Secretary of Defense has warned

that a resource-constrained environment requires hard choices be made, and on that basis has cancelled or sought to kill a number of defense programs, including the F-22 fifth-generation fighter, the C-17 cargo aircraft, the VH-71 helicopter, the Air Force's combat search and rescue helicopter, and the ground combat vehicle portion of the Army's Future Combat Systems. While the Army is attempting to build a replacement ground combat vehicle, this is the third generation of modernization skipped in the last 30 years.

Missile defenses have suffered as well. In September 2009, the administration cancelled America's commitment to place land-based interceptors in Poland and a radar in the Czech Republic. Further, the Pentagon reduced the overall budget for missile defense in 2010 by $1.6 billion, or 16 percent from 2009 levels. Specifically, the Administration scaled back the number of ground-based midcourse interceptors in Alaska and California from the planned 44 to 30, terminated the multiple kill vehicle program for defeating countermeasures, deferred the purchase of a second Airborne Laser aircraft, abandoned the Kinetic Energy Interceptor program (designed for intercepting ballistic missiles in their boost phase), and purged funding for the space test bed for missile defense.

These recent defense cuts come on top of the military's dramatic reduction that began in the early 1990's. The size of the U.S. Navy has been cut by half since then, and today it is the smallest it has been since 1916. Yet in a speech last May, the Secretary of Defense ridiculed the idea that the U.S. Navy is too weak. Recent decisions are reducing core naval capabilities, however. On Gates' watch, the Navy has already ended purchases of the next-generation DDG-1000 destroyers, extended the production of the next carrier from four years to five, killed the MPF-A large-deck aviation ship and its mobile landing platform, and delayed indefinitely the next-generation cruiser.

Overall, defense spending is falling by every metric: as a percentage of the federal budget, as a percentage of the overall economy, and in real terms. Yet even with the dizzying pace of defense reductions of late, some policymakers are increasing their demands for more defense cuts.

Defense budget cuts are already having dramatic negative consequences for the U.S. military today, and will compromise America's ability to fight and win both war and peace tomorrow. If America's elected officials do not reverse the rapid decline in long-standing core U.S. military capabilities, the United States will not only lose a core ingredient of the nation's superpower status; it will be unable to sustain the capabilities necessary to defend vital American interests in an increasingly unsettled world.

Because not every potential threat can be predicted and because procurement cycles typically take decades to field a particular system, the U.S. military must plan its forces around a grand strategy and hedge with specific capabilities to meet any future requirements. These core capabilities--many of which the military possesses today--should be the mainstays of strategic planning. They include:

- Protecting and defending the U.S. and its allies against attack,
- Air dominance,
- Maritime control,

- Space control,
- Counterterrorism,
- Counterinsurgency,
- The ability to seize and control territory against organized ground forces,
- Projecting power to distant regions, and
- Information dominance throughout cyberspace.

The ingredients that comprise U.S. military primacy will decline if left unchecked. The traditional margins of U.S. military technological superiority are declining across the services and domains. Those margins--too often considered a birthright--have helped uphold the implicit contract most Americans have had with the all-volunteer military and ensured our forces were never in a "fair fight." That is simply no longer the case.

Comprehensively Unprepared for the Future

To mitigate an increasingly unstable future, the U.S. must acknowledge the greatest areas of foreseeable risk. Policymakers should consider the full spectrum of potential threats to U.S. national security, including those that may not seem immediate or most likely. Preparing only for the danger of the moment would be a mistake. History has repeatedly demonstrated that the only predictable feature of war is its unpredictability. When Adolf Hitler came to power in 1933, German troops were training with sticks. Six years later, they were threatening to take over the world. Responding to that rapid threat required massive and nimble U.S. defense investments.

Policymakers should understand that the number and variety of threats challenging U.S. interests are growing. The Quadrennial Defense Review Independent Panel report identifies key global trends that will affect America, including:

- Islamist extremism and the threat of terrorism,
- The rise of new global powers in Asia,
- The continued struggle for power in the Persian Gulf and the greater Middle East,
- An accelerating global competition for resources, and
- Persistent problems from failed and failing states.

Yet the Pentagon's major strategy known as the Quadrennial Defense Review (QDR) does not adequately identify the panoply of risks confronting the United States. Still beyond the challenges that defense planners and policymakers can predict are the unforeseen challenges. History indicates that as states destabilize and as rising powers see weakness among Western-allied democracies, international crime, terrorist safe havens, piracy, oppression, and lawlessness will increase. Such drastic scenarios may seem unrelated, but as the QDR Independent Panel report notes, "the risk we don't anticipate is precisely the one most likely to be realized."

Further, the defense strategy does not address the elephant in the room: The U.S. military is already too small and its equipment too old to fully answer the nation's call today, much less tomorrow. The U.S. has largely failed to recapitalize its military in a generation, leading to an ever-growing gap between what the U.S. military is asked to do and the tools it has to accomplish their missions.

Any discussion of how to build an appropriate Pentagon strategy should begin with the President's foreign policy strategy, which follows from the nation's vital interests rather than vice versa. Many Americans across the political spectrum are uncomfortable with the primary role the United States continues to play in world affairs, yet no President of either political party has backed away from America's global leadership role. Nor has any recent President significantly reduced America's commitments by treaty or interest around the globe. Judging by the number and expanded scope of U.S. military missions over the past 15 years, the exact opposite holds true.

A de facto bipartisan consensus on America's duties continues to provide evidence that strong American leadership is necessary to protect the nation's vital interests. As long as America undertakes a comprehensive role in guiding the international order toward peace and freedom, the nation's leaders must sustain the power necessary to accomplish that mission.

Defense strategy should consider an exhaustive list of possible threats and, most importantly, consider both current and potential future foes as part of the exercise. This axiom is especially relevant today. While the U.S. is heavily engaged in counterinsurgency operations overseas, policymakers will be tempted to simply believe that other risks may never materialize by accepting the assumption that no other nation will attempt to challenge the U.S. using traditional forms of military power. This risk is all the more dangerous because the ramifications of such a decision would likely be felt not by those who made it, but by their successors.

In this context, recent history is enlightening. For example, operating under the false belief that putting large numbers of boots on the ground would be unnecessary in the post-Cold War world, a Republican-led Congress and the Clinton Administration cut the size of the force, including the Army, by more than one-third in the 1990s. Less than a decade later, the nation was involved in two substantial ground wars, which continue to strain the Army's resources even today. Several years ago, Congress authorized a permanent increase in Army endstrength. The expense of reconstituting the Army, together with the human and monetary costs of overworking the force for the past two decades, is far greater than the cost of simply maintaining the Army at adequate force levels in the first place.

Today's planners are claiming--with the same level of certainty with which they incorrectly argued the opposite proposition in 1993--that the military should focus on ground wars, particularly irregular and counterinsurgency conflicts, and that traditional air and naval assets will likely be redundant. The truth is that America continues to face myriad risks and needs to maintain a similarly broad set of capabilities to confront them.

Short and Long-Term Readiness Challenges

Maintaining readiness is no less urgent in today's technologically advanced and globally interconnected world in which enemies can arm themselves even more rapidly or crudely counter U.S. systems. High readiness levels require robust National Guard and Reserve forces that can provide national surge capacity when needed, and it entails investment in a wide range of dual-

use, multi-mission platforms. Policymakers should reject the premise that defense is a zero-sum game and refuse to rob the future military to pay for today's capabilities.

Further, the U.S. should not only prepare for the full spectrum of risks, but also maintain substantial safety and technological superiority margins. Seeking to have "just enough" of any important capability would be foolish. Planning is never perfect, but the cost of being too strong is far less than the cost of weakness.

For example, if the U.S. buys slightly more airlift capacity than it needs today, the downside is paying for assets that go unused for the moment. However, if America has less airlift capacity than it needs tomorrow, the cost will be measured in higher casualties, protracted engagements, and the possible sacrifice of a vital national interest. In the long run, supplying sustained and predictable funding to the military and providing for regular, modern upgrades is far more cost-effective than allowing the force to become hollow and then rebuilding it from tatters. This is particularly true if the industrial base to rebuild a military capability has disappeared. The United States built its last bomber more than a decade ago, and that plant is now a Wal-Mart. The time, cost, and consequences of building capabilities after the nation has permanently shed them are higher than what policymakers should be prepared to bear.

Another reason the U.S. must maintain military primacy is that the military's missions are not only to fight but also to deter conflict. America decisively won Operation Desert Storm because it brought overwhelming power to bear. Clear victory in that conflict is one reason why no other country has since chosen to engage the U.S. in a direct, high-intensity conflict. Similarly, a missile attack is less likely if America deploys a comprehensive, layered missile defense system. China is less likely to use aggressive means to reunify with Taiwan if U.S. air and naval assets can unquestionably protect the island. Russia will be less adventurous in the former Soviet republics if its leaders feel that NATO is more than prepared for any contingency.

However, the current superiority of America's capabilities should not lead officials to be complacent. Military primacy is fleeting unless purposefully maintained through robust investment in next-generation technology and systems. Equipment ages and deteriorates due to wear and tear, and America's enemies and potential foes are constantly developing new ways to challenge the U.S. On one end of the spectrum, more countries with sophisticated militaries are developing nuclear weapons and intercontinental ballistic missiles (ICBMs) that could soon reach the U.S. homeland. On the other end, terrorists constantly find creative ways to defeat U.S. advanced technology with cheap, primitive weapons, such as improvised explosive devices, which have caused thousands of casualties in Iraq and Afghanistan.

To keep its global edge and to develop the abilities to defeat shifting threats ranging from IEDs to ICBMs, the U.S. military must maintain, modernize, and ultimately replace old weapons while simultaneously researching, designing, testing, and fielding next-generation systems. The average ages of most major weapons systems in use are startling, and many next-generation programs are being eliminated. Congress has acceded to most of the Administration's defense budget requests and voted to terminate or truncate more than one dozen major defense programs in the 2010 defense bills--predominantly for budgetary rather than strategic reasons. As a result,

the military will lose vital capabilities along with the potential to develop them later as defense industries shut down production lines and hemorrhage skilled workers.

Readiness Case Study: The U.S. Air Force

All the military services, including the National Guard and Reserves, are experiencing lower levels of readiness after ten years of major combat operations overseas and more homeland defense missions in the United States. Symptoms include:

- Delayed, shortened, or less diverse training;
- Cross-leveling of personnel and equipment from disparate units to plug deploying-unit shortfalls;
- Less maintenance for worn-out weapons; and
- Shortened rest time at home before redeploying overseas.

While Congress has provided necessary funding for many urgent needs of the services, more must be done to restore short and long-term readiness within the U.S. military. An illustrative example is the readiness crunch facing the U.S. Air Force. While the availability rates of aircraft--fighter, bomber, tanker, cargo, rotary wing, and training--are holding relatively steady (except bombers), the aircraft are spending longer periods of time in depot to maintain the fleet. Meanwhile, the cost per flying hour is increasing as the force ages while being employed at wartime rates. While depot funding has increased over the past 6 years, at some point the increasingly intensive maintenance will give way to reality that aircraft must be replaced with newer frames. Fighters, such as the F-15, are nearing 30 years in average age. At some point soon, it will no longer be possible to maintain these assets at reasonable cost.

For example, some of the A-10Cs are currently experiencing fuselage cracks after substantial funds were spent to re-wing these aircraft and upgrade their avionics. The fatigue of this airframe highlights that investing money in aging systems is a gamble because it is hard to predict what failures may occur next. Accordingly, Congress must carefully monitor how much the services hedge by spending funds on service life extension programs because they alone are not fail-safe.

Of all current aircraft, the B-1 has the worst availability rate at 32%, representing a true challenge. B-1s are a fundamental platform used at high rates in current combat operations. Additionally, since the long range strike fleet is so small, the number of bomber tails matter. Retiring the B-1 fleet now would invite tremendous strategic risk as the Air Force proposes to begin work on a new bomber. Given that there is no guarantee the Air Force will ultimately acquire a new bomber in sufficient numbers, the service must hedge by maintaining this increasingly costly and less capable system because of the dearth of options.

The C-130 fleet illustrates another example of the major costs associated with sustaining legacy aircraft. The C-130's center wing box design has inherent weaknesses that necessitate replacement. This will affect all C-130s as they age over time. Replacement costs roughly $6 to $8 million per aircraft above the $18 million cost per to modernize the H model avionics. There are times when the purchase of a new system would save taxpayer money in the long-run over maintaining older ones.

America's space assets are increasingly geriatric and in need of modernization. Nearly all of these systems are in operation beyond their intended design lives. Repairs are not possible in space so this aging invites increased mission risk. Considering the large volume of old space systems, Congress must ensure defense leaders are not creating an unaffordable replacement cost bow wave that could lead to mission failure in key areas.

Congress must honestly determine how much risk leaders the military should be able to absorb in their increasing mission demands. For example, there are many scenarios that could occur where the U.S. would be unable to utilize its tactical strike fleet. Carriers may have to stay out of a region due to various threats. Regional basing might not be available due to political constraints. These and other limits in a future scenario could require the U.S. to launch strike missions with its bomber fleet. If the adversary has a reasonable air defense network in place, the B-1 and B-52s would be relegated to standoff strikes. By way of comparison, America lost 15 B-52s in 12 days during Operation Linebacker 2 in 1972. Over the past thirty years, global air defense networks have grown increasingly lethal and yet over one-third of America's long range strike force is comprised of these same B-52s. While standoff strikes are of some utility, it is unlikely the U.S. could afford the inventory of munitions required to service the roughly 30,000 aim points that exist in the average theater-size campaign. That would leave the Air Force dependant upon 20 B-2s. The risk remains that only four to six of these aircraft are available for combat operations at a given time. Therefore, depending on how much this capability is valued, the Air Force is assuming a great deal of risk in this realm.

While growing in technological sophistication, increasingly smaller air fleets are also posing greater readiness challenges. The F-22 fleet provides a useful example. With a fleet of 185 F-22s, the service does not have any elasticity to absorb attrition or wartime losses. That means when the Air Force lost two production F-22s in recent years, this attrition came at the expense of core inventory. There are no back up reserves to absorb these losses. When leaders factor out F-22s involved with training or undergoing depot maintenance, there is only a small fleet of jets that are combat deployable. This is occurring as the legacy fleet is drawing down in size. Practically, this means fewer jets flying more hours to meet requirements around the globe. This then leads to increased fatigue, higher maintenance costs, and a demand for recapitalization in a shorter period of time than originally planned.

National Consequences: Higher Risk, Less Strategic Flexibility

A significant component to maintaining readiness is training. Training does not just include preparing forces about to deploy to Iraq or Afghanistan in counterinsurgency operations, but also conventional warfare training in non-desert terrains, for example. Military servicemembers receiving training do not have the luxury of preparing for or focusing on only one type of conflict. They must be trained on all weapons systems and platforms for all types of contingencies--even while major combat operations are underway.

Senior military commanders in Iraq repeatedly noted that soldiers and Marines lacked training for major combat operations using their entire range of weapons. For example, artillerymen have not been practicing firing heavy guns but are instead doing counterinsurgency work as military

police. General Robert Magnus, Assistant Commandant of the Marine Corps, has said the Marine Corps' ability to train for potential conflicts has been "significantly degraded." Former Chief of Staff of the Air Force, General Michael Moseley, was concerned that airmen--particularly those in the Guard and Reserves--were spending too much time training outside their mission specialties. In one of his notes to airmen, he described this phenomenon as "ancillary training creep" that jeopardizes mission accomplishment with the potential to overshadow combat focus.

The potential consequences of reduced readiness levels across the U.S. military range from the practical--such as more time in depot for maintenance on equipment used at five or six times the peacetime rate and more mechanics required to keep older planes, ships, and vehicles running--to the dire, such as an unforeseen crisis requiring aid from the U.S. military. Restoring readiness is critical because the nation does not have the residual capacity in many units, particularly the Army, to respond to domestic emergencies should they arise. Beyond potentially misspent time, there are secondary and tertiary effects of reduced training in a servicemember's core competency. These negative possibilities may include an altered career path where professional military education, specialty certifications, or other development and education suffers thereby affecting the performance reviews that, in part, help determine promotion and pay increases.

In addition to a reduced ability to respond quickly to crises here in the United States, there are many second-tier effects of low readiness levels in the military. Regional combatant commanders beyond Central Command have seen their personnel and equipment diverted to these two countries over the past several years. Admiral Timothy Keating, former Commander of the U.S. Pacific Command, said that mission demands hindered his ability to respond to an unforeseen crisis in the military's largest geographical command region because 30,000 ground forces that are typically under his control were in the Middle East instead.

Strategic engagement has also suffered as exercises with foreign militaries and allied partners have been curtailed over the last several years. These demands have also hamstrung Pacific Command's ability to conduct exercises and build alliances that could one day prove decisive particularly in reducing the potential for future conflict. Large and small exercises with foreign militaries provide an effective display of capabilities, acting as a deterrent to would-be aggressors--and are important methods for enhancing military readiness. An effort to increase these exercises would be especially useful in the Asia-Pacific and in places like the Horn of Africa and the Strait of Hormuz, where increased coordination is required to stem the threat posed by both pirates and terrorists.

Similarly, since 9/11 the U.S. has worked diligently to train and equip foreign militaries in counterterrorism as well as other security and stability operations. The U.S. military participates in the Trans-Sahara Counterterrorism Partnership, the Regional Strategic Initiative, the DoD Counterterrorism Fellowship Program, and the Building Global Partnerships Train and Equip program. Both U.S. Southern Command and U.S. Africa Command have made building partnerships and enhancing strategic cooperation central pillars of their missions. In addition to the benefits offered by training foreign militaries, these initiatives also serve to strengthen respect for the civil-military relationship and should not be bill payers for readiness. These

marginal investments can reap savings for taxpayers in the event they help avoid conflict and the expenditure of greater resources.

Further consequences of continued low readiness levels include recruitment and retention difficulties and the overall decline in the condition of the nation's all-volunteer force. While all the services have done tremendous work in meeting high recruiting and retention goals since 2001, there are palpable signs of strain. The QDR Independent Panel "stress tested" America's all-volunteer force and found there is reason to doubt the military can attract and maintain the requisite high quality numbers of personnel as the economy improves. The report noted that even if endstrength numbers remain steady, the quality of the force may decline due to emerging challenges and the loss of institutional memory. There is also some evidence to suggest that the average length of service is getting shorter.

The U.S. Army is currently experiencing a shortfall in mid-career officers that poses long-term risks to the service. In 2007, the U.S. Army was short about 3,000 mid-career officers and as a result promoted captains and majors at rates above its own guidelines. These and other lagging indicators, including promotion rates, are growing in volume. Congress must prevent the U.S. military from crossing any "invisible red line" of dangerously reduced readiness that would likely be detected only after the fact.

How to Shape, not Chase, the Future

Congress must help the Armed Forces create trade space to mitigate growing risks and free up resources to invest in priorities. Specifically, Congress should:

- Maintain the capacity that exists today as the minimum force needed for the future while selectively expanding some areas of investment, to include shipbuilding, long range strike, and additional space and cyber assets.
- Support the building of next-generation capabilities to compete against future threats, including a sixth-generation fighter, a new bomber, a modern nuclear submarine.
- Ensure the Department of Defense has a sound industrial policy to preserve the highly-skilled defense industrial workforce that design and build modern equipment.
- Support increased foreign military sales and ITAR regulatory reform.
- Bolster resources spent on missions that reduce the potential to spend more later, including the need to maintain cutting-edge and varied training and participate in robust building partner capacity missions.

To preserve traditional U.S. margins of military technological superiority, Congress should review potentially outdated requirements and projections, and policymakers should push defense officials to enact more forward-looking budgeting and acquisition strategies. Increased investment in modernization and new partnerships with allies will be necessary to prevent the naval, air, space and cyberspace power balances from tilting in favor of others and to hedge against the potentially destabilizing proliferation of advanced technology and platforms to unstable actors, non-state groups, and/or terrorism-sponsoring rogue states around the world. For example, if Syria or Iran acquires Russia's PAK FA, it could provide the fighter to the non-state group Hezbollah to form a proxy air force against Israel.

Congress should address the military's urgent modernization needs and take into account the long-term implications of procurement freezes and underfunding of the defense industrial base. The Pentagon's defense strategy should direct the military to build core capabilities across a broad range of areas to hedge against various risks. America's enemies will likely exploit areas of weakness, attacking precisely those areas where the country is least prepared. However, maintaining a broad range of capabilities will minimize these risks.

Replacing military platforms that the U.S. has developed and fielded since World War II are also vital to ensuring a superior fighting force. America's defense manufacturing industrial base has allowed the United States to design and build an advanced array of weapons systems to meet the full spectrum of missions the military has been called upon to fulfill. But the workforce is shrinking. In less than ten years, the number of major defense contractors has fallen from 50 to six. A decade ago, America boasted six major aircraft producers while today only two. For the first time in a century, the nation has no manned military or civilian aircraft in design.

Securing America's military dominance for the decades ahead will require:

- An industrial base that can retain a highly skilled workforce with critical skill sets and
- Sustained investment in platforms that offer future commanders and civilian leaders a vital set of core military capabilities and equipment to respond to any threat.

In order to properly guide future defense investments, robust analysis must include substantial input from defense acquisition leaders, program managers, systems engineers, compliance managers, auditors, and other experts. The national defense strategy should also discuss at length the ability of the defense industrial base to respond rapidly to defense strategy changes.

The critical workforce ingredients in sustaining an industrial base capable of building next-generation systems are specialized design, engineering, and manufacturing skills. Already at a turning point, the potential closure of major defense manufacturing lines in the next five years with no additional scheduled production could shrink this national asset even further. While the manufacturing workforce alone should not dictate acquisition decisions, the potential defense "brain drain" must be considered when Congress determines whether or not to permanently shut down major production lines--particularly shipbuilding and aerospace. More often than not, once these highly skilled workers exit the federal workforce, they are difficult to recruit back and more expensive to retrain with significant project gaps.

Congress should also broadly support increased foreign military sales. America's defense industrial base also serves an important role in helping to build the military capacity of foreign allies while enhancing their interoperability with the U.S. military. These efforts indirectly save U.S. taxpayer funds over time and include the advantage of reducing wear and tear on U.S. equipment. Increasing international sales between the U.S. and its allies and partner nations will require either limiting the restrictions placed on the defense sector by the U.S. International Trade in Arms Regulations (ITAR), which are both time-consuming and confusing, or, in the case of America's closest allies, negotiating bilateral defense trade cooperation treaties to help facilitate easier market access. While the concern that sensitive defense technologies may fall into the wrong hands without proper oversight is valid, the archaic ITAR regulations remain

insufficient in today's globalizing defense market. Congress should pursue these opportunities to deregulate the defense market as opposed to adding more layers and rules to an already risk-averse and weighed-down process.

Readiness levels should be restored across the services. Immediate steps that can be taken include timely maintenance on all the military's major platforms to maintain or extend the service lives of equipment being used at wartime rates. A significant element of restoring readiness levels includes the procurement of new platforms and resetting older, worn-out items. Congress must also help the Armed Forces avoid training creep. Recent Army posture statements have simply accepted that operational requirements for soldiers and insufficient time between deployments require a focus on counterinsurgency training and equipping at the expense of preparing for the full range of military missions. As forces in Iraq finish drawing down, U.S. ground forces must resume training for both irregular and conventional missions (amphibious assault, combined arms, etc.) using their entire range of weapons. This includes the need to increase realistic live-fire training and reduce reliance on simulation when possible.

The benefits of stability and security are served by building military partnerships and preserving coalitions by training and advising foreign military forces. Larger military engagements, such as the biannual Rim of the Pacific exercise, and smaller bilateral training opportunities that target specific operational issues serve to increase interoperability between the United States and its friends and allies. These important exercises and engagements should be restored or increased based on combatant commander assessments. Congress should help the Department of Defense reduce reliance on Navy and Air Force personnel to supplement ground forces in counterinsurgency missions overseas. This will bolster varied training for sailors and airmen and keep a healthier all-volunteer force by not hurting individual sailor and airman promotion rates and military career specialties when they work outside of their specialty.

Conclusion

If America continues to under-resource the military, it will not mean a less ambitious foreign policy. It will hollow our nation's security and treaty commitments, greatly increase the risk of conflict, and cause substantially greater casualties for the men and women who serve in the military.

The American Founders held out the possibility of more peaceful relations among nations. But they nevertheless understood that "the surest means of avoiding war is to be prepared for it in peace." America's Founders believed that peace through strength is preferable--militarily, financially, and morally--to allowing war to come through weakness. Congress would be wise to reaffirm these first principles.

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Mackenzie Eaglen specializes in defense strategy, military readiness and the defense budget as research fellow for national security studies at The Heritage Foundation. Eaglen, a policy expert attached to Heritage's Allison Center for Foreign Policy Studies, also focuses on the defense industrial base and the size and structure of the nation's armed forces.

In 2010, Eaglen served as a staff member of the congressionally mandated Quadrennial Defense Review Independent Panel, a bipartisan, blue-ribbon commission established to assess the Pentagon's major defense strategy.

Her commentary and analysis have appeared in major newspapers such as *The New York Times* and *The Washington Post,* in military-focused publications such as *Defense News and Army Times* and in journals such as *Armed Forces Journal, Proceedings, National Defense, Ripon Society Forum* and *Military Technology.*

Eaglen also is a regular contributor to GlobalSecurity.org's SitRep and NRO's The Corner.

Before joining Heritage in 2006, Eaglen was principal defense adviser to Sen. Susan Collins (R-Maine), a senior member of the Senate Armed Services Committee and ranking member of the Homeland Security Committee. She previously served as legislative assistant to Rep. John E. Sweeney (R-NY).

Eaglen served for more than two years at the Pentagon as a Presidential Management Fellow. She researched and analyzed defense resources and budgeting, strategic planning, Iraqi reconstruction efforts and the U.S. defense industrial base. She wrote speeches for Air Force Gen. Richard B. Myers, chairman of the Joint Chiefs of Staff following the September 11 attacks. Earlier, she was a national security analyst at the Association of the United States Army's Institute of Land Warfare.

She has lectured at the Army War College, National Defense University, American University, Georgetown University, George Washington University, University of Georgia, Indiana University and Hofstra University.

Eaglen has appeared on defense panels at venues such as the Foreign Policy Research Institute, National Guard Association, Reserve Officers Association, Federalist Society, National Defense Industrial Association, Center for Security Policy, CATO Institute and the Security Industry Association. She participated in the Department of Defense Executive Course on National and International Security and the Army G-8 leadership symposium.

Eaglen received her master's degree in national security studies in 2001 from Georgetown University. She graduated from Mercer University, in Macon, Ga., with a bachelor's degree in international affairs. She and her husband welcomed a son in 2010.

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UNITED STATES HOUSE OF REPRESENTATIVES

STATEMENT OF

PROFESSOR THOMAS G. MAHNKEN

JEROME E. LEVY CHAIR OF ECONOMIC GEOGRAPHY AND NATIONAL

SECURITY, U.S. NAVAL WAR COLLEGE

BEFORE THE

READINESS SUBCOMMITTEE

OF THE

COMMITTEE ON ARMED SERVICES

UNITED STATES HOUSE OF REPRESENTATIVES

MARCH 3, 2011

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THE COMMITTEE ON ARMED SERVICES
UNITED STATES HOUSE OF REPRESENTATIVES

This testimony reflects the personal views of the author and does not represent the official views of the Naval War College or the Department of the Navy.

I would like to begin by thanking the Chairman, Ranking Member, and Members of this committee for inviting me to testify this morning. I would also like to stress that I am appearing here in a personal capacity, and that what I have to say thus represents my own views rather than those of any organization with which I am associated.

As someone who has spent a career studying, teaching, and practicing strategy in government and academia, I am sympathetic to those who face the challenging task of trying to ensure that the U.S. armed forces are prepared to defend American interests against the full spectrum of threats. I applaud Secretary of Defense Gates' call to achieve a balanced defense capability. I also acknowledge that achieving balance is extremely challenging. Planners must, for example, weigh the certainty that American soldiers, sailors, airmen and Marines are today engaged in combat operations in Afghanistan against the possibility of a great-power conflict – a contingency of low probability but extremely high consequence. Moreover, readiness involves not only preparing for war, but also reassuring allies and deterring aggressors in order to prevent war.

The strategic environment further complicates this task. The United States today faces the most complex and challenging spectrum of threats in recent memory. First, and most obviously, we are engaged in a war against violent extremist organizations such as Al Qaeda and its affiliates: a protracted irregular conflict that spans the globe. Quite apart from Iraq and Afghanistan, this conflict will generate significant demands for forces over the long term.

Second, for the foreseeable future we will face the need to deal with hostile regional powers, such as Iran and North Korea. These states, which possess (in the case of North Korea) or seek (in the case of Iran) nuclear weapons, have used terrorism as an instrument of their foreign policy. They threaten U.S. friends and allies as well as the stability of key regions.

Third, and potentially most consequential over the long term, is the rise of China. Chinese military modernization threatens to reshape the balance of power in Asia in ways that challenge U.S. interests and allies in Asia and beyond.

Dealing with these challenges will require a versatile military force. Military power plays, and will continue to play, an important role in the struggle to defeat Al Qaeda and its affiliates. Military power is needed to blunt the global reach of terrorist groups, and military power is needed to train and advise local security forces, bolstering their capacity to deal with insurgents locally. To achieve success, the U.S. military will need to develop and sustain a proficiency in irregular operations equal to that it possesses in high-end conventional warfare.

Military power will also play a crucial role in dealing with regional rogues with nuclear weapons. The threat of military force plays a central role in deterring these states and their surrogates from aggression.

Finally, military power has a role to play in dealing with the rise of China. Specifically, the United States must, through its words and actions, maintain a

preponderance of power in the Pacific in order to ensure access to the global commons, reassure our allies and friends in the region, and deter aggression.

Beyond these challenges, the United States must be prepared to confront any number of disruptive events that could destabilize the international system. Military power serves as an insurance policy against the unknown and the unexpected.

Last year, the Quadrennial Defense Review Independent Panel, which I supported, examined U.S. interests and threats to them. I was particularly involved in the Panel's Force Structure and Personnel Sub-Panel, which operated under the capable leadership of Rudy deLeon. Although the panel identified a number of shortfalls in U.S. force structure, I would like to focus on the need to respond to anti-access capabilities, and particularly those of China.

This is a matter of some urgency, since China is, for the first time, close to achieving a military capability to deny U.S. and allied forces access to much of the Western Pacific rim. The growth of China's anti-access capability, in turn, calls into question many of the fundamental assumptions upon which the United States has based its defense planning since World War II. Specifically:

1. The assumption that the United States will enjoy an operational sanctuary in space is in doubt. The Peoples Liberation Army (PLA) is actively engaged in programs to degrade or destroy the U.S. command, control and communications (C3), the intelligence, surveillance and reconnaissance (ISR) and the navigational systems that are critical for U.S. military operations.

2. The assumption that U.S. bases in Guam, Japan and elsewhere will be secure from attack is in question. The PLA is fielding ballistic and cruise missile systems and a number of other capabilities designed to destroy most key facilities.
3. The assumption that U.S. naval surface vessels can operate with impunity in all parts of the Western Pacific is questionable. A combination of PLA long-range surveillance assets and land, air and submarine launched weaponry mean that U.S. aircraft carrier strike groups and other surface vessels are now vulnerable up to approximately 1,200 nautical miles from the Chinese coast. This is further than carrier-based aircraft can fly unrefueled, so that were carrier strike groups tasked to strike targets on the Chinese coast or further inland, they would need to operate from very vulnerable locations. Moreover a new generation of Chinese submarines now poses a serious challenge to surface vessels much further out into the Pacific.
4. The assumption that in a crisis U.S. information networks will remain secure is questionable. China is working hard to develop capabilities to challenge, penetrate or degrade a wide range of defense, national security and logistics networks that would play key roles in any future crisis in the Western Pacific.

These developments have profound implications for U.S. national security. The United States has, since the end of World War II, based its defense strategy on a combination of forward-based forces to deter adversaries and reassure allies and friends and the projection of power from those bases and the continental United States to defeat foes in wartime. The spread of anti-access capabilities calls that formula into question.

In response to these developments, the QDR Independent Panel argued that U.S. "force structure needs to be increased in a number of areas to counter anti-access challenges."[1] Specifically, it called for an expansion of the U.S. surface fleet, the acquisition of additional attack submarines, a replacement for the *Ohio*-class SSGNs, an increase in the bomber force, and an expansion of long-range precision strike capabilities.[2]

In addition to these recommendations, I believe that the United States has opportunities to work with its allies and friends to ensure security in the Asia-Pacific region.

First, the United States should consider developing a coalition intelligence, surveillance, and reconnaissance network in the Western Pacific to reassure our allies and friends and generate collective responses to crisis and aggression. By networking together U.S. and allied airborne sensors, participants would build a common picture of activity in the region. Such an approach could also represent a significant deterrent to hostile action. It would be harder for an aggressor to act without being caught, and an attack on the network would amount to an attack on all its members.

Second, the United States should harden and diversify its network of bases in the Pacific. The United States should protect and defend its bases to deter an attack upon them. Moreover, the Defense Department should examine a much broader and diverse set of bases in the region.

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[1] *The QDR in Perspective: Meeting America's National Security Needs in the 21st Century* (Washington, D.C.: U.S. Institute of Peace, 2010), 67.
[2] Ibid., 58.

Third, and finally, the United States should help bolster the submarine forces of our allies and work to link them. Undersea warfare is a comparative advantage of the United States and many of its allies, and one that is likely to be increasingly relevant in the future. Recently, for example, Australia's Kokoda Foundation has called upon the Royal Australian Navy to lease or buy *Virginia*-class nuclear-powered attack submarines from the United States.[3] In my view, it would make sense for the United States to offer to do just that. Nuclear-powered submarines have the speed and endurance that Australia needs to protect its maritime interests. Moreover, such a move would offer a way to broaden and deepen the U.S.-Australia alliance. It's a bold, even radical, idea, and there are plenty of barriers to it, but it is one that is well worth pursuing.

None of the moves that I have outlined would be free, although some of them could be undertaken with modest investment. In closing, however, I would like to quote once again from the report of the QDR Independent Panel. It notes that "Although there is a cost to recapitalizing the military, there is also a potential price associated with not recapitalizing, and in the long run, that cost is much greater."[4]

Thank you, and I look forward to your questions.

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[3] Kokoda Foundation, Australia's Strategic Edge in 2030 (Canberra: Kokoda Foundation, 2011).

[4] Ibid., 61.

THOMAS G. MAHNKEN

Thomas G. Mahnken is currently Jerome E. Levy Chair of Economic Geography and National Security at the U.S. Naval War College and a Visiting Scholar at the Philip Merrill Center for Strategic Studies at The Johns Hopkins University's Paul H. Nitze School of Advanced International Studies (SAIS). Dr. Mahnken served as the Deputy Assistant Secretary of Defense for Policy Planning from 2006-2009. In that capacity, he was responsible for the Department's major strategic planning functions, including the preparation of guidance for war plans and the development of the defense planning scenarios. He was the primary author of the 2008 *National Defense Strategy* and contributing author of the 2006 *Quadrennial Defense Review.* He spearheaded the Secretary of Defense's Minerva Research Initiative, which will provide $100 million in grants to universities to conduct basic research in the social sciences, and led an interagency effort to establish, for the first time in five decades, a National Security Council-run interagency policy planning body

Prior to joining the Defense Department, he served as a Professor of Strategy at the U.S. Naval War College. From 2004 to 2006 he was a Visiting Fellow at the Merrill Center at SAIS. During the 2003-04 academic year he served as the Acting Director of the SAIS Strategic Studies Program. His areas of primary expertise are strategy, intelligence, and special operations forces.

Dr. Mahnken has held positions in both the government and the private sector. He served as Staff Director of the 2010 Quadrennial Defense Review Independent Panel's Force Structure and Personnel Sub-Panel. He served on the staff of the Commission on the Intelligence Capabilities of the United States Regarding Weapons of Mass Destruction. He served in the Defense Department's Office of Net Assessment, where he conducted research into the emerging revolution in military affairs. He also served as a member of the Gulf War Air Power Survey, commissioned by the Secretary of the Air Force to examine the performance of U.S. forces during the war with Iraq. Prior to that, he served as an analyst in the Non-Proliferation Directorate of the Office of the Secretary of Defense (OSD), where he was responsible for enforcing U.S. missile proliferation policy.

Dr. Mahnken is the author of *Technology and the American Way of War Since 1945* (Columbia University Press, 2008), *Uncovering Ways of War: U.S. Intelligence and Foreign Military Innovation, 1918-1941* (Cornell University Press, 2002), and (with James R. FitzSimonds) of *The Limits of Transformation: Officer Attitudes toward the Revolution in Military Affairs* (Naval War College Press, 2003). He is editor (with Thomas A. Keaney) of *U.S. Military Operations In Iraq: Planning, Combat, and Occupation* (Routledge, 2007), (with Joseph A. Maiolo) of *Strategic Studies: A Reader* (Routledge, 2007), (with Emily O. Goldman) of *The Information Revolution in Military Affairs in Asia* (Palgrave McMillan, 2004) and (with Richard K. Betts) of *Paradoxes of Strategic Intelligence: Essays in Honor of Michael I. Handel* (Frank Cass, 2003). He has appeared on Fox News, CNN, BBC, and CBC, among other networks.

An Intelligence Officer in the U.S. Navy Reserve, he served as the Intelligence Plans Officer for Naval Special Warfare Task Group CENTRAL in Kuwait and Iraq during Operation IRAQI FREEDOM. He served with British forces in Kosovo during Operation JOINT GUARDIAN/Operation AGRICOLA and in Bahrain during Operation ENDURING FREEDOM. He is currently Deputy Chief Staff Officer of Navy Intelligence Reserve Region Washington, D.C.

Dr. Mahnken earned his master's degree and doctorate in international affairs from SAIS and was a National Security Fellow at the John M. Olin Institute for Strategic Studies at Harvard University. He was a *summa cum laude* graduate of the University of Southern California with bachelor's degrees in history and international relations (with highest honors) and a certificate in defense and strategic studies.

In 2009, Dr. Mahnken received the Secretary of Defense Medal for Outstanding Public Service.

DISCLOSURE FORM FOR WITNESSES
CONCERNING FEDERAL CONTRACT AND GRANT INFORMATION

INSTRUCTION TO WITNESSES: Rule 11, clause 2(g)(5), of the Rules of the U.S. House of Representatives for the 112th Congress requires nongovernmental witnesses appearing before House committees to include in their written statements a curriculum vitae and a disclosure of the amount and source of any federal contracts or grants (including subcontracts and subgrants) received during the current and two previous fiscal years either by the witness or by an entity represented by the witness. This form is intended to assist witnesses appearing before the House Armed Services Committee in complying with the House rule. Please note that a copy of these statements, with appropriate redactions to protect the witness's personal privacy (including home address and phone number) will be made publicly available in electronic form not later than one day after the witness's appearance before the committee.

Witness name: Thomas G. Mahnken

Capacity in which appearing: (check one)

__X_Individual

___Representative

If appearing in a representative capacity, name of the company, association or other entity being represented:

FISCAL YEAR 2011

federal grant(s) / contracts	federal agency	dollar value	subject(s) of contract or grant

FISCAL YEAR 2010

federal grant(s) / contracts	federal agency	dollar value	subject(s) of contract or grant

FISCAL YEAR 2009

Federal grant(s) / contracts	federal agency	dollar value	subject(s) of contract or grant

Federal Contract Information: If you or the entity you represent before the Committee on Armed Services has contracts (including subcontracts) with the federal government, please provide the following information:

Number of contracts (including subcontracts) with the federal government:

Current fiscal year (2011):_____;
Fiscal year 2010:_____;
Fiscal year 2009:_____.

Federal agencies with which federal contracts are held:

Current fiscal year (2011):_____;
Fiscal year 2010:_____;
Fiscal year 2009:_____.

List of subjects of federal contract(s) (for example, ship construction, aircraft parts manufacturing, software design, force structure consultant, architecture & engineering services, etc.):

Current fiscal year (2011):_____;
Fiscal year 2010:_____;
Fiscal year 2009:_____.

Aggregate dollar value of federal contracts held:

Current fiscal year (2011):_____;
Fiscal year 2010:_____;
Fiscal year 2009:_____.

Federal Grant Information: If you or the entity you represent before the Committee on Armed Services has grants (including subgrants) with the federal government, please provide the following information:

Number of grants (including subgrants) with the federal government:

Current fiscal year (2011):_____;
Fiscal year 2010:_____;
Fiscal year 2009:_____.

Federal agencies with which federal grants are held:

Current fiscal year (2011):_____;
Fiscal year 2010:_____;
Fiscal year 2009:_____.

List of subjects of federal grants(s) (for example, materials research, sociological study, software design, etc.):

Current fiscal year (2011):_____;
Fiscal year 2010:_____;
Fiscal year 2009:_____.

Aggregate dollar value of federal grants held:

Current fiscal year (2011):_____;
Fiscal year 2010:_____;
Fiscal year 2009:_____.

QUESTIONS SUBMITTED BY MEMBERS POST HEARING

MARCH 3, 2011

QUESTIONS SUBMITTED BY MS. BORDALLO

Ms. BORDALLO. The military services have adopted a rotational readiness construct which enables deployed and deploying forces to obtain the highest level of readiness, while non-deployed forces are left without critical personnel and equipment and are, in most cases, unable to train due to the shortages of resources. While I understand that this model is ensuring we have ready forces for Afghanistan and Iraq, what are the strategic implications to the force?

Mr. DELEON. [The information was not available at the time of printing.]

Ms. BORDALLO. We have become heavily reliant on the Navy and Air Force to provide individual augmentees to meet ground force requirements in CENTCOM. When this practice started several years ago it was supposed to be a "temporary fix" to the imbalance in the force. How has the long-term use of sailors and airmen to meet ground force requirements impacted the readiness of the Navy and Air Force? In your view, why has the DOD not been able to right-size its force structure to ensure that taskings for CENTCOM are filled with the best qualified individual for the task and not a surrogate from a different service with different core competencies?

Mr. DELEON. [The information was not available at the time of printing.]

Ms. BORDALLO. The fiscal year 2012 budget request reflects shortfalls in depot maintenance requirements across the Department. How much risk is this to the readiness of our force? What is the impact of the delay in the FY11 appropriation and the depot maintenance activities of the services?

Mr. DELEON. [The information was not available at the time of printing.]

Ms. BORDALLO. The QDR report identified force structure requirements and capabilities to deal with challenges and threat to U.S. interests. What force readiness levels did the QDR team assume in its calculations? Did they assume all of our forces were fully ready or did they project an anticipated level of readiness over the next few years and use that in their model? Did the QDR presume all of our prepositioned stocks were fully reset, in place and ready for issue?

Mr. DELEON. [The information was not available at the time of printing.]

Ms. BORDALLO. In your opinion, are we ready? Will we be ready? If not, what should we be doing?

Mr. DELEON. [The information was not available at the time of printing.]

Ms. BORDALLO. Your statements also focus on the strategic use of the military and I agree with you—it is indeed difficult to measure military readiness without knowing what the measure of effectiveness may be to declare "strategic readiness." We as a nation have been challenged for the past decade. We have been fighting tactically and developing a military force that is more battle-hardened than perhaps they ever have been at any other time in American history. Indeed every branch of service has been involved in combat operations abroad and has developed skills they did not necessarily posses before September 11, 2001. The military has expanded their foreign language capacity, broadened their general cultural awareness, refined their hand-to-hand and urban combat skills, refined their civil-military relationship building, and a bevy of other skill sets. So my question for you is, do you believe the past ten years of military experience (both in personnel and in weapons systems), technological ingenuity and design, and our ability to realize massive military mobilization in the Middle East be parlayed into a ready force that is able to meet the future strategic threats? Will we be able to protect our interests in space, ensure in unimpeded access to the high seas, and protect our homeland? How would you recommend we begin preparing our military to position them for success in 2030 and beyond?

Mr. DONNELLY. [The information was not available at the time of printing.]

Ms. BORDALLO. The military services have adopted a rotational readiness construct which enables deployed and deploying forces to obtain the highest level of readiness, while non-deployed forces are left without critical personnel and equipment and are, in most cases, unable to train due to the shortages of resources. While I understand that this model is ensuring we have ready forces for Afghanistan and Iraq, what are the strategic implications to the force?

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Mr. DONNELLY. [The information was not available at the time of printing.]

Ms. BORDALLO. The fiscal year 2012 budget request reflects shortfalls in depot maintenance requirements across the Department. How much risk is this to the readiness of our force? What is the impact of the delay in the FY11 appropriation and the depot maintenance activities of the services?

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Mr. DONNELLY. [The information was not available at the time of printing.]

Ms. BORDALLO. In your opinion, are we ready? Will we be ready? If not, what should we be doing?

Mr. DONNELLY. [The information was not available at the time of printing.]

Ms. BORDALLO. Expanding, indeed even maintaining a large industrial military base is of course very important but also very costly. The military has to continue to invest in people while also developing new and improved weapons. What changes do you think we can make in the cost of military readiness that would encourage retention of our best and brightest while sustaining the long term growth of the military industry?

Ms. EAGLEN. You are correct that the defense spending priorities must carefully maintain a balance between strengthening the all-volunteer force and providing those in uniform with modern weapons systems.

Congress should be concerned about the general loss of innovation in defense-related research and development. Policymakers must take care to ensure the Department of Defense is not giving away critical skill-sets in the shrinking defense industrial base that will be needed to imagine and build the next generation of platforms and capabilities the U.S. Navy will require in relatively short order relative to acquisition timelines and traditional build cycles. The critical workforce ingredients in sustaining an industrial base capable of building next-generation systems are specialized design, engineering, and manufacturing skills. Already at a turning point, the potential closure of major defense manufacturing lines in the next five years with no additional scheduled production could shrink this national asset even further.

As the cost of training has grown the past decade, many of the services are increasingly relying upon simulations in lieu of live-fire exercises when both are required. Defense leaders should more regularly sponsor regular and realistic training in degraded environments. Forces must be capable of operating in live-fire exercises without access to the U.S. overhead architecture of space and satellite assets. The U.S. military should know how it will operate without access to U.S. forward bases, as well as allied and foreign permissive airspace.

Congress should not exclude itself from the need to engage in the participation in wargaming exercises. These exercises would not be for Congress to join military members simulating combat but rather to react to proposed scenarios of varying depth and scope and determine the policy implications of those decisions and lessons learned.

Ms. BORDALLO. The military services have adopted a rotational readiness construct which enables deployed and deploying forces to obtain the highest level of readiness, while non-deployed forces are left without critical personnel and equipment and are, in most cases, unable to train due to the shortages of resources. While I understand that this model is ensuring we have ready forces for Afghanistan and Iraq, what are the strategic implications to the force?

Ms. EAGLEN. [The information was not available at the time of printing.]

Ms. BORDALLO. We have become heavily reliant on the Navy and Air Force to provide individual augmentees to meet ground force requirements in CENTCOM. When this practice started several years ago it was supposed to be a "temporary fix" to the imbalance in the force. How has the long-term use of sailors and airmen to meet ground force requirements impacted the readiness of the Navy and Air Force? In

your view, why has the DOD not been able to right-size its force structure to ensure that taskings for CENTCOM are filled with the best qualified individual for the task and not a surrogate from a different service with different core competencies?

Ms. EAGLEN. Since 2003, the Navy and Air Force have taken on new responsibilities on the ground in both Afghanistan and Iraq, in many cases serving in lieu of soldiers to relieve the strain on the U.S. Army. All the services are under stress, wearing out equipment much more quickly, and experiencing reduced readiness levels across the board. The Air Force and the Navy, however, have had to live with flat or declining budgets for the past several years. As a result, modernization is the primary budget casualty.

According to the Chief of Staff of the U.S. Army, the service is slowly coming back into balance and achieving healthier deployment-to-dwell time ratios. However, the reliance upon sailors and airmen is unlikely to decline significantly in this area of operations before 2014. This may prove to be unhealthy for the Navy and Air Force given the potential long-term damage to individual sailor and airman promotion rates and military career specialties. Supplementing ground forces indefinitely threatens to overstress non-ground forces and their equipment and harm training and specialization. Congress should exercise stringent oversight of this practice to ensure that no good deeds are being inadvertently punished.

Ms. BORDALLO. The fiscal year 2012 budget request reflects shortfalls in depot maintenance requirements across the Department. How much risk is this to the readiness of our force? What is the impact of the delay in the FY11 appropriation and the depot maintenance activities of the services?

Ms. EAGLEN. The negative impact on defense spending plans, programs, and maintenance has been tremendous due to the lack of a defense appropriations bill for fiscal year (FY) 2011 and the Department of Defense receiving significantly less funding that was requested as part of the President's defense budget request for FY11. The result will be that defense programs will end up costing more money as schedules slip and procurement rates are reduced.

A sample list of planned maintenance, upgrades, and depot work affected by the defense budget uncertainty for the current fiscal year includes:

- Army officials are currently lacking funds to purchase 4 new transport helicopters that are employed extensively in overseas operations in Afghanistan.
- The Army currently lacks funds to refurbish HMMWVs.
- Temporary furloughs and possible shut down of production lines at Texas' Red River Army depot and Pennsylvania's Letterkenny Army depot.
- Shipyard repairs and maintenance are being canceled.
- Navy and Army leadership have are scaling back training for sailors and soldiers.
- The Army has imposed a temporary hiring freeze for its entire civilian workforce and Navy leaders have said that 10,000 jobs are at risk.

The defense spending levels proposed in recent spending bills (continuing resolutions) would eliminate the DoD's proposed purchasing power growth of just 1.8 percent for 2011. This is essentially a double hit on defense spending because the secondary impact means that the military would be able to buy even less defense for the out years than it plans on the books today.

Congress should ask all the services to report back on the impact of the FY 2011 defense budget delays and what plans and programs will be upended, altered, or affected by the reduced funding provided to DoD for the remainder of the fiscal year.

Ms. BORDALLO. The QDR report identified force structure requirements and capabilities to deal with challenges and threat to U.S. interests. What force readiness levels did the QDR team assume in its calculations? Did they assume all of our forces were fully ready or did they project an anticipated level of readiness over the next few years and use that in their model? Did the QDR presume all of our prepositioned stocks were fully reset, in place and ready for issue?

Ms. EAGLEN. Policymakers should understand that the number and variety of threats challenging U.S. interests are growing. The Congressionally-commissioned Quadrennial Defense Review Independent Panel report identifies key global trends that will affect America, including:

- Islamist extremism and the threat of terrorism,
- The rise of new global powers in Asia,
- The continued struggle for power in the Persian Gulf and the greater Middle East,
- An accelerating global competition for resources, and
- Persistent problems from failed and failing states.

Yet the Pentagon's Quadrennial Defense Review (QDR) does not adequately identify the panoply of risks confronting the United States. Still beyond the challenges

that defense planners and policymakers can predict are the unforeseen challenges. History indicates that as states destabilize and as rising powers see weakness among Western-allied democracies, international crime, terrorist safe havens, piracy, oppression, and lawlessness will increase. Such drastic scenarios may seem unrelated, but as the QDR Independent Panel report notes, "the risk we don't anticipate is precisely the one most likely to be realized."

Ms. BORDALLO. In your opinion, are we ready? Will we be ready? If not, what should we be doing?

Ms. EAGLEN. It has been said that America waits for wars to become prepared for them. Such a pattern, as evidenced by repeated procurement holidays in the twentieth century, leads to repeated surges in spending that are more expensive than continued, sustained outlays. The best and most cost effective way to preserve the military's core capabilities, high readiness levels, our domestic production, and a sound defense budget is to keep the military in a constant state of health, ever ready to defend this country from both known and unknown threats.

Over the past two years, policymakers have cut plans and programs which are critical to recapitalizing the legacy fleets of all the military services. These recent defense cuts come on top of the military's dramatic reduction that began in the early 1990's. The size of the U.S. Navy has been cut by half since then, and today it is the smallest it has been since 1916.

The U.S. military is already too small and its equipment too old to fully answer the nation's call today, much less tomorrow. The U.S. has largely failed to recapitalize its military in a generation, leading to an ever-growing gap between what the U.S. military is asked to do and the tools it has to accomplish their missions.

High readiness levels require robust National Guard and Reserve forces that can provide national surge capacity when needed, and it entails investment in a wide range of dual-use, multi-mission platforms. Further, the U.S. should not only prepare for the full spectrum of risks, but also maintain substantial safety and technological superiority margins. Seeking to have "just enough" of any important capability would be foolish.

To keep its global edge and to develop the abilities to defeat shifting threats ranging from IEDs to ICBMs, the U.S. military must maintain, modernize, and ultimately replace old weapons while simultaneously researching, designing, testing, and fielding next-generation systems. The average ages of most major weapons systems in use are startling, and many next-generation programs are being eliminated. Congress has acceded to most of the Administration's defense budget requests and voted to terminate or truncate more than one dozen major defense programs in the 2010 defense bills—predominantly for budgetary rather than strategic reasons. As a result, the military will lose vital capabilities along with the potential to develop them later as defense industries shut down production lines and hemorrhage skilled workers.

Ms. BORDALLO. The military services have adopted a rotational readiness construct which enables deployed and deploying forces to obtain the highest level of readiness, while non-deployed forces are left without critical personnel and equipment and are, in most cases, unable to train due to the shortages of resources. While I understand that this model is ensuring we have ready forces for Afghanistan and Iraq, what are the strategic implications to the force?

Dr. MAHNKEN. The rotational readiness construct has allowed the U.S. armed forces to wage successfully two protracted conflicts in Iraq and Afghanistan. Of course, optimizing the armed forces on winning the wars we are in creates tradeoffs. Because of the current focus on counterinsurgency, some parts of the U.S. armed forces are less ready to respond to other contingencies. Moreover, proficiency in areas not related to counterinsurgency has declined. As the United States reduces its presence in Iraq and Afghanistan, the Defense Department will both need to preserve its expertise in irregular warfare and rebuild its competency in conventional warfare.

Ms. BORDALLO. We have become heavily reliant on the Navy and Air Force to provide individual augmentees to meet ground force requirements in CENTCOM. When this practice started several years ago it was supposed to be a "temporary fix" to the imbalance in the force. How has the long-term use of sailors and airmen to meet ground force requirements impacted the readiness of the Navy and Air Force? In your view, why has the DOD not been able to right-size its force structure to ensure that taskings for CENTCOM are filled with the best qualified individual for the task and not a surrogate from a different service with different core competencies?

Dr. MAHNKEN. The long-term use of sailors and airmen to meet ground force requirements in Iraq and Afghanistan has augmented our ground strength and improved our effectiveness in those conflicts. The practice has also reduced the readiness of the Navy and Air Force. Such a reduction in Navy and Air Force readiness

would appear to be acceptable in the short term. However, it does raise the level of risk should another contingency occur.

The availability of Individual Augmentees from the Navy and Air Force—to man Provincial Reconstruction Teams, for example—has allowed the Army in particular to avoid making some difficult but vital personnel, training, and education changes to optimize itself to carry out such important irregular warfare missions. In my view, the Defense Department has yet to fully embrace the need to organize, train, and equip for irregular warfare missions, despite the persistent and sincere efforts of civilian and military leaders over the past five years. This is because changing the culture, values and training of the U.S. armed services is very difficult, a project that is likely to last years or decades rather than months.

Ms. BORDALLO. The fiscal year 2012 budget request reflects shortfalls in depot maintenance requirements across the Department. How much risk is this to the readiness of our force? What is the impact of the delay in the FY11 appropriation and the depot maintenance activities of the services?

Dr. MAHNKEN. I am not qualified to provide an informed answer to this question.

Ms. BORDALLO. The QDR report identified force structure requirements and capabilities to deal with challenges and threat to U.S. interests. What force readiness levels did the QDR team assume in its calculations? Did they assume all of our forces were fully ready or did they project an anticipated level of readiness over the next few years and use that in their model? Did the QDR presume all of our prepositioned stocks were fully reset, in place and ready for issue?

Dr. MAHNKEN. The Quadrennial Defense Review Independent Panel assumed that the United States would continue to a rotational readiness construct and that U.S. forces would remain in both Iraq and Afghanistan in large numbers through at least 2015, and in smaller numbers thereafter.

The Panel did not assume that our prepositioned stocks were fully reset. Rather, in our deliberations we identified the need to reset those stocks as a priority.

Ms. BORDALLO. In your opinion, are we ready? Will we be ready? If not, what should we be doing?

Dr. MAHNKEN. The United States is ready to wage and win the wars that we are in. Because of our experience in waging counterinsurgency campaigns, we will also remain ready to do so for some time in the future. I am concerned, however, that our readiness to respond to higher-end contingencies, such as those that could involve China, has been declining for some time. The United States is not fully ready to respond to a catastrophic event in the homeland or cyber attacks. The Quadrennial Defense Review Independent Panel contains a number of recommendations for increasing U.S. readiness to respond to such contingencies.

QUESTIONS SUBMITTED BY MRS. HANABUSA

Mrs. HANABUSA. My question is about the timeline of the Futenma and the Guam relocation. Are you concerned that the agreed timeline of 2014 will be expanded thereby adversely affecting our readiness in the region?

What is PACOM's plan B or default plan should the U.S. and Japan fail to reach an agreement on a relocation plan in time for a 2014 relocation?

Mr. DONNELLY. [The information was not available at the time of printing.]

Mrs. HANABUSA. Are you aware if the long term planning of rotations includes Army Chief of Staff Gen. George G. Casey Jr.'s plan to increase Army dwell time to one year deployed to three years dwell time for active duty and one year deployed to five years dwell time for reservists (as he stated last year)? How do you anticipate this will impact readiness?

Ms. EAGLEN. U.S. Army leadership is currently implementing its plan to restore the force to better health and balance by increasing the dwell times for active duty personnel and members of the Reserve Component. By authorizing and funding additional end strength for the Army during the past decade, Congress has helped increase the dwell time for soldiers. The dwell time for soldiers will continue to grow over the next several years. Compared to a few years ago, soldiers are now spending an average 18 months at home in between deployments, up from 15 months. General Casey has said recently that those who deploy after October 2011 can then expect two years of dwell time at home after their combat deployment. Indicators show the Army is on track to achieve its dwell time goals by 2013.

This is important to help the Army maintain healthy retention levels as the economy begins to rebound. It is also very important to help military families have more notification time and predictability. As General Casey told the Senate Armed Services Committee in March 2011, Army families are the most brittle part of the force

today. Keeping healthy recruiting and retention levels will require support for Army leader efforts to continue increasing dwell time for servicemembers.

Congress will need to carefully weigh budget proposals by Secretary of Defense Robert Gates to cut ground forces' end strength in 2015. It is unclear if this will save any money and could negatively impact force readiness and morale.

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