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COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

HEARING TO RECEIVE TESTIMONY ON GLOBAL CHALLENGES, U.S. NATIONAL SECURITY, AND DEFENSE ORGANIZATION

Thursday, October 22, 2015

Washington, D.C.

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U.S. Senate
Committee on Armed Services
Washington, D.C.

The committee met, pursuant to notice, at 9:34 a.m. in Room SD-G50, Dirksen Senate Office Building, Hon. John McCain, chairman of the committee, presiding.

Committee Members Present: Senators McCain [presiding], Inhofe, Ayotte, Fischer, Cotton, Ernst, Tillis, Sullivan, Reed, Nelson, McCaskill, Manchin, Shaheen, Gillibrand, Donnelly, Hirono, Kaine, and King.

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

Chairman McCain: Well, good morning.

The Senate Armed Services Committee meets today to build upon the major oversight initiative we have begun on the future of defense reform.

Yesterday, Dr. Robert Gates provided an excellent overview of the many issues we intend to cover in this series of hearings.

Today, we will start at the highest level with a geopolitical outlook and net assessment that can help to establish the strategic context for our inquiry. We will assess America's enduring national interests and role in the world, the long-term threats and opportunities we face and how they should be prioritized, the roles and missions of the U.S. military in achieving these priorities, how to mobilize our ways and means to achieve our policy ends, and perhaps most importantly, how well our current defense organization is positioned to achieve our objectives now and in the future.

These are the fundamental questions that must be considered before there can be a meaningful discussion of defense reform. If we do not understand what we need a military and defense organization to do for our Nation, it is impossible to know how to set them up to be maximally

successful. Our witnesses are ideally suited to help us better understand the strategic predicament we now confront and what it means for our defense policy, strategy, and organization.

Professor Eliot Cohen, a military historian at Johns Hopkins School of Advanced International Studies and former Counselor to the United States Department of State from 2007 to 2009, is one of the Nation's foremost experts on civil-military relations and military strategy.

Professor Walter Russell Mead of Bard College, the Hudson Institute, and The American Interest, is one of the keenest observers of geopolitics today and has written eloquently about U.S. national security policy for decades.

Professor Thomas Mahnken is Senior Research Professor at the School of Advanced International Studies and former Deputy Assistant Secretary of Defense for Policy Planning from 2006 to 2009, where he supervised the Quadrennial Defense Review and National Defense Strategy for Secretary Gates.

Finally, Dr. Kathleen Hicks, Senior Vice President and the Henry A. Kissinger Chair of the Center for Strategic and International Studies, served from 2009 to 2013 as Deputy Under Secretary of Defense for Strategy, Plans, and Forces where she led the development of the 2010 Quadrennial Defense Review and 2012 Defense Strategic Guidance.

Yesterday, Dr. Gates noted that while today's national security threats are incredibly complex and daunting, such threats have been the norm rather than an aberration in our Nation's history since World War II. He also observed that any coherent strategy to address the threats must begin with an assessment of our interests, what we must protect, what we must choose to do without, and how we balance today's urgent requirements and tomorrow's strategic imperatives.

Unfortunately, the United States is not succeeding in this basic task. This is certainly true today. But as Dr. Gates also observed, it is also largely true that our country has not had a coherent national security strategy since the Cold War.

Part of this failure is material, the imposition of arbitrary caps on our national defense spending through the Budget Control Act and sequestration, a flawed acquisition system, and a defense organization that has grown bloated with overhead and bureaucracy while its war-fighting capacity has steadily reduced.

We are also challenged, however, at the level of ideas and imagination. Part of this is what Dr. Gates mentioned yesterday, our Nation's perfect track record of failure in predicting the type and location of the next war, but worse than that, our cyclical belief that, having finished with a present conflict, we can take a holiday from history, pull

back from the world, slash our spending on and preparations for our own defense, and that somehow disaster will not seek us out yet again.

In addition, there is the problem that plagues us now, the seeming inability or unwillingness to think about our national security challenges as anything other than a litany of individual crises requiring ad hoc, micromanaged responses. Indeed, as our witnesses all make clear in their prepared testimony, the major challenges we face, Russian aggression and expansionism, an increasingly assertive China, the collapse of order in the Middle East, the rise of an even more virulent form of violent Islamist extremism, escalating cyber attacks from state and non-state actors, none of these challenges are limited to individual regions of the world, and they are becoming entangled in dangerous ways.

Three decades ago, this committee led a comprehensive review of our national defense organization that resulted in one of the most sweeping reforms of the Department of Defense in its history. Much about our world and our country has changed since then. And we must ensure that the Department of Defense is positioned to be the most agile, innovative, effective, and efficient organization it can be now and in the future. That is the purpose of our work now.

And we thank our witnesses for graciously offering us

the benefit of their thoughts today.

Senator Reed?

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

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

First, let me thank you for scheduling this important hearing to discuss the global strategic environment, the challenges facing the United States, and the appropriate role of the Defense Department in addressing these challenges. The committee will be conducting a series of similar hearings throughout the fall to gain greater insight and understanding on these critical issues. I believe these are questions that we must ask ourselves regularly, and I look forward to working with the chairman and his staff and this committee on this extraordinarily important endeavor.

I would also like to thank our witnesses for their participation in today's hearing. You all are superbly prepared as national security scholars and practitioners, and I welcome your ideas and your insights today very much.

Yesterday, as the chairman pointed out, former Secretary of Defense Robert Gates testified before this committee. As always, his astute assessment of the current state of our Department of Defense was insightful and candid. His thoughtful observations for how to streamline and reform defense structures and processes have merit, and I know the committee will give them careful consideration in the months ahead.

As General Brent Scowcroft, former National Security advisor, testified earlier this year, again at the invitation of the chairman, the international security environment has changed significantly since the end of the Cold War. The centuries-old nation-state structure and the international institutional order, which the United States helped put in place following World War II, are increasingly challenged by the forces of globalization, the flow of goods, people, and most importantly, communications and technology across borders.

In the last few years, we have seen how the ability of people to connect using social media has empowered individuals on the street to express their desire for democratic social change, whether in the Maidan in Ukraine, in Dara'a, Syria, or across the Middle East and North Africa. Yet, we have also seen that in the absence of capable institutions at the nation-state level, these upheavals have resulted in massive instability and insecurity, as in Libya, Syria, and elsewhere.

We have also seen how these forces of globalization have been harnessed by violent extremist organizations to promote their destructive agendas and carry out attacks against the United States, our allies, and our respective interests. Non-state actors like al Qaeda and the Islamic State have been able to take advantage of ungoverned or

under-governed spaces in South Asia, the Middle East, and North Africa to seize territory and control the population through brutality and an extreme ideology promoted through the Internet.

In Iraq and Syria, the breakdown of the nation-state system has allowed the reemergence of centuries-old divisions, creating a vastly complex situation. Syria presents us with a series of intermingled conflicts, including the counter-ISIL fight, a Syrian civil war, a regional proxy war between the Gulf States and Iran, a sectarian Sunni-Shia conflict, and with the intervention of Russia, a great powers struggle. Our top priority must be ensuring that ISIL's expansion and external plotting is halted. Of course, I would welcome the witnesses' recommendations and insights regarding this very complex situation in Syria and throughout the Middle East.

Probably no country has been more destabilizing to the international security environment than Russia, not only in Europe but also in the Middle East, the Arctic, and elsewhere. Russia continues its provocative behavior in Europe while at the same time deploying Russian troops and military equipment to Syria to directly support the failing Assad regime. Putin has shown his willingness to use all the tools at his disposal, including economic pressure, an intensive propaganda machine, and military power to achieve

his goals. We would, of course, be interested in hearing from the witnesses on this important topic also.

China presents a number of strategic challenges. And again, your insights would be extremely appreciated, as it asserts itself in the South China Sea and many other areas, including cyber operations.

We are also in the age of nuclear proliferation. Regional nuclear arms races in South and East Asia threaten to increase instability globally. And of course, at the same time, North Korea has demonstrated its capacity at least to detonate a nuclear device. That is another issue of concern.

Cyber complicates our lives dramatically, and again, we would expect you are able to weave all of these into a coherent response to our perhaps less than coherent questions.

We are all facing these challenges. We have to face them together and thoughtfully. And that is why the chairman's plan, so far extraordinarily successful, to bring scholars first and then to bring practitioners and then to think creatively together is very important. And I look forward to working with you on this important task.

Thank you, Mr. Chairman.

Chairman McCain: Thank you.

I welcome the witnesses. Professor Cohen, welcome back

before the committee.

STATEMENT OF PROFESSOR ELIOT A. COHEN, ROBERT E. OSGOOD PROFESSION OF STRATEGIC STUDIES, JOHNS HOPKINS SCHOOL OF ADVANCED INTERNATIONAL STUDIES

Dr. Cohen: Thank you, Senator McCain. Thank you for inviting me here, Senator Reed. It is really an honor to be at a set of hearings which I think have the potential to be at least as consequential as those of, say, the Jackson committee in 1960 or the hearings that led to the 1986 Goldwater-Nichols Act.

I have a longer written testimony which I would like to submit. I just thought I would touch on some of the highlights.

Chairman McCain: Without objection. All written statements will be made part of the record.

Dr. Cohen: Thank you, sir.

I would like to start a little bit differently in some ways than Secretary Gates suggested, and that is by starting with the nature of the military that we have today because I think understanding just how deeply geopolitical assumptions from years past are embedded in that military is really indispensable if we are then going to think about how do we adjust to the challenges of today and tomorrow.

And I would say that today's military is the product chiefly of 75 years of history in three phases: the first, World War II, the Cold War, and then the relatively brief

period of uncontested American supremacy.

World War II is still with us. It is why we have the Pentagon. It is why we have a Marine Corps which is much larger than any other comparable organization in any other military.

But I think it is primarily the 45 years of the Cold War and the period thereafter, the period of unchallenged American preeminence, that have most left their mark.

Our military hardware is, as you know, platforms that were largely acquired during the Cold War or designed in it. And that is, of course, even true of platforms such as the F-35, whose design parameters reflected assumptions about a very different world than the world in which we now find ourselves.

I think even deeper than that are certain assumptions about what war is and how it should be waged. The Cold War military was largely, obviously not entirely, a deterrent military. Its conventional tasks, in particular, were assumed to be extremely intense but short, nothing like the multiyear wars of the mid-20th century. Our conception of naval power is very different from what it will probably be in the future in a world in which the United States Navy was really unquestionably supreme around the world.

When the Cold War ended and the Soviet Union fell apart, a period of unchallenged supremacy began, which

lasted about 15 years. It too has left legacies chiefly of thought and of action but also of organization, the rise, for example, of our special operations forces.

Somewhat more troubling to my mind are a set of mindsets on the part of senior military commanders to include a tremendous amount of emphasis on military diplomacy and what the military sometimes calls phase 0 as opposed to phase III war. And I think to some of the mindsets that were developed during that period, we can attribute what were to my mind very poor decisions such as importing a NATO command structure into Afghanistan when it was clearly not suited for it.

So I think we need to be quite self-conscious about the extent to which we are dealing with a legacy military whose technology and in many ways whose ideas are very much rooted in our recent past. Most of those assumptions I think have to be cast aside. Instead of the Cold War when we faced one major enemy with a set of clients and supporters, we face four major strategic challenges today.

The first is China because the sheer size and dynamism of its economy causes it to pose a challenge utterly unlike that of the Soviet Union and in a very different environment than in Europe.

Secondly, our jihadist enemies in the shape of al Qaeda, the Islamic State, and similar movements have been at

war with us for at least a decade and a half and they will be at war with us for decades to come. We will be operating in a state of chronic war I think through the rest of my lifetime, and that is very different from where we have been in the past.

Our third set of challenges emerge from the states that are hostile to us, hostile to our interests, and often in a visceral way to our institutions, and that would include at the moment countries like Russia, Iran, and North Korea, all of which have or will have, I believe, nuclear weapons that can reach the United States.

Our fourth strategic challenge is securing, as the great naval historian and naval theorist Alfred Thayer Mahan once said, "the great commons," the ungoverned spaces. Now, those are no longer just the physically ungoverned spaces in places like Yemen but includes outer space, cyberspace, the high north. And our ability to control or at least exercise some sort of benign influence over those ungoverned spaces has really been critical to world order.

This means that our strategic problems are quite unlike those of the previous two periods in a profound way. For example, I think we now live in a world, we will be living in a world in which we cannot assume that the United States itself, the continental United States, will not be at risk from conventional attack and certainly from terrorist

attack.

We live in an era when our old strategic partners are in many cases getting much more weak. You have only to look at the case of Great Britain, whose military has been in a sad state of decline for quite some years now.

And, of course, our domestic politics is even more deeply divided than it has been -- in some ways than it has since the Vietnam War.

I could extend this analysis indefinitely but will not. After the Cold War, there was a resizing of the military, a reconfiguring of its basing structure and some realignment, but the sheer busyness of that period of American preeminence when we were doing many things in the world in many ways deferred a fundamental rethinking of what kind of military we need and to what ends. And now, it seems to me, is really the time for that.

Well, let me offer just four thoughts about directions that the committee might go. I know you will have a very wide set of hearings, and what I want to do is just emphasize those which do not involve a lot of money. Naturally, of course, most of the focus, quite understandably, in both Government and outside of it is on the big-ticket items. I would like to suggest that the real importance may also lie in some things that do not cost much money at all. So I have four thoughts.

One is that we review our system for selecting and promoting general officers. When we look at the great periods of military creativity in our past -- think, for example, of the early Cold War -- we think of people like Arleigh Burke or Bernard Schriever or Jim Gavin. Our problem today is that our promotion systems, partly because of the natural tendencies of bureaucracies and partly because of the wickets that we ourselves have created, to include Congress, make it much harder than it was in the past to find exceptional general and flag officers and promote them rapidly. Think of it. General Curtis LeMay, who, whatever one thinks of his politics, was a great military leader, became head of Strategic Air Command at the age of 42. I recall, as I am sure many here do how President Carter was able to pass over the heads of scores of generals in the United States Army to promote General Edward C. "Shy" Meyer to the position of Chief of Staff in 1979. I am not sure that we could do those things today. I am not sure that we could find, for example, a Hyman Rickover to design a completely different approach to naval power. So I think that would be one thing to look closely at, what kind of general officers and flag officers are we growing and how do we bring them up.

My second thought is it would be a very good thing to overhaul, in fact, to scrap, our current system for

producing strategy documents on a regular basis. And I say this knowing that at least two of my colleagues seated to my left bore direct responsibility for this. But I believe as an outside observer that the Quadrennial Defense Review system, which consumes vast amounts of labor and emotional energy, is pretty much worthless. And the reason why it is worthless is because the world does not cooperate with our planning cycle. The year 2000 QDR was obsolete as soon as it hit the streets because of 9/11. I think a much more useful system would be to imitate the Australian or, dare I say it, the French white paper system, which is much more irregular in terms of its scheduling but much more in depth and much more thoughtful, and those documents really repay a look and a thought about whether we might be able to do that.

A third thought, the rediscovery of mobilization. When one looks back at the grand sweep of American history back to colonial times, we have always understood that the military that would wage the next war would not be a simple minor, plussed-up version of what we already had. We understood that we would need not only to grow more of what we had, we would have to grow different kinds of forces. Mobilization thinking in that sense died pretty much in the 1950's. We encountered a great success and Secretary Gates by sheer force of personality was able to increase the

production of MRAP's. That is not mobilization or adding a couple of brigade combat teams to the United States Army. That is not mobilization. I think there is room to think much more creatively about how we bring different kinds of people into the military and intelligence system once a crisis occurs, how we grow new and different kinds of organizations. But it really requires an art that we have not really practiced, although we did until, as I said, the 1950's.

Finally, I would like to suggest that you look closely at our system for professional military education at the very top. I have taught, as has my colleague, Dr. Mahnken, at the Naval War College. I lecture regularly at the others. Our war colleges do a capable job at the mission of broadly educating senior officers at the 05 and 06 levels and helping to create a network of foreign officers who have been exposed to our system. But they do not create a cadre of strategic thinkers and planners from all the services in the civilian world.

To do that, you would need a different educational system, or at least a different insert into the current educational system. You would have to do things that would be anathema to the current military personnel system. For example, something that we do at Johns Hopkins and indeed any decent university, competitive examinations to get in,

small class size, no foreign presence.

I think does this point in the direction that people have always shied away from, the idea of a joint general staff of some sort? Perhaps it gets closer to it than some might wish. But the fact is that our current professional military education system, with some notable exceptions, produces extremely able tacticians. It produces well-rounded military officers. But it has not produced in significant numbers officers who have made their name as deep thinkers about the nature of modern war. And yet, surely that is at the heart of the military profession. And while it is flattering to think that academics or think tanks can fill that void, the fact is that we cannot.

These are but preliminary thoughts. I just want to conclude by saying that I am quite convinced that although we have always faced uncertainty, our country faces a much more turbulent international environment than at any time since the end of World War II. It is in some ways a more dangerous world in which our children or grandchildren may live to see nuclear weapons used in anger, terrorism that paralyzes great societies, war in new guises brought to the territory of the United States, as has indeed already happened, the shattering of states and the seizure of large territories by force.

As in the last century, the United States will be

called upon to play a unique role in preventing those things from happening, maintaining some sort of standards of order and decency and leading a coalition of likeminded nations. We have and we will have a strong hand because of the Government under which we live and the spirit of the American people. But that does not mean that we can take our military power for granted or neglect thinking hard and creatively about how to mold it in the interval of peace that we now have, such as it is.

Thank you.

[The prepared statement of Dr. Cohen follows:]

Chairman McCain: Professor Mahnken?

STATEMENT OF PROFESSOR THOMAS G. MAHNKEN, SENIOR RESEARCH PROFESSOR AND DIRECTOR OF THE ADVANCED STRATEGY PROGRAM, JOHNS HOPKINS SCHOOL OF ADVANCED INTERNATIONAL STUDIES

Dr. Mahnken: Senator McCain, Senator Reed, thank you for the opportunity to testify before the committee today. You are embarked on an important effort, and I am honored to be a part of it.

As with Professor Cohen, I have longer written remarks, but I really want to, in the time I have, focus on three things.

First, I would like to address the challenges that the United States faces in an increasingly contested global environment, and these include not only the threats posed by adversaries and competitors, but also the structural impediments that we must overcome if we are to develop an effective strategy to safeguard U.S. interests in an increasingly threatening world.

I would also like to talk for a few minutes about some of the United States' enduring strengths -- and I think they are considerable -- and the opportunities that they provide us.

And then I would like to conclude by offering some thoughts on what we might do to improve our strategic position.

First, as to challenges, the United States faces a growing and increasingly capable set of adversaries and competitors, including great powers such as China and Russia, as well as regional powers such as Iran and North Korea. And U.S. defense strategy needs to take into account the need to compete with these powers over the long term and in peacetime, as well as to plan for the possibility of conflict with them.

Great powers. The tide of great power competition is rising whether we like it or not. China and Russia possess growing ambitions and, increasingly, the means to back them up. They possess sizeable and modernizing nuclear arsenals and are investing in new ways of war that have been tailored, at least in part, to challenge the United States. I think the challenges posed by these powers are only likely to grow over time.

We also face regional challenges, challenges from states such as Iran and North Korea. North Korea appears to be developing a sizeable nuclear arsenal and the ability to deliver it against the United States. Pyongyang has also demonstrated a willingness to sell nuclear technology to other states such as Syria. Iran has growing reach and influence in the Middle East, and its nuclear program is at best frozen. Its missile program continues apace.

Third, we face a long war with al Qaeda and its

affiliates. We remain engaged in a war, whether we choose to call it that or not, with al Qaeda, its affiliates, and other jihadist groups that threaten the United States and its allies. I agree with Professor Cohen. It is a war that is likely to continue for the foreseeable future.

And then finally, we face the challenge of an uncertain future, threats to our security that we either do not see or cannot recognize today. History is a strong antidote to those who confidently predict the contours of the future.

And as if these global challenges were not enough, we face a series of internal, structural barriers that will need to be addressed if we are to have the resources to shape and respond to an increasingly challenging security environment. These barriers include a sharpening tradeoff between guns and butter. The tradeoff between national security and social spending is already painfully apparent and is likely to become even more acute over time as the U.S. population ages.

As if that were not enough, we face cost growth in weapon systems. Most new weapon systems provide increased capability but often at increasing cost. As a result, we can afford fewer of them for a given expenditure.

And this is further magnified by long-term cost growth in personnel. As I need not remind the members of this committee, we face long-term growth in personnel costs,

which further exacerbates these other trends.

So even as the international environment is becoming more threatening, we face real constraints, internal constraints, on our abilities to meet it.

Now, all is not beyond hope, however. The United States has a series of enduring advantages. And if I have a criticism here, it is in our imperfect ability to tap into what are some substantial advantages. These include our strategic geography. As an insular power, we have enjoyed security from attack throughout most of our history. With friendly powers to the north and south, we have not had to worry about the threat of invasion for 2 centuries. And our alliances compound this advantage, allowing us to work together with our friends to meet the threats that we face far from our shores.

We also possess great economic strength, the world's largest economy and the world leader in innovation.

American society is also the source of great advantage. For example, we possess demographic strengths that are nearly unique in the world. Our population includes immigrants from literally every country in the world who speak the full breadth of the world's languages. More importantly, ours is one of only a handful of states that has the ability to bring new emigrants to its shores, weave them into the fabric of our society, and make them full

members of that society within an individual's lifetime. That gives us unique advantages.

Our military power remains a source of strength, the world's largest nuclear force, and the world's most capable army, navy, marine corps and air force, a combination that is historically unique, I would point out. Great powers in the past have had strong navies but weak armies or strong armies but weak navies. We have the world's best army, navy, marine corps, and air force.

And last, but certainly not least, our alliances and our partnerships. Our allies include some of the most prosperous and militarily capable states in the world in Europe and in Asia.

All too often, however, we fail to exploit these strengths to the extent that we could or we should. Rather, we have focused on how others, including our adversaries, can leverage their strengths against our weaknesses rather than how we can best use our strengths to exploit the weaknesses of our competitors.

Well, where does that take me in terms of implications? I have three implications I would like to draw from this.

First, given both the increasingly threatening security environment and the limits that we face at home, we need to think more seriously about risk than we have in recent years. Strategy is all about how to mitigate and manage

risk. However, over the past quarter century, we have grown unused to having to take risks and bear costs. We have become risk averse. All too often, however, the failure to demonstrate a willingness to accept risk in the short term has yielded even more risk in the long term. As a result, our competitors increasingly view us as weak and feckless.

Among other things we need a serious discussion of risk within the U.S. Government and with the American people because I think we are entering a period where we are going to have to begin to take actions that are risky and costly both to demonstrate to our competitors that we are serious but also to demonstrate our resolve to our allies. We need to start having that discussion about risk now.

Second, as I noted at the beginning of my remarks, we face a series of long-term competitions with great powers and regional powers. China and Russia, Iran and North Korea have been competing with us for some time. We have not been competing with them. As a result, we find our options constrained and we find ourselves reacting to their initiatives.

If we hope to achieve our aims over the long term, we first need to clarify what those aims are and to develop a strategy to achieve them. Such a strategy should seek to expand the menu of options available to us and constrain those that are available to our competitors. It should seek

to impose costs upon our competitors and mitigate their ability to impose costs upon us. And it should give us the initiative, forcing them to respond to our actions, not the other way around. Now, that is, of course, easier said than done in Washington in 2015, but it must be done if we are to gain maximum leverage with our considerable but limited resources.

As part of this effort, we need to do a better job of understanding our competitors. To take just two examples, the Chinese military publishes a vast number of books and articles on how it thinks about modern war, strategy, and operations. These books are freely available for purchase in Chinese bookstores and can be ordered on the Chinese version of Amazon.com, but they remain beyond the reach of scholars and officers who do not read Mandarin Chinese because the U.S. Government has yet to make translations of them broadly available.

Similarly, in past decades, the U.S. Government invested vast sums in building intellectual capacity on Russia and the Russian military. Today it is painfully apparent that that capital has been drawn to dangerously low levels. So we are surprised or misunderstand Russian actions that should be neither surprising nor mysterious. Additional investments in this area are sorely needed.

Finally -- and here, some of my comments will echo what

Professor Cohen has said -- we need to take seriously the possibility of great power competition and potentially great power conflict. This means that we need to think seriously about a host of national security topics that we have ignored or neglected for a generation or more. These include the role of nuclear weapons in U.S. national security strategy. It includes how best to mobilize the Nation's resources for the long term and the need to wage political warfare and to counter the propaganda of our competitors. We will also -- again, I agree with Professor Cohen -- need to rethink the educational requirements of an officer corps that has experienced little but counterinsurgency throughout its career and to reeducate policymakers who came of age after the Cold War.

In short, we face mounting challenges but we also have great opportunities if we can only seize them. Part of the answer, no doubt, will consist of acquiring new capabilities, but a substantial part of it will lie in developing intellectual capital and formulating and implementing an effective strategy to harness the considerable strengths that we possess in the service of our aims.

Thank you.

[The prepared statement of Dr. Mahnken follows:]

Chairman McCain: Professor Mead?

STATEMENT OF PROFESSOR WALTER RUSSELL MEAD, DISTINGUISHED SCHOLAR IN AMERICAN STRATEGY, THE HUDSON INSTITUTE

Mr. Mead: Mr. Chairman, Senator Reed, thanks for the invitation to appear before this committee. The work that the Senators on this committee do is of immense consequence not only to the safety, the security, the prosperity, and the liberty of people in this country but to hundreds of millions and billions of people outside our borders. And the hard work and dedication that this committee puts into its tasks is a real inspiration. It is an honor to be here again before you today.

When I think about the American strategic debate since the end of the Cold War, I am reminded of an old hymn that I used to sing in church as a kid in the South, "Shall I be carried to the skies on flowery beds of ease while others fought to win the prize and sail through bloody seas." Since 1990 in the United States, that has no longer been a question. Many people in our intellectual and policy worlds have thought "I shall be carried to the skies on flowery beds of ease." All of that difficult defense of liberty, all of those risks, all of those painful tradeoffs -- that is in the past. In the future, the inexorable laws of history, the spread of prosperity and democratic institutions will smoothly carry us to the skies. We can

kick back, sip on a Margarita as the rising tide lifts us on up to paradise. And that has been one side of our strategic debate.

The other side has been it is all over, we are in decline. The world of the 21st century is too complex, the challengers too aggressive, the threats face too dire, and so we really have to scale back our commitments, settle for less. The old ambitions of trying to build a world order are too much.

And if you have followed a lot of our political debates over the last 25 years, I think you will just see a rapid oscillation between those two extremes that says more about the mood swings of our political and intellectual elite than it does about realities on the ground.

It seems to me the truth is actually less dramatic, in some ways perhaps more hardening, though there are perhaps bloody seas ahead. And that is, at the end of the Second World War, the United States rather reluctantly came to the conclusion that we needed to replace Great Britain, what Woodrow Wilson's friend, Colonel House, once called the gyroscope of world order. And we were not doing this as some kind of philanthropic project, though it is philanthropic, it is beneficial to many people who are not Americans. We were doing it because a sober assessment of American economic and security interests told people in both

political parties that we need -- for our economy to prosper, we needed an open global trading and investment system where we could enjoy the benefits of trading with people all over the world. And particularly in a nuclear era, our security interests required we could no longer ignore threats overseas until they reached some kind of critical mass and then intervene. We had to take a more forward-leaning posture, try to nip problems in the bud before they became global threats.

That I think remains the case. Those still are our interests. It is not, again, because we seek some kind of global power. Most Americans would be only too happy to spend less time worrying about, thinking about, spending money on, and taking risks over things that are happening beyond our frontiers. But it is still the case that the prosperity of the American economy and the security of the American people are intimately bound up with events overseas. Let me take one example.

We have heard some talk in the last few years, particularly as the situation in the Middle East has grown, as Senator Reed I think very explicitly and wisely pointed out, far more complex and dangerous than in the past. There has been some talk, well, do we really need to pay so much attention to the Middle East, in part because with U.S. unconventional gas and shale resources we seem to becoming

more energy independent, and that is true. But I would say to the committee so far we have been able to watch war spread in the Middle East and the price of oil is $45 a barrel because the war has been in some parts of the Middle East and, by and large, the oil has been in other parts.

But it is not written in any heavenly books that I am aware of that that is going to remain the case. If the security situation in the Middle East continues to deteriorate, the supply of oil not so much that we physically depend on but our allies in Europe and Japan and others around the world depend on, our trading partners -- and I ask this committee what would happen to all of our economic and security problems if instability in the Middle East pushed the price of oil up to $200 a barrel, if instability in some of the large oil-producing countries interrupted either the production or the supply, or if, for example, the Saudi Government, losing faith in our willingness to defend it, decided it would not have a better bargain by reaching an agreement with Russia and Iran on production cutbacks in order to raise the price.

And for those who wonder why is Putin in the Middle East? What possible objective could he have other than propaganda victories at home and making Russia look like a great power? Think what it would mean for Putin's prospects and Russia's prospects short- and medium-term if his foreign

policy could engineer a substantial increase in oil.

I am not prophesying that these things are going to happen tomorrow, but I am trying to remind the committee and others who will follow these hearings that we cannot write off regions of the world simply because they are inconvenient or difficult or it is hard to know exactly what to do. And American foreign policy planning, American strategic planning has to keep these unpleasant but very real facts in mind.

So if the situation is in fact so difficult and we are still committed to this global foreign policy, global strategic vision, why am I confident that the United States retains the ability to act, that we do not have to resign ourselves to an inevitable decline in the face of competition, in the face of growing complexity? My colleagues on the panel have noted some of these, but American society remains extraordinarily inventive and adaptive. Our technology continues to lead the world. Our resource base is unmatched. No country in the history of the world has had the kind of network of alliances and bilateral relationships that the United States does. No country has had military forces of such a high capacity. No country has had the ability to integrate people who come to us from all over the world into a united body of citizens. The strengths of this country are immense. And in fact, the

conditions of the 21st century, the rapid transformation of social and economic institutions in the face of unprecedented technological change are uniquely favorable to the classic strengths of the United States. For 200 years, we have been a country which prospers and adapts to change, even difficult change, in a way that other countries find it difficult to do. With 50 different States, we explore 50 different avenues into the future. We reform. We change our institutions as conditions change. And over time, this means the United States somehow manages to stay ahead. I do not see any sign in this country that we have lost the ability or the will to do that.

Well, what could we do given the painful reality that we can no longer count on being carried gently to the skies on flowery beds of ease? How do we raise our game? How do we develop the ways of thinking? How do we organize our military, our foreign policy in order to adjust and adapt to these changes?

I would leave the committee, which I know is at the beginning of a long process of deliberation, with three things to think about that I hope you will add into your thoughts.

First, we do need to invest in the future. We need to continue to renew our military. The technology and the acceleration of technology around the world forces us to

continue to invest. We cannot get locked into a model where we are simply trying to hold onto what we have.

Second, the thought about the future cannot just be about technology. Societies around the world are changing. People are online. They are connecting to each other. People around the world, as their own economies are disrupted by the force of changes, as migrant flows change the makeup of countries -- societies change. Conflict is a social act, and changing in society will force us to think about new kinds of conflicts, new strategies, new tactics. Again, we have to keep investing in understanding and preparing for the future.

Finally, we should look at our military and realize the immense variety of missions that we ask our armed services to carry on. At one and the same time, our military may be working with Nigerian armed forces in trying to deal with Boko Haram. Maybe on the next tour of duty, an officer will go from the back country of Nigeria to the halls of Brussels or Paris or Berlin working in a completely different context or be in Okinawa or preparing to face the Chinese navy in a very high-tech and high-stakes competition. What kind of organization, what kind of training -- it will not look very much like the World War II Army, like the Cold War Army, like the Army that we developed in the last few years with counterinsurgencies. Our armed forces are going to continue

to need to evolve. This committee will have a great deal to do with that.

The second large area is we need to think -- again, as some of my colleagues have pointed out, the spaces between have historically been key to our strength and the strength of Great Britain before us. Think of Great Britain in the 18th century assuring the safe communication of trade and goods across the seas and the role of the British navy. In the 19th century, the British add to that the development of a world economic system under the gold standard based in London, of a world communications system based on international undersea cables with instantaneous telegraphic communication. In the 20th century, there is a further proliferation in the complexity of these spaces between and in their importance to international life.

The fact that we cannot pick up the paper today without reading about some new unbelievable and hideous breach of security of some of this country's most important secrets suggests that at the moment we are not doing an adequate job of protecting some of the spaces in between, and we need to think very hard. These challenges are not going away and the cost of failing to address these challenges is not diminishing.

Finally, let me close by suggesting to this committee that the United States Congress in the 21st century is going

to need to equip itself with a much stronger capacity for oversight and engagement in the realm of strategic policy. I have suggested the formation of something almost analogous to the Congressional Budget Office, a congressional office of strategic assessment where Congress can get the kind of depth of analysis and reflection -- a nonpartisan, may I say, analysis and reflection -- access to the best advice, deepest knowledge in a way that even a committee staff and certainly the individual staff of Senators and Members just cannot do. Given the complexity of the issues that you must engage with the executive with, given the vast disparity in the size of the executive branch activities that you are expected to oversee, and the thin resources, and as you are all much more familiar than me, the many demands on the time of Members and staff, it is well worth thinking about how can Congress do a more effective job of oversight. How can Congress provide itself with the resources and the depth of expertise and knowledge that could make, I think, restore the ability of the legislature to play its role.

The legislature plays an immense role not simply by opposing the executive on this or that issue. But the public debate on American strategic policy, on American foreign policy is carried primarily by the Representatives and the Senators, not simply a speech from the President. It is your communication with the American people, with your

constituents that helps build the public opinion, the consensus that allows the United States to undertake some of the very significant investments that need to be done for the common good and security. Deepening the Congress' capacity to play this role I think can result in the construction of a stronger, deeper, and more effective consensus behind a smarter, more effective policy.

But thank you again, Senators, for offering me the opportunity to speak today.

[The prepared statement of Mr. Mead follows:]

Chairman McCain: Thank you.

Dr. Hicks?

STATEMENT OF DR. KATHLEEN HICKS, SENIOR VICE PRESIDENT; HENRY A. KISSINGER CHAIR; DIRECTOR, INTERNATIONAL SECURITY PROGRAM, CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES

Dr. Hicks: Good morning. Chairman McCain, Senator Reed, distinguished members of the committee, I appreciate the opportunity to testify before you today.

The scope of this hearing, to discuss the global security environment, the national security strategy, and defense organization, is a daunting one. I will focus my opening statement on the implications of a changing U.S. role in the world, on our national security strategy, and our general strategic approach. I think you will find a remarkable degree of consistency between my remarks and thoughts and those expressed already.

Every day it seems Americans awaken to a new international crisis or other sign of a world out of their control. In Europe, our allies and partners are coping with Russian aggression, which is taking forms as diverse as cyber attacks, energy coercion, political subversion, all the way to conventional military might and a renewed emphasis on nuclear weapons.

At the same time, Europeans grapple with the world's most significant migration crisis since World War II.

In Asia, satellite images of China's aggressive island-

building activities are widely viewed as corroborating that nation's designs to control the air and sea space far from its shores.

Meanwhile, Kim Jung-un continues his family's legacy of dangerous provocations and nuclear ambition.

As significant as the security situation is in these two regions, no area of the world is in greater turmoil than the Middle East. From the destabilizing role of Iran, to the chaos of Libya, to the complete destruction of Syria and its implications for Iraq, Jordan, Turkey, and beyond, the upheaval seems endless.

The international system is shifting and in ways not yet fully understood. The well-worn frames of "the unipolar moment," "the post-9/11 era," or even "globalization" cannot singularly explain the seeming growth of coercive tactics from major powers, manifest as provocations that fall short of conventional war, or the upheaval and appeal of a quasi-state espousing militant Islamist ideology. Indeed, no single compelling frame may exist that adequately captures the complexity and breadth of the challenges that we face. As we seek to understand more fully the implications of changes now underway, however, we can already identify several important insights that should help guide policymakers devising a national security strategy and the structure that supports it, and I will talk about five

today.

The first key factor is the paradox of enduring super power status combined with lessening global influence. The United States will likely remain the world's sole super power for at least the next 15 years. As has already been stated by several others, the Nation boasts enviable demographics, economic and innovative capacity, natural resources, cultural reach, and of course, military power. At the same time, our Nation's ability to shape the behavior of other actors is lessening. How well the United States can wield power and how much it chooses to do so will vary by region, issue, and leadership. Non-state problems, for instance, are particularly difficult to tackle with existing U.S. foreign policy tools.

A second factor that shapes the likely U.S. role in the world is the constancy of American public support for international engagement. If there is one theme in American grand strategy that has persisted for at least the past 70 years, it is that taking a leading role in the world is generally to the benefit of U.S. interests. Those U.S. interests have themselves remained remarkably constant: ensuring the security of U.S. territory and citizens; upholding treaty commitments, to include the security of allies; ensuring a liberal economic order in which American enterprise can compete fairly; and upholding the rule of law

in international affairs, including respect for human rights. Each presidential administration has framed these interests somewhat differently, and of course, each has pursued its own particular path in seeking to secure them. But the core tenets have not varied significantly. An isolationist sentiment will always exist in American politics, but in the near future, it is unlikely to upend the basic consensus view that what happens elsewhere in the world can affect us at home and therefore requires our attention.

Equally important is a third factor that policymakers should take into account when thinking through the U.S. role in the world: a selective engagement approach to U.S. foreign policy is almost unavoidable. Despite the enduring, modern American consensus for international engagement, the United States has never had the wherewithal nor the desire to act everywhere in the world, all the time, or with the same tools of power. We have always had to weigh risks and opportunity costs and prioritize, and the current budget environment makes this problem even harder. Realizing greater security and military investment through increased budgets and/or more aggressive institutional reforms and infrastructure cost cuts should be pursued. And I am encouraged by this committee's attention to the connection between reform and realizing strategic ends.

Another imperative for U.S. national security strategy is to pursue an engagement and prevention approach. Driving long-term solutions, such as improved governance capacity in places like Iraq, takes a generational investment and typically a whole-of-government and multinational approach. Problems are seldom solvable in one sphere nor by one nation alone. The United States needs all instruments of power, diplomatic, economic, informational, and military, to advance its interests. It also needs to work closely with the private sector, NGO's, as well as allies and partners abroad. The United States has proven neither particularly patient for nor adept at such lengthy and multilateral strategies in part because it is difficult to measure the success of such approaches in ways that can assure taxpayers and their representatives of their value. Our national security strategy needs to put action behind a preventative approach, to include developing ways to measure the results of such efforts.

A fifth insight we are learning about the security environment is that opportunism by nations and other actors is alive and well. Although we have an excellent record of deterring existential threats to the United States, we face the deterrent challenge for so-called "grey area" threats. The United States must be better able to shape the calculus of states and actors that wish to test our response to

ambiguous challenges. This will mean clearly communicating our interests and our willingness and capability to act in defense of them. It also means carrying out threats when deterrence fails. Without that commitment, the value of deterrence will continue to erode and the risk of great power conflict will rise.

The five insights I list here are realities that American policymakers would be wise to take into account. They create imperatives for national security strategy and for the tools of foreign policy. Discerning the shifting nature of the international system and designing an effective set of American security tools within it are monumental tasks, but they are not unprecedented. It is the same task that faced the so-called "wise men" who helped shape the U.S. approach to world affairs at the end of World War II. Our circumstances today are equally challenging, requiring a similar reexamination of our strategies and capabilities for securing U.S. interests. Self-imposed burdens, especially sequestration, threaten to undermine our defense policy from within. Ensuring the Nation is prepared to lead effectively and selectively will require adequately resourcing any strategy we choose to pursue. Finally, successful national security strategy necessitates leadership from Washington and partnership with likeminded nations and entities around the world.

Thank you very much.

[The prepared statement of Dr. Hicks follows:]

Chairman McCain: Thank you very much.

I guess to pick up on what you just said, Dr. Hicks and members of the committee, sequestration is doing not irreparable but would you say most serious harm to our ability to address the challenges which you all have described? Would you agree, Dr. Hicks?

Dr. Hicks: I do agree. And I enjoyed Professor Cohen's comments on the QDR. I actually agree with them mostly. But the biggest problem with strategic planning today is not the failure of our QDR process, it is the inability to have any stability of foresight on what that funding profile looks like to create a strategy against it. It is paralyzing this Nation's ability to plan.

Chairman McCain: Professor Mead?

Mr. Mead: I would agree. It is very difficult to think of any positive things on sequestration. I would also emphasize that countries around the world are looking at that as a -- you know, can the Americans govern themselves? Can they actually adopt a serious strategy? How seriously should we take them? The message that we are sending by this paralysis is the worst possible one.

Chairman McCain: Professor Mahnken?

Dr. Mahnken: I completely agree. It is not just the budget cuts but also the consciously thoughtless way in which they are structured almost to cause the greatest

damage to the Department as possible.

Dr. Cohen: Without question. My colleagues have put it better than I could.

Chairman McCain: Before the committee, several witnesses were asked an interesting question. I have forgotten which Senator asked General Dunford, our new Chairman of the Joint Chiefs, what is our greatest area of risk or challenge. And some of us were interested to hear General Dunford, not the first one, saying Russia. I wonder, beginning with you, Professor Cohen, if you would agree with that.

Dr. Cohen: I would say Russia is a big problem, but I do not think you can actually do that. In fact, I would say the fundamental challenge that we have is that we have got multiple, major strategic challenges, Russia, Iran, North Korea, China, and the jihadists in particular, and not all the forces that we have to bring to bear on one are fungible against the other. And I think coming to terms with that fundamental fact that we are not really going to be able to say this is absolutely the number one is going to be particularly helpful.

I think I would probably say actually as problematic as Russia is, I worry even more about China in terms of a great power competitor. But my main point would be we have got a bunch of problems.

Dr. Mahnken: I think it is a difficult question to answer in a succinct manner. Russia remains the only country capable of annihilating the United States with its nuclear arsenal. So that qualifies. But Russia's power is waning, not waxing. So I would agree. Over the mid- to long term, I think China is a much greater challenge, a much greater multidimensional challenge to American power than Russia.

And then there is the growing rank of lesser actors that are, nonetheless, going to be able to do us great harm and may face much lower inhibitions to harming us, whether it is al Qaeda, its affiliates, a nuclear-armed North Korea with ICBM's, or Iran through its various proxies. So they are varied threats and they require varied responses.

Chairman McCain: Professor Mead?

Mr. Mead: Well, long-term I think I would agree that China certainly has greater power potential. But the very fact that Russia is a waning power means that I am afraid that President Putin is a man in a hurry. For him, the clock is ticking. China can look at any unresolved issue and say, you know, we can come back to this in 10 years or 20 years and be in a better position. The Russians -- I do not feel that they have that luxury and also for President Putin himself and the security of his regime, I think there is a closer connection between foreign policy success and

the stability of the regime. So that while Russia is not in potential the greatest threat to the United States, at the moment Russia is the great power which is devoting the most time and attention and is on the most aggressive timetable to try to compete with American power and displace it where possible.

Chairman McCain: Dr. Hicks?

Dr. Hicks: I think that is a very good way to put it. China clearly has the most power potential over the long term, but the actions, the intent being displayed by Russia currently is a far greater concern in the near term even though there are things that the Chinese are doing that are problematic to say the least. What Russia is doing in the near term creates significant problems for the United States with regard to its interests, particularly in terms of Article 5 commitments to NATO, but then also beyond that in the Middle East.

Chairman McCain: Senator Reed?

Senator Reed: Well, thank you very much, Mr. Chairman.

Let me thank the panel for an extraordinarily thoughtful presentation. Thank you very much.

Professor Cohen, one of the comments you made intrigued me. It is about the need or the ability to mobilize, and let me tie that to something else, which is, you know, phase III operations were incredibly effective. No one, I think,

does it as well. Phase IV, putting things together again, is where we see to fall down dramatically, and that is the longest and maybe most expensive part of the operation.

So when you are talking about mobilization, is that a subtle reference to the draft? And is it in the context of going forward, not individual soldiers and sailors, it is technicians, cyber specialists, engineers, all those people that can do phase III?

Dr. Cohen: Thank you, Senator. I do not think we are going to need a draft. I do not think it would be practicable.

But I think you have hit on a very good example of what difference mobilization thinking might have made. I think we should have clearly anticipated before the Iraq War that we were going to need major capacity in terms of military government. And you know, during World War II, we did a wonderful job of getting city managers, politicians, even future Senators into uniform in pretty short order, you know, 3 months, 6 months of training, and then they were out there doing it. There is no reason why you could not have done it in 2003-2004.

You know, I was struck right after 9/11. After that crisis, there is no question in my mind the United States Government could have tapped the service of just about any citizen in this country. And as Dr. Mahnken pointed out, we

have got an amazing array, unparalleled array, of talents. Our system was just incapable of doing that in the intelligence community, in the military. And it is not as though we have not done it before. We did it in World War II.

Senator Reed: Dr. Mahnken, Professor Mead, then Dr. Hicks, any comments?

Dr. Mahnken: No. I would agree. I think historically our military has been based on a relatively small active component and the ability to expand as needed. But in recent years, we have gone to a highly proficient, highly capable standing capability with not much behind it. That is true when it comes to phase IV, as you talked about. It is also true with the industrial base. Just think about when we needed to mobilize in World War II, all the industry that we were able to tap into to build tanks, to build bombers, to build ships. I hazard a guess that if we had to do that today, if we had to mobilize for an era of a protracted war involving precision weapons and cyber, we would have a much more difficult time doing it. We have just gotten out of the habit of thinking in those terms. For better or worse, we are going to need to get back into that habit.

Senator Reed: I would love to entertain comments, but my time is short.

One point that you raised, Professor Mead -- and I will get Dr. Hicks' comments also -- is you made the comment, you know, what would be the consequences of the $200 a barrel oil? One would be that President Putin would be in much better shape. So that sort of drives the other side of the argument, bluntly how do we keep oil at $45 so his aspirations are not funded by huge oil. And that raises the issue of part of the national security policy has to be a whole-of-government, including energy policy, proactive diplomacy, et cetera. If you and Dr. Hicks would comment on the general themes I would appreciate it.

Mr. Mead: Yes, sir, Senator. I think there is a connection in a way between the first part of your questions and this part, that the strength of the United States has been the strength of our society which, through a representative system of government, is not completely separate from what the government wants or does. This is the American people speaking and acting through many different institutions.

But absolutely the success of American energy policy, of regenerating our position as a major world producer of oil and gas, is an extraordinary example of the kind of strength that the United States brings to this multilevel, multifaceted strength. We do need to think consciously what is the connection between our energy policy and our foreign

policy. How do we, for example, ensure that some of our allies in Europe and Asia can rely on North America? We talk about our Canadian and Mexican friends also. North America is really positioned to be the swing producer in hydrocarbons for the 21st century. This can be an extraordinarily beneficial geopolitical reality. But our Government needs to be thinking together about what are the policies that make that possible. This is partly, sir, why I think some kind of office of strategic assessment in Congress that could pull together these very disparate ideas and considerations would be of enormous benefit.

Senator Reed: Could I ask for a quick comment from Dr. Hicks?

Dr. Hicks: Sure. I also think there is a lot of consistency both with your first question in framing it about phase IV, which is one of the clearest examples of how inadequate we are as a Nation pulling together the different threads of capability because phase IV operations are the place where you are trying to bring together the military instrument with development, diplomacy, one of those places where we try to do that. And we really struggle.

And similarly, we really struggle anytime the issue set demands that we cross our traditional stovepipe cultures inside either the executive branch or even committee structures and try to build coherent, integrated approaches.

It is a real challenge for us and it is getting worse, as I tried to point out in my statement, because the problem sets are increasingly testing us in those areas. We are not fast at it, and we are also not great at it even over a long period of time. But it is what the future will require.

Senator Reed: Thank you, Mr. Chairman.

Chairman McCain: Senator Inhofe?

Senator Inhofe: Thank you, Mr. Chairman.

First of all, with this committee's -- I would say the chairman -- I compliment him on the quality of people coming forth. My gosh, we had the very best minds in Kissinger, yesterday Bob Gates, the four of you. And I have to say this about your opening statements. Confession is good for the soul I guess. It is the first time that I have ever started reading opening statements, and I could not put them down. It was like a scary but true novel. And I appreciate the straightforwardness in which you have done this.

It is very clear I think to me -- and I will not ask you -- well, I will ask you to respond. We are in a weakened condition right now that we have not been in relative to the threat that is out there, at least in the 20-plus years that I have been here when you have the Chairman of the Joint Chiefs of Staff talking about how the risk is so great and we are so unready that it would be immoral to use force and you have the Vice Chairman saying

that for the first time in my career, we could be met with a crisis and we would have to say we cannot. And so these things are going on now, and I really believe it is true.

I like one of the quotes, many of the quotes, of President Reagan. One of them is none of the four wars in my lifetime came about because we are too strong. It is weakness that invites adventurous adversaries to make mistaken judgments.

Going across from you, Professor Cohen, do you agree with that statement?

Dr. Cohen: I certainly would. The only thing, though, I would say, unfortunately, is President Reagan did an extraordinary job presiding over a major defense buildup and very clearly and powerfully articulating American values.

Senator Inhofe: The question is strength.

Dr. Cohen: Right.

The one caution I would add is although I am very much of a view that we need some major plus-ups in the defense budget and I am very much in favor of Presidents articulating American values, we are not going to have something like the Reagan recovery.

Senator Inhofe: Thank you very much. I will not ask the rest of you that.

Professor Mead, you wrote back in 2013 -- I mentioned this to you before -- that Putin and Khamenei believe -- and

the quote was -- they are dealing with a dithering and indecisive American leader. That was 2 years ago. Do you still think they believe that? Is that still true today?

Mr. Mead: Senator, I am afraid they do believe that, and that I think is a factor in some of the risks they have been willing to run.

Senator Inhofe: Well, I think so too.

Dr. Kissinger, when he was here, he said the role of the United States is indispensable. At a time of global upheaval, the consequences of American disengagement magnifies and requires larger intervention later.

And, Professor Mead, are you not saying about the same thing in your statement when you said America is the secret ingredient that keeps this historically contentious rivalry-ridden area full of states of differing size, capacity, with different attitudes toward economics, defense, social organizations, and much less working together. Is that not simply what -- you are agreeing with Dr. Kissinger?

Mr. Mead: I am agreeing with Dr. Kissinger. I think if we look back at the 20th century, sir, we can see that even if we look at times the United States intervened and perhaps it was unwise and the results were not successful, overall far more people die, far more damage is done when the United States evades responsibility than when it moves forward.

Senator Inhofe: And thank you also for bringing up in your statement and restating it verbally when you talk about one of the United States' greatest advantages is our exceptional array of natural resources. You go on and talk about our shale revolution, things that we are in the middle of right now, and horizontal fracturing -- hydraulic fracturing and horizontal well drilling. By the way, the first hydraulic fracturing was 1948 in my State of Oklahoma. You probably knew that.

But with that being significant -- and then you end up that statement by saying do we sell LNG abroad. Do we end the ban on crude oil exports? I say resoundingly yes, because we want to keep this thing going. Would you agree with that?

Mr. Mead: Yes, sir. I think it is good national economic policy and good strategic policy.

Senator Inhofe: Thank you very much.

Professor Mahnken, my time is running out here. You talked about sharpening the tradeoff between guns and butter. I like that statement. I like the way you are saying that because that is exactly what we are doing right now with sequestration. Yesterday when Gates was in here, he talked about in 1961 defense consumed 51 percent of the budget in 1961. Today it is 15. Now, when we try to do something about sequestration, there is a demand by this

administration that you are not going put one more nickel back into defense unless you also put it into the social programs.

So I would ask each one of you the question. Do you think we have too much butter and not enough guns? Let us start with you, Professor Mahnken.

Dr. Mahnken: I think one of the core duties of the Government is to provide for the common defense. Nobody else can do that.

Senator Inhofe: That is what the Constitution says.

Dr. Mahnken: And so I think national security spending is key. Now, we can try to get more bang for our buck, and we can do that also on the butter side as well through reform. But it is an inescapable responsibility of the U.S. Government to defend the United States and its people.

Senator Inhofe: Professor Cohen?

Dr. Cohen: I do not know whether or not we are spending the right amount of money on butter, but I am quite sure we are not spending enough on guns.

Senator Inhofe: A good way of putting it.

Professor Mead?

Mr. Mead: I think Professor Cohen had it exactly right, sir.

Senator Inhofe: Dr. Hicks?

Dr. Hicks: I agree with that. Dr. Gates also had a

saying he liked to use both here on the Hill and also with his staff, which is we are a rich Nation. We are a capable Nation. We should be able to provide for the common defense at the same time we are providing for the citizens' needs at home.

Senator Inhofe: I thank all four of you.

Senator Reed [presiding]: Thank you.

On behalf of Senator McCain, Senator Hirono?

Senator Hirono: Thank you very much.

Secretary Gates yesterday and the panel today both acknowledged I think the elephant in the room, which is basically congressional dysfunction and our inability to eliminate sequester and to provide the kind of long-term decisions with regard to the budget that enable good planning to be done both on the defense and non-defense side. So that is our responsibility.

I was interested in Dr. Cohen's suggestion that we overhaul the current system for producing strategy documents because, as you all indicated today in your testimony, we are really living in an unpredictable environment and lots of things happen. And if we are just relying on a Quadrennial Review and those kinds of approaches, that may not be the best way to go.

So I would like to start with Dr. Hicks because I believe that you were involved in crafting the 2012 Defense

Strategic Guidance and the 2010 QDR. So would you agree that we should create a more flexible way to develop strategic documents to enable all of us to make better decisions?

Dr. Hicks: The Department absolutely needs a flexible way to plan.

I would say that the 2012 Defense Strategic Guidance process was an example of essentially what Dr. Cohen is arguing for, which is an incident- or situation-dependent desire and then creation of a strategy and associated budget outside of the QDR process. So the QDR process can keep going along if it is helpful for it to exist, but it cannot constrain strategic thinking in the Department. In point of fact, it does not. I think the key question is what is most useful in terms of documents or processes that the Hill would like to mandate upon the Department for its use. But in terms of the Department's own agility and ability, it needs to be doing that, and the DSG I think was an example of where it recognized that it could not wait for the next QDR to do a major strategy review. So it did one.

Senator Hirono: Well, that was in 2012. We are in 2015 now and lots of other things have happened. So has there been an update of the Defense Strategic Guidance?

Dr. Hicks: There has. There was a 2014 QDR. So you had a 2010 QDR, a 2012 DSG, and a 2014 QDR. So basically at

this point, we are on an every 2-year schedule.

Senator Hirono: Dr. Cohen, do you think that that is adequate?

Dr. Cohen: No. first, I think it is actually good to get rid of reports that consume an enormous amount of time and energy from people like my very talented colleagues, Dr. Hicks and Dr. Mahnken.

But also, I think there is a lot to be said for a white paper kind of system for two reasons. First, if you look at both the Australian and the French examples that I mentioned, they do a very good job of integrating both civilians and military together as opposed to having a process that is much more divided. The French, in particular, also do a much better job of holding some open hearings, getting some outside experts involved, and then producing a large and really quite serious document. And the Australians have done this as well. I think it is important some part of this be an open process, some part of it be a closed process. And you probably need something that would force the Government to do it at least once every -- I do not know -- 5 or 7 years, something like that. But I would be in favor of a much radical restructuring of how we do this.

Senator Hirono: So that relates to external to Congress' ability to engage in this kind of strategic

assessment, although that is what this hearing and hearings like this are supposed to do.

Dr. Cohen, do you have any response to the idea that we should establish a congressional office of strategic assessment as a tool for us?

Dr. Cohen: That is hard for me to say. You have the Congressional Research Service, which I have got a lot of respect for, and the CBO as well. I suppose the one thing I would be somewhat concerned about is how do you really keep things like truly nonpartisan. Now, in some ways, just this very panel, which includes both a former Obama administration official, two former Bush administration officials, and one genuinely nonpartisan expert -- and there is a lot of consensus here -- might be encouraging. But I think if I was in your shoes, that would be one concern that I would have.

Senator Hirono: I am running out of time. But I was very interested in all of you acknowledging that while Russia is moving ahead right now, maybe in the long term they are not as much of a challenge or concern for us as China. And although I am running out of time, I perhaps would like to ask you all, what do you think is the long-term strategy for China? Because if their intention is to become the preeminent power in the world from a multidimensional standpoint, diplomatically, economically,

militarily, how long is it going to take them to overtake the United States? If I can frame it in that way. Very briefly.

Dr. Cohen: Well, just real quickly, we need to remember the Chinese have some great weaknesses as well as strengths, demographic, economic, societal and so forth. But I would say the key for us is really three things. One, we really do need a robust military presence in Asia. You cannot substitute for things like gray hulls.

Secondly, it is working on a different set of alliance relationships than in the past to include developing a relationship particularly with India but also deepening the relationship with Japan and Australia.

And I think, thirdly -- and this gets to something that Dr. Mahnken said earlier -- it is very important to articulate American values. And I am not sure whether the phrase "political warfare" is right or something like that. We need to be much more forceful, I believe, than we have been in laying out those basic values of human rights and representative government and rule of law that everybody, Democrats and Republicans alike, really believe in. That is a very important part of our power in the world, and we should never forget that.

Senator Hirono: Well, if you do not mind, Mr. Chairman, can I have at least one other panel member just

respond? Who? Dr. Mahnken.

Dr. Mahnken: First off, I am not willing to concede that China is going to surpass the United States. I think we have had in our past all sorts of predictions along these lines that have not come true. But I think we should focus on what the aspects of China's rise are that really do concern us. And I actually do not think it is economic growth per se. I think it is the fact that China is a non-status quo power. It is the fact that China has expanded to its maritime littorals and threatened our territory and that of our allies. It is a whole pattern of behavior, and ultimately it is an authoritarian political system. I think if you were to get China to buy into major aspects of the status quo, to focus much more of its attention on the Asian continent rather than offshore Asia, and to be more pluralistic, the economic part of it would not matter nearly as much. And so if I am thinking about U.S. strategy for addressing China, I would be focused on those aspects of Chinese behavior and not merely China's rise or Chinese growth.

Senator Reed: Thank you.

On behalf of the chairman, Senator Ayotte.

Senator Ayotte: Thank you very much, Chair.

I want to thank you all of you for being here. This is very helpful and especially your written statements as well.

Professor Cohen, I was struck in not only your testimony here today but in your prepared statement that you predict that Iran will be armed with nuclear weapons that can reach the United States. So can you explain to me why you believe that conclusion is in light of what we have been told, that there has been a deal entered into that somehow is going to prevent Iran from having that capacity?

Dr. Cohen: Senator Ayotte, when I was at the State Department, I kept on my desk a 50,000 rial note, an Iranian bank note. When you hold it up to the light, what you see is the watermark. The watermark is the sign of an atom right over the center of the country, which tells you something about the nature of their commitment.

I think everything that we know about the Iranian program is they have had not just a very active enrichment program -- we all know about that, including clandestine dimensions -- but a very active warhead development program at Parchin and, of course, a very active ballistic missile program. And I understand the different positions people have taken on the current agreement. But under the best circumstances -- under the best circumstances -- 15 years from now, they really are out there free. They will be able to build a nuclear arsenal. And I believe that is what they will do. All of their behavior supports only that interpretation. And that is under the best set of

assumptions. We can have a long discussion, of course, about the agreement. I think that is the optimistic assumption.

Senator Ayotte: Can I also follow up with you, Professor Mahnken, related to Iran based on a statement that you have in your testimony that essentially says that Iran's missile program continues apace? And one thing I have been very interested in and focused on is the recent October 10th test by Iran of the ballistic missile capable of delivering a nuclear weapon. Of course, that has also been confirmed by Ambassador Powers, our U.S. Ambassador to the United Nations, as a clear violation of UN Security Council 1929.

And I have written the President about this, along with Senator Kirk. I wanted to get your thought on their testing. And if they do not believe that there are any consequences for currently violating UN resolutions on this topic that under this agreement apparently will not be lifted till 8 years, what are your thoughts on this violation and how should it be addressed?

Dr. Mahnken: Well, in a way the violation is not surprising. It is part of an ongoing pattern of behavior by Iran. We could extend this and talk about North Korea as well. They are both building intercontinental ballistic missile capability. And in the case of North Korea, they have the nuclear weapons, and in the case of Iran, they will

at some point likely get the warheads to go atop --

Senator Ayotte: I mean, just so we are clear, they want ICBM capability -- right -- because "I" is "intercontinental," as Secretary Carter shared with us, so they can hit us.

Dr. Mahnken: Yes.

Senator Ayotte: Or Europe.

Dr. Mahnken: Yes.

Senator Ayotte: They do not even need that to hit Europe.

Dr. Mahnken: Yes. They can already hit Europe.

And Iran and North Korea have a pattern of cooperation on a variety of matters as well.

So, yes, whether they get the warheads now or a few years from now, they will have the means.

Senator Ayotte: So here is my question I guess to everyone on the panel. Should there not be some consequences for if they are already testing in violation of the UN resolutions, which, I mean, there was -- I disagreed with the administration lifting the missile resolutions whatsoever in the 8 years. In fact, the Chairman of the Joint Chiefs of Staff said that this should not be done under any circumstances. But there does not seem to be any response from the administration. Should we not have a response? I would like to get everyone's thought on this.

Dr. Hicks: I will start on that. Obviously, I do not represent the administration.

But I think there is absolutely no doubt, whether it is Iran or others that we are trying to prevent from proliferating to nuclear weapons, we have to demonstrate that they are better off without nuclear weapons. In the case of North Korea, I think that has failed. I think the fact of the matter is North Koreans believe they are better off with nuclear weapons. That makes the challenge with Iran that much harder.

So putting aside the deal -- I am happy to talk about that, but putting that aside for the moment, I am in favor of the deal, but I do think there needs to be absolutely consequences to demonstrate that Iran sticking to its agreement and staying, if you will, inside parameters that are non-nuclear are very important to the United States and are important to Iran's own security.

Senator Ayotte: Other thoughts? And also, I do not view the ICBM issue as non-nuclear. Let me just say that.

Dr. Cohen: The Supreme Leader was very clever. He just announced that any kind of sanctions of any sort would invalidate the deal. So clearly, what the Iranians would like to do is to kind of be able to engage not just in this but in other nefarious activities without any consequences whatsoever. So I think even as a symbolic statement that we

are not going to accept that construction of this agreement, we need to do something.

Senator Ayotte: Any other comments on that? I know my time is up, but I know it is an important issue.

Mr. Mead: Well, I do think that in a sense the problem with the nuclear deal is that it does not solve our most urgent problem with Iran, which is its geopolitical ambitions in the region and, in fact, may provide Iran with more economic resources to pursue a destabilizing policy in the region, which it is clearly doing. And if we add then that we do not, at the moment, seem to have an active strategy of containing or offsetting or checking Iran in the region and then we add to that that we seem unable to come up with a response to a violation of a UN Security Council resolution, we are really inviting the kind of behavior from Iran that is very dangerous and would be very unwelcome.

Dr. Mahnken: I agree.

Senator Ayotte: Thank you all.

Senator Reed: On behalf of the chairman, Senator Shaheen.

Senator Shaheen: Thank you, Mr. Chairman, and thank you all very much for your very thought-provoking testimony this morning.

I just wanted to follow up a little bit on some of the budget uncertainty concerns that have been raised. Most of

you talked about it in the context of sequestration and the potential impact that that has on our defense budget. But do you agree that the current uncertainty around a budget in general for the country and uncertainty about our willingness to raise the debt ceiling and to invest in things like our infrastructure and our research and development, our educational system also contributes to our ability to address national security threats to the country? Professor Cohen?

Dr. Cohen: I guess I would say two things.

One, I think it is generally -- first, I think the core issues in some ways, in addition to the specific damage to defense planning, it is the reputational cost abroad, which I think is very real. Most people do not understand our system of divided powers. So they are frequently baffled by that. But I think, to the extent that there is a national security issue, what they are focused on, what they really notice is our inability to really have defense budgets and make long-term decisions. As a citizen, do I care about the nature of the political deadlock that we have here at home? Absolutely. But I think if you were to ask me in terms of the reputational issue abroad, that I am not as sure about.

Dr. Mahnken: Yes. What I get when I am abroad when I am speaking to allies and friends is that this reflects poorly on -- appears to reflect poorly on our ability to get

things done. Now, historically we have been able to get a bipartisan consensus on defense, even when there have been very profound disagreements on other things. And I think if we are unable to do that, if we are unable to push a defense budget forward and get it signed, that will be yet another distressing sign to many of our allies and maybe comforting to those who wish us ill.

Senator Shaheen: Do either of you disagree with that?

Dr. Hicks: I do not disagree. I just wanted to add that the -- which I think will be shared by others, that the long-term security of the country also relies on having strong education systems and innovation and a tech sector that is vibrant, infrastructure that functions and is above a D grade level for the Nation. All those things also matter in the long term, as does the debt ceiling, the national debt.

Senator Shaheen: Professor Mead?

Mr. Mead: Yes. I think there is a certain reputational damage internationally that we seem -- you know, if we are unable to agree on a basic budget, but it becomes much more focused when defense is part of that general imbroglio. So we need to think about how do we -- well, we may also need to sort of try to carve up the defense budget a little bit. There are sort of payment of past wars, which would be veterans benefits and pensions and

things like that, and then what do we need to do to fulfill our needs right now and possibly there are ways to think about those things in budget terms. I am not sure.

But in any case, there is a reputational damage to us and to the idea of democracy when the United States appears unable to manage its own affairs well, but it is exacerbated when our defense budget is made a kind of a political football.

Senator Shaheen: Thank you.

The 2015 National security Strategy states that -- and I am quoting -- climate change is an urgent and growing threat to our national security, contributing to increased natural disasters, refugee flows, and conflicts over basic resources like food and water. Do you all agree? I was surprised that nobody mentioned this as part of potential threats to not only our national security but to the global world order. Does anyone wish to comment? Dr. Hicks?

Dr. Hicks: Thank you. It is in my written statement. I did not highlight it in my brief oral statement. But in my written statement, I do talk about the effects of climate change increasingly as a national security issue. I might use different adjectives than were used in the National Security Strategy, but for certain, there will be increasing conflicts over natural resources. And of course, we have the effects on the Arctic, especially as it becomes ice-free

over the summers by mid-century as predicted. That creates a whole new challenge space with scientific and commercial vessels and, of course, military -- the possibilities of military use in the Arctic.

And then to the extent that you have at the same time the effects of mega-city growth and urbanization happening, which is largely happening along waterways -- on the littorals is where those mega-cities are going. To the extent that countries and states are not able to control and govern those areas well when disaster hits, I do think it greatly increases some of the risks in areas that the United States may decide it needs to care about with military force.

Dr. Cohen: If I could, I think I actually disagree in that not all really important issues are national security issues. Environmental degradation is important. Climate change is important. Education is important. But I think there is a real danger -- we can end up just diluting what we mean by national security and take our eye off the ball.

I remember when the Commander of Pacific Command got up and said climate change is the most important national security threat we have got, my reaction was, you know, your job is really to be focused on China and let other people deal with climate change.

So I think particularly if this committee is going to

stay focused on the central task, I think it should be focused on issues which really involve the use or potential use of force. And although they may be indirect connections between climate change and use of force, I think we run the risk of blurring our focus if we extend it too widely.

Senator Shaheen: I am out of time, but I would respectfully disagree with you. I think when we have reports that come out that show that China is losing its wetlands at a rate that means that it is no longer going to be able to feed its population, that it is going to look elsewhere to do that and that that will have significant security risks. So while I appreciate what you are saying, I think if we are talking about a national security strategy that focuses on things like energy, that we certainly ought to be focused also on the impact of the threats to our climate.

Thank you, Mr. Chairman.

Chairman McCain [presiding]: Senator Sullivan?

Senator Sullivan: Thank you, Mr. Chairman.

And thank you, panelists. It is a really, really impressive display of knowledge here.

Professor Cohen, just to be clear, you mentioned what the Supreme Leader had recently said. It is actually in the agreement that any type of reimposition of sanctions allows Iran to walk away from the deal. That is in the agreement.

So our administration negotiated that. The Senators who voted for this agreement agreed with that. I think it is outrageous, but it is in the agreement. It is not just what they are saying. So I just wanted to be clear on that.

I really appreciated all of you talking about the advantages that we have, the comparative advantages that we have. I do not think that is emphasized enough.

And, Professor Mead and others, your focus on energy is also one. You know, we have had General Jones, former NATO Commander, Commandant of the Marine Corps. Even Secretary Carter has come here and talked about how important energy is. And yet, we cannot put together an energy strategy at all with this administration because I just think they do not like hydrocarbons. They do not like talking about exporting LNG and oil. It is not only a way to create jobs and energy security in America but to dramatically increase our national security. So I think we need to do that. And I appreciate all of you talking about that.

You know, the other issue that I was surprised did not come up at all -- as a matter of it, it is something that as a new Senator I do not think we talk about nearly enough -- is economic growth and the importance of that. You know, we have had this recovery which is by any historical measure the most anemic recovery in U.S. history, about 1.5 percent, maybe 2 percent GDP growth if we are lucky. They call it

the "new normal" here in Washington, which I think is a very dangerous comment, dangerous idea that we should be satisfied with growth that is so traditionally off the 4 percent GDP growth standard that we have had for at least 100 years in this country.

How much better would our national security be if we were able to bust out of this 1.5 percent growth and get back to traditional levels of American growth, 3.5-4 percent GDP growth?

Dr. Mahnken: Quite honestly, Senator, at those levels of growth, many of the discussions that we are having in Washington, D.C. right now about guns versus butter would not exactly go away, but would become much less pressing. I mean, what has enabled China's tremendous military buildup? It has been a booming Chinese economy. What has stymied the Russian military since the end of the Cold War? It has been variable economic growth. So you get economic growth up. It is a lot more resources, including for national security.

Senator Sullivan: I am going to address a much more specific issue. We have been talking a lot about China, and we have had a number of -- the PACOM Commander and Secretary Carter talking about the importance of being able to sail, fly anywhere we want. And the Secretary gave a very good speech in Singapore. The chairman and the ranking member and I were there at the Shangri-La Dialogue where he talked

about that submerged rocks do not provide sovereignty that we need to respect.

So there has been a lot of discussion about sending Navy ships within the 12-mile zone of these islands. As a matter of fact, you probably saw last week a lot of leaks in the paper -- I am not sure where they are from -- saying we are going to do this any moment. And yet, we are here -- and I at least heard a rumor that maybe Secretary Kerry vetoed that because they want to get better negotiations in the climate change negotiations with China.

If that is true, if we are saying we are going to do this, we are going to do this, we are going to do this -- the military clearly wants to do this Admiral Harris pretty much implied in testimony here. And then they leak it. We are going to do it any minute. And then we do not. What is that going to do to our credibility in Asia and what is that going to do with our credibility with regard to the Chinese? But importantly, what is that going to do to our credibility with regard to our allies in the region who, to be honest, are quite supportive of a little more American leadership in the South China Sea? And I open that up to everybody.

Dr. Cohen: I completely agree with that. It is going to be very important for us to sail within 12 miles of those new Chinese bases. I think what your comment brings out is there are really two dimensions to think about these

strategic issues. You know, there is the material side, how many ships were deployed, war plans, that sort of stuff. But there is also a reputational side. And I think we need to understand that reputational dimension of our national security posture and pay attention to it because it has taken a beating in recent years.

Dr. Mahnken: And I agree. You know, whether we should be trumpeting the facts or not, we should be doing it. We should have been doing it all along. The United States has a decades-long commitment to freedom of navigation, and the United States has during that period undertaken objectively must riskier operations to demonstrate freedom of navigation, including against the Soviet navy in the height of the Cold War. The fact that we appear unwilling to do it under these circumstances does not serve us well.

Senator Sullivan: Professor Mead?

Mr. Mead: Certainly freedom of navigation is a key to America's global position, to our vital interests, to those of our allies. We cannot leave anybody in doubt around the world about how seriously we take this. If you look at the history of American wars, the single largest cost of America entering into foreign wars historically has been a tax on our shipping abroad, really going back to the War of 1812. And if we seem uncertain or hesitant about this, people overseas may well conclude that we are hesitant about many

other things. It is a bad signal to send.

Dr. Hicks: I completely agree, and I would particularly associate myself with the way that Dr. Mahnken formulated it. You do not wait for a crisis. You need to be routinely exercising this freedom of the seas.

Senator Sullivan: Thank you.

Thank you, Mr. Chairman.

Chairman McCain: We have a couple of our members who are on their way back as well, including one of the more older and senile members. So we want to keep this open.

But in the meantime, Senator Kaine.

Senator Kaine: Thank you, Mr. Chairman.

Thanks to all of you. Your written testimony was very, very good. Because of other committee hearings, I missed a lot of the Q and A.

But I just kind of wanted to get you all to address an issue. Sunday, this Sunday, is the 70th anniversary of one of my favorite moments in presidential history. Harry Truman, who was a great wartime President, nobody's softy by any means, on the 25th of October 1945 called the press corps into his office, and he showed them that he had redesigned the seal of the presidency of the United States. The seal had changed over time, but the basic features of the seal were the eagle with the olive branches of diplomacy and peace in one claw and the arrows of war in the other.

FDR had actually started the project, but he had completed it to create a seal where the eagle faces to the position of honor to the right but faces the olive branches of diplomacy and peace instead of the arrows of war. And that was a change from earlier tradition.

Now, Harry Truman was nobody's softy. He had fought in World War I. He had made very difficult decisions, especially maybe the most momentous single decision a President has had to make, which is whether to use the atomic bomb with respect to Hiroshima and Nagasaki. But he definitely believed that America is the kind of nation that should always lead with diplomacy, that strong diplomacy actually increases your moral authority if you have to use military action. But he also believed it the other way too, that strong military power increased your ability to find diplomacy.

I would wonder if each of you would just address -- and then Truman, you know, true to form -- and other Presidents since this have done that -- have really viewed the levers of American power to include in a significant way multilateral diplomacy, whether it was his role moving forward with the UN or the creation of NATO or the creation of the International Monetary Fund. And we see issues today. We go up to the Trans-Pacific Partnership or a deal with Iran that is a multilateral deal. The U.S. has been

the principal architect of the post-World War II edifice of rules, norms, and institutions. We have benefited from that, but the whole world has benefited from it. I sometimes worry that our commitment to these sort of multilateral, broadly diplomatic efforts is either fraying or maybe we do not completely get the benefits that we have achieved by it.

But I would just like as an element of kind of the way we should look at the challenges that you each laid out in our National Security Strategy, if you would talk about the role of the U.S. plain leadership in kind of broad, multilateral -- this post-World War II, multilateral, diplomatic effort.

Dr. Cohen: Senator, if I could add a little gloss to that story. Winston Churchill traveled with President Truman across the United States in the presidential train to give the Fulton Address. And President Truman showed him the redesigned seal, and Winston Churchill's response was, I see the point but I think the eagle's head should be mounted on a swivel --

[Laughter.]

Dr. Cohen: -- to point either to the arrows or to the olive branch as required. And I think actually that is really the right approach.

Diplomacy is a very important tool. It is a tool of

foreign policy, as indeed is military power.

More immediately to your point, I think it is really important to remember that multilateral diplomacy is not an end in itself. That is all it is, a tool. And I think a kind of reflexive multilateralism could get us in trouble. Again, I would cite, as I did in my testimony, the example of introducing NATO into Afghanistan, which was a big mistake.

The challenge I think we are going to have, particularly in Asia, is going to be knitting together a different set of multilateral relationships particularly with partners that we have not worked as closely with before, and the key one is India. That is a matter of personal interest. So I think there are going to be a lot of challenges for American diplomats ahead, working very much in conjunction with the American military.

Dr. Mahnken: I think multilateral diplomacy is most effective and has been most effective historically when it is backed by military strength. And I am concerned today that the fraying of multilateral diplomacy I think can be traced back to some of the erosion of our military strength. Look at NATO today. Is NATO more healthy today with or without strong U.S. support? We were talking about the South China Sea just a minute ago. We support multilateral resolution of competing claims in the South China Sea. Is

that more likely if we choose not to challenge China's creation of artificial features, or is it more likely if we do respond vigorously? I think the latter is the case.

Mr. Mead: Well, Senator, when I think about this and actually that image of the eagle and the two claws with different offerings, it struck me earlier in this hearing this morning that if we think about the American position vis-a-vis China, to take one of the issues we have discussed, I think we need to be presenting as a country to China the idea that there are two choices. There is the olive branch, that is, if China chooses a path of peaceful integration, trade with the world, becoming more and more a responsible member of the international system, the door is open to a kind of continued growth of prosperity, security, respect, influence that is extraordinary for China in the same way, say, for Germany and Japan after World War II. The option of integration and cooperation gave them a future brighter than could have been imagined. And then, on the other hand, there is the other choice, and that other choice is risky, dangerous, costly, ugly.

The eagle needs to make both of those statements as clearly as possible, not letting one overshadow the other, but the Chinese and others need to understand cooperation with the United States will make your life significantly better for you, your people, your country's place in the

world. Opposition will make no one happy. And as long as we can send that message, then I think we have a reasonable chance that things may go well.

Dr. Hicks: So I am not willing to give up any tools of national power. I do not think any of the other folks are either. I want as many as possible. So I put as many arrows and I would pull those claws together more frequently so that they are integrated and we are thinking through how the various instruments can operate together.

To draw on Dr. Cohen's comment, we really do have to be thinking about the multilateral structures that we have developed under U.S. leadership, adapting them where we can, but also going beyond them where we need to. And Asia is a place where we can start to build, I think, some new approaches with our allies and partners, and we do need to have a strong NATO in Europe but think through how that transatlantic relationship might have to go beyond simply the NATO piece which is confined somewhat to the military sphere.

So I would rather have all the instruments together, and they do mutually reinforce one another, as you suggest.

Chairman McCain: Senator Cotton?

Senator Cotton: Thank you all very much for your very important and quite interesting testimony this morning.

Professor Mead, I want to go back to an answer you gave

in response to Chairman McCain's question about our gravest threat in the world. Many generals and admirals, as you know, have said that Russia is our number one enemy and that is in part, implicitly they have said, explicitly they have said, because of Russia's nuclear arsenal also because of Putin's highly personalized source of autocratic power. Many of the witnesses this morning said that it is China that is the rising power, that China is going to be the long-term challenge that we face.

I heard a little bit of a dissent from you, that Russia, because of the highly personalized power, because of their nuclear arsenal, but also they are a declining power actually poses a more immediate threat to the United States. Is that correct?

Mr. Mead: Yes, Senator. You know, it is that Russia is in a hurry. A power that can afford to be patient, can delay provocative actions, can time its strategy, and can actually sort of temporize and make agreements, but a country that feels it does not have time on its side is a country that is going to move quickly. And for President Putin, I think he feels if he does not act now, when can he act. When he began this process, the price of oil was much higher. He sees the European Union in disarray because of the euro crisis and other things. He sees the United States perhaps turning away, at least temporarily, from some of the

global engagement that we saw in the past. And so I believe he saw an opportunity and felt he had no choice but to seize it.

While the Chinese might -- for example, suppose we are successful in demonstrating our commitment to freedom of navigation in the South China Sea. They might move away. We have seen actually the Chinese have moderated vis-a-vis Japan and have stopped being quite so provocative in the north, even as they continue to push in the south. So there is a little bit more flexibility there.

Senator Cotton: You said that he has got a limited amount of time. He is in his early 60's. And the last time I watched him playing hockey or riding a tiger in a judo outfit, he seemed to be in pretty good health. And given the longevity of dictators, maybe we can be looking at another 20 to 25 years of Vladimir Putin. So could you say a little bit more what you mean about a limited amount time?

Mr. Mead: He is not worried about term limits curtailing his period in the Kremlin, no, or his own old age. But his concern is actually for Russian national power. Russia, since the Cold War, has failed to develop an effective modern economy. It remains a gas station rather than an integrated economy. Without hydrocarbons, it does not have levers.

At the same time -- and we should not forget that the

rise of China is a much more worrisome thing for Russia than it is for the United States. And we can think about historical claims that China has to Russian territory in the Far East. We can think just in general about an empty Siberia facing a rising China that Russia is concerned. The rise of jihadi ideology is a much greater threat to Russia with not only a large internal minority of sometimes alienated Sunni Muslims, but also its interest in Central Asia, its historical concerns there.

So Russia looks at a threatening international environment. From Putin's point of view, if you are going to have a kind of a center of geopolitical power somewhere between Berlin and Beijing, he feels he has a limited amount of time to build this. The odds are not in his favor. He needs to move quickly. He needs to move aggressively. One could compare him in some ways to General Lee in the American Civil War who felt that in a long war, his side would lose. And so even though he was strategically on the defensive, he had to try things like the attacks at Antietam and Gettysburg to have a hope of winning the war. He had to be a dazzling tactician to overcome the balance of forces which was not in his favor. I think President Putin is thinking in those terms, Senator.

Senator Cotton: The long-term confrontation that we have with Russia -- today we have it. We had it throughout

the Cold War. But the class of interests has been clear. I mean, Tocqueville wrote at the end of the first book of "Democracy in America" that because of our modes of thought and our social organization and points of departure, it is inevitable that we would each hold half the world's hands in our futures.

Given that long-term rivalry, what would an ultimate integration of Russia into the world system look like? How might the United States help bring that about?

Mr. Mead: Well, I think the most interesting possibility is that if we can help the people in Ukraine who want to modernize and build a modern, law-based, commercial free state in Ukraine and free society, that would demonstrate to millions of people inside Russia that Orthodox Slavs do not have to accept dictatorship, poverty, hostility, that kind of thing, that in fact the ideas that have created prosperity in France and Germany, Poland can also work in Russia. There is a place where we could show the Russian people that they have a different choice. The future can be different. I think it is in Ukraine. I think it would be a tragedy if we do not do what we can to help the Ukrainian people build the kind of future they seem to want.

Chairman McCain: Senator King?

Senator King: I want to welcome you as unpaid faculty

members of McCain University.

[Laughter.]

Senator King: And I want to compliment the chair, seriously. Abraham Lincoln was once asked what he would do if he were given an hour to split a cord of wood, and his answer was I would spend the first 15 minutes sharpening my axe. And these hearings have been the sharpening of our intellectual axes rather than just doing and voting and working on the details to give us a chance to reflect and think with you on some of these larger issues. Secretary Gates, Henry Kissinger, Madeleine Albright, Brzezinski -- has been really illuminating and very helpful.

Dr. Mead, I want to take off on something you just said, which I think is incredibly important, and it goes to this issue of sequester and how we balance the relief from sequester. It has been characterized that it is defense or social programs. I do not consider the FBI a social program or the Department of Homeland Security or NIH or the infrastructure of our country, law enforcement across the country. And you made the point that ultimately the power is in the strength of the economy and the strength of the society, not just in guns and jet airplanes. Would you agree with that?

Mr. Mead: Yes, sir, I would. I think, though, you are going to have to -- in Congress you have to think about

this, that we might talk about there are essential costs. And I do not think all of those essential costs are necessarily defense costs. But are we going to say that every dollar the Federal Government spends is of equal importance to every other dollar, that there is nothing that cannot be treated --

Senator King: Of course, not, and I do not think anyone asserts that.

But Dr. Hicks used one of the most wonderful phrases. It is going to become part of my lexicon, that the sequester was consciously thoughtless. "Consciously thoughtless." What a wonderful phrase. And we need to go back to the history of the sequester. It was designed because in 2011, they could not figure out where to get the last trillion dollars of deficit reduction. So they said you, Congress, through the special committee, will find the solution, and if you do not, we will give you this consciously thoughtless, really stupid alternative that no one will want to have happen, and therefore, you will find a solution. Somehow over the years, it has metamorphosed into holy writ that somehow the sequester is part of the deficit reduction strategy when in fact it was a part of the incentive to drive us to a better solution involving all sides of the equation. That was why it was developed that way.

But I think the idea that we have to choose between

defense and non-defense -- and the point I was making about the FBI and Homeland Security is there are national security items that will be affected by the sequester.

Dr. Hicks, you talked about migration in Europe as being a national security threat, the greatest migration. I worry that looking into the future, migration, not necessarily because of Syria but because of economic conditions in the developing world, can be a huge national security problem for this country and for Europe. People are going to want to get from poor places to rich places. We dealt with this on the Mexican border a year or so ago with these undocumented immigrants from Central America trying to escape dangerous, hopeless places.

Do you see this as a long-term issue? I just see pressure building up as people can see how much better it is and they look around and they say my government does not work and it is hopeless and there are no jobs and I am going to get out of here.

Dr. Hicks: I do think it is a long-term issue. It has also obviously been an issue throughout the course of human history. So we should not expect that the future will be better in this regard. And it depends so much on the strength of the societies into which these migrants are moving and, of course, the strength of the societies to keep them from wanting to move. And that gets to the point I was

trying to make in my statement about having these long-term approaches, to be able to think long-term about where you might see such an impetus and how the United States, along with likeminded nations, can help nations strengthen themselves against that kind of tendency or current of migrants is important and then on the receiving end.

Senator King: Interestingly, illegal immigration from Mexico has declined over the last several years, mostly because of improving economic conditions in Mexico. I think that is exactly the point that you are making.

I have to mention that I recently learned -- we talked about China, a lot of talk about China and what their society is like -- that their government will not allow the Magna Carta to be publicly displayed, and to fear an 800-year-old document written in medieval Latin strikes me as a real indictment of their confidence in their system.

I want to thank you all again for your testimony. Very illuminating, very helpful.

Thank you, Mr. Chairman.

Chairman McCain: Thank you, Senator King.

I would just like to ask one kind of mechanical question. As you know from your testimony today, many of these challenges transcend international boundaries. I think it was much simpler 30-40 years ago when we set up these various combatant commands. Do you think that that is

now applicable? Should we look at a reorganization of this kind of situation, which was really far more effective in the days of the Cold War when we had a European Command, a Pacific Command. Now we have a proliferation of commands actually. Every time there seems to be a crisis, we create another command and, by the way, another four-star general. But maybe we could ask if you have specific thoughts on that, beginning with you, Dr. Hicks.

Dr. Hicks: Sure. As I know you know, no less than every 2 years, there is an effort inside DOD to look at the unified command plan. But the effort that goes into the strategic piece of that, I would say, is not -- I guess the word "anemic" might come to mind, which is a little unfair. But I think it is very good for you to think about this issue strategically. Too often people think of this as a budget cutting issue, and there is not a lot of money to be made on the combatant command side. So coming at it from the strategic perspective of what is the presence that the United States needs in the world and what is the role and responsibility of the unified commands is important.

Having said that, every time we have played with changing the UCP tremendously in a way to take down commands, I think there has always been a little bit of a regret factor. And this goes overall with any kind of structural changes that you think through. You always have

to be thinking to second and third order effects, you know, what are the downstream consequences that break more value than I gain by the rework.

So we did things like stand up, of course, U.S. Northern Command. There has been talk over time about taking that down. We have talked about taking down AFRICOM or even merging EUCOM, because Europe was not important, into AFRICOM, and then suddenly the Russians are important, and in the case of NORTHCOM or SOUTHCOM, the same type of thing can happen.

So I do not have a particular change I would recommend right now. I think it is important to always be thinking about it, to be open to changes, but to be thinking about, much as I think Professor Mead said about not being able to discount a region of the world -- you know, life is going to surprise us. And we should have combatant command structures that are flexible and adaptable to the future.

Chairman McCain: Well, thank you.

Before you answer, Professor Mead, I think probably the most graphic example of this is NORTHCOM and SOUTHCOM. When we have an immigration problem or a drug problem that begins in Colombia, should the problem be handed off from the Guatemalan-Mexican border to those that look at Mexico, I mean, and Canada? That to me is a graphic example of redundancy. Maybe I am wrong.

Go ahead, Professor.

Mr. Mead: Well, Senator, I am no expert on military organization, but I just would say that when the world is changing as quickly as it is and the kinds of issues that we face are becoming more difficult, more complicated all the time, it would be unusual if we had invented in the past a structure of organization that never needed to be reformed. And I also think that from inside a bureaucracy, it is unlikely that the kind of reform that one would seek would naturally emerge. So I think without committees like this one and external reviews, I think it is unlikely that our military structure would be suitable to what we need. So I wish you every success as you think about this.

Chairman McCain: Professor?

Dr. Mahnken: Like Dr. Hicks, I am the grizzled veteran of multiple unified command plan revisions, and I am also a survivor of the creation of AFRICOM. And I would actually urge you, I think, and the committee that it might be worthwhile to take a look at the birth and the growth of AFRICOM because that was a command that was intended from birth to be different, to be small, light footprint, and yet I think as it has evolved -- and I think this is a very understandable tendency -- it has come to be much more of a command just like any other. And so I think there are very real tendencies that drive these commands to be bigger, more

expansive.

Chairman McCain: More staff.

Dr. Mahnken: Exactly. More aircraft flying around various places. And so any reform effort I think really needs to take those very real considerations into account.

Look, I think the challenges that we have outlined -- many of them are truly global challenges. Our concerns about China are not solely focused in the USPACOM AOR. They extend to Africa. They extend to the Central Command region. They extend to EUCOM, also to NORTHCOM as well. The same thing with Russia. And it is worth remembering that in the Cold War, when we were focused on the Soviet Union, the Soviet Union itself was not part of a combatant command.

So I think we do need to rethink these things, and I would certainly commend you and the committee for their efforts to do that.

Chairman McCain: Thank you very much.

Professor Cohen?

Dr. Cohen: I would agree that one of the sure indicators of military sclerosis is a multiplication of headquarters. Just look at NATO. Every time there is a crisis, including the recent crisis, the response is let us create another headquarters. You know, what is at the point of the spear may be an armored company going on a driving

holiday somewhere in Eastern Europe, but it is not generating real military power.

I would add a couple of things. One is we are increasingly moving into a world in which regional powers have global reach, and this segmentation actually gets in our way. And this is not new. Think about the Iranians and the Buenos Aires bombing. But this is just going to get worse. So we are going to be dealing with regional actors who will be operating across multiple commands.

The third point I would make -- and I am sorry Senator Kaine is not here -- the multiplication of these COCOM's with rather grandiose headquarters and fleets of G-5's and so forth actually diminishes in many ways the potency of our diplomacy because the assistant secretary gets kind of dumped out of tourist class in the back of a commercial flight. The COCOM comes in with a fleet of airplanes, you know, a vast retinue. Guess who the locals pay more attention to? So I think that is a third issue.

The last thing I would say is, as you can tell, I think this is very much worth looking into. DOD will flinch from this because of all the equities involved. So this is something that really needs to be looked at from the outside. It would have to be a very, very serious look. It would not, I think, be the kind of thing you could do in this setting, but something that would be really worth

commissioning a hard look at, perhaps coming up with multiple options. Absolutely, I think it would be a great idea.

Chairman McCain: Well, I thank you. I want to apologize to the witnesses that we are having votes on the floor, which accounts for the rotating presence here.

It has been very helpful, and we will continue these series of hearings. And at some point probably I would imagine, maybe in the month of December, we will start floating some proposals on this whole issue of reform, and we will be calling on you to give us your best advice and counsel.

It is my intention -- and I am happy to tell you that this committee, as you know, has a long tradition of bipartisan behavior -- that we will be working together to try to address these issues that cry out for reform. And when we look at the numbers, the hearing that we had with Secretary Gates showed some very interesting trends, decreases in brigade combat teams, increases in staff, personnel costs, all of those things. It is a little bit like in some ways our entitlement programs overall. We all know that by 2035, or whatever it is, we will be paying for the entitlement programs and interest on the debt. If we do not stop this dramatic increase in non-essential, non-warfighting costs, we are going to be facing a similar

situation.

And by the way, I also have been and will be working closely with Chairman Thornberry in the House. Despite our superior feelings, we do have to work in a bicameral fashion.

So I thank all of you for being here. It has been very helpful, and we will be calling on you in the future. Thank you.

This hearing is adjourned.

[Whereupon, at 11:52 a.m., the hearing was adjourned.]