

Stenographic Transcript  
Before the

COMMITTEE ON  
ARMED SERVICES

## **UNITED STATES SENATE**

HEARING TO RECEIVE TESTIMONY ON THE FINDINGS AND  
RECOMMENDATIONS OF THE COMMISSION ON THE  
NATIONAL DEFENSE

Tuesday, November 27, 2018

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

3           Chairman Inhofe: Meeting will come to order.

4           I want to thank the members of the Commission,  
5 especially the co-chairs, who are our witnesses here today,  
6 for what they've put together. I've had occasion to be  
7 involved in different analyses of our comparative strength,  
8 our threats. Since 8 years in the House Armed Services  
9 Committee and 24 years in the Senate Armed Services  
10 Committee, I've not seen anything like this before, as I  
11 said to you individually, to see the blatant honesty,  
12 straightforward approach to the problems that are out there,  
13 something that, quite frankly, that most of the American  
14 people are not aware of.

15           Their bipartisan report makes clear that our Nation  
16 confronts stark choices. It says -- and I'm quoting from it  
17 now -- "The United States confronts a grave crisis of  
18 national security and national defense. The primary duty of  
19 the Federal Government is to defend the American people,  
20 American territory, and American interests abroad." It goes  
21 on to say -- and I'm still quoting -- it says, "The  
22 strategic landscape is growing steadily more threatening,  
23 combined with the fact that America's longstanding military  
24 advantages have diminished." We are now in the national  
25 security crisis predicted by both the 2010 Quadrennial

1 Defense Review Panel and the 2014 panel. And we remember  
2 that very well. So, it's not any surprise, but it's  
3 straightforward and honest and timely.

4 To address our present national security crisis and  
5 restore America's eroding military advantage, we've got to  
6 fully resource and implement the National Defense Strategy.  
7 If we fail to do it, we must be prepared to endure the  
8 American casualties, and even possible defeat, in wars that  
9 we could have been -- could have been avoided.

10 In particular, I'm troubled by the Commission's  
11 unequivocal assessment that our defense strategy is not  
12 adequately resourced, that we are very near the point of  
13 strategic insolvency. The Commission -- and that's why  
14 we're here today; we do have a crisis -- the Commission  
15 report is unambiguous. America's fiscal problems must not  
16 be solved on the backs of our troops. Deep reductions in  
17 defense spending by previous administrations have had a huge  
18 effect. And just to be specific -- and it's one -- I'll  
19 actually read this out of the report so I don't do it  
20 inaccurately -- the problems that we have had is, between  
21 the two fiscal years of 2010 and 2015, we have had a  
22 dramatic reduction, in terms of constant dollars. I'll read  
23 from the report, "Constant-dollar defense spending in  
24 estimated 2018 dollars fell from 794 billion in fiscal year  
25 2010 to 586 billion in fiscal year 2015, according to the

1 U.S. Government statistics. In percentage terms, this  
2 constitutes the fastest drawdown since the years following  
3 the Korean War." That's how serious this is. We got  
4 ourselves in this mess; we have to get ourselves out of this  
5 mess.

6 And the National -- and this is significant -- the  
7 National Defense Strategy, which I'm -- strongly support,  
8 it's a blueprint to address the world as it is now. And the  
9 Commission's report is a blueprint to implement the National  
10 Defense Strategy. The report points out that the country's  
11 strategic margin for victory has become distressingly small.  
12 Sending our men and women into harm's way without the  
13 training, the equipment, and the resources they need to  
14 succeed is morally irresponsible. And that happened. We  
15 know that when we sent our troops into -- in the Brigade  
16 Combat Teams, only 30 percent of them could actually be  
17 deployed. In our Army Aviation Brigades, only 25 percent  
18 could be deployed. We saw what happened in the maintenance  
19 of our F-18s that our marines were flying. And so, we were  
20 not adequately resourcing the equipment, and maintaining the  
21 equipment, and modernizing the equipment that our troops  
22 were using.

23 The Commission advises that we have a need for  
24 extraordinary urgency in addressing the crisis of national  
25 defense. And I agree. I'm personally very proud of the

1 Commission's courage to identify the threat and the urgent  
2 needs.

3 Senator Reed.

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

3           Senator Reed: Well, thank you very much, Mr. Chairman,  
4 for your comments and for holding this very important  
5 hearing.

6           Chairman Inhofe: Let me interrupt.

7           I'm going to interrupt the Ranking Member, because we  
8 do, I've been informed, have a quorum right now, and they  
9 have a way of disappearing at awkward times.

10          [Laughter.]

11          Chairman Inhofe: Since a quorum is now present, I ask  
12 the committee to consider a list of 1592 pending military  
13 nominations. All of these nominations have been before the  
14 committee the requested length of time.

15          Is there a motion to favorably report the list of 1592  
16 pending nominations to the Senate?

17          Senator Reed: So move.

18          Chairman Inhofe: Is there a second?

19          Senator Shaheen: Second.

20          Chairman Inhofe: All in favor, say aye.

21          [A chorus of ayes.]

22          Chairman Inhofe: The motion carries.

23          Senator Reed.

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

1           Let me welcome the co-chairs of the Commission on the  
2 National Defense Strategy, Ambassador Edelman and Admiral  
3 Roughead. Thank you and all of your colleagues for the  
4 extraordinary effort that you gave to the country. And I  
5 would note that one of your colleagues got a new job.  
6 Senator Kyl is with us here today. Thank you for your  
7 efforts, Senator Kyl.

8           This Commission was established by the Fiscal Year 2017  
9 National Defense Authorization Act to provide an independent  
10 evaluation of the National Defense Strategy. Congress  
11 required that the Commission assess assumptions, missions,  
12 force posture and structure, and strategic and military  
13 risks associated with the strategy. After an exhaustive  
14 review, the Commission's report was released earlier this  
15 month.

16           While today's hearing is an opportunity to hear  
17 directly from the Commission on what they learned, I would  
18 like to highlight a handful of the Commission's findings.

19           First, the Commission echos the NDS in finding that the  
20 U.S. technological edge has eroded, as compared to its near-  
21 peer adversaries. As the Commission notes, maintaining or  
22 reestablishing America's competitive edge is not simply a  
23 matter of generating more resources and capabilities, it is  
24 a matter of using those resources and capabilities  
25 creatively and focusing them on the right things. The



1 Commission makes a series of recommendations on how the U.S.  
2 can address its innovation challenges, and I hope our  
3 witnesses will discuss them with us this morning.

4 In addition, one of the main lines of effort of the NDS  
5 is building a more lethal force that possesses decisive  
6 advantages for any likely conflict while remaining  
7 proficient across the entire spectrum of conflict. The  
8 Commission also priorities the readiness of our Armed Forces  
9 and recommends a series of actions to rebuild and  
10 sustain readiness. I am pleased with this focus, since the  
11 readiness of our Armed Forces is the paramount issue for  
12 this committee.

13 Another critical finding of both the NDS and the  
14 Commission is the need for strong international alliances  
15 and the importance of a whole-of-government approach. In  
16 fact, the National Defense Strategy puts a premium on  
17 bolstering current alliances while pursuing new partners.  
18 However, I am concerned that the President continues to make  
19 statements and pursue actions that have undercut America's  
20 leadership position in the world, which may weaken our  
21 influence and ultimately lead to uncertainty and the risk of  
22 miscalculation. Given our panel's extensive experience, I  
23 would welcome the Commission's assessment of our current  
24 alliances, what more can be done to sustain these critical  
25 relationships, and the importance of nonmilitary elements of

1 national power to our security.

2       The aforementioned issues are critically important, but  
3 I want to highlight two issues the Commission emphasized  
4 which were not a focus of the NDS. The first is the state  
5 of civilian and military relations, and the second is the  
6 deficiency of the Department's analytical capabilities.  
7 Prior to Secretary Mattis's nomination to serve as Secretary  
8 of Defense, this committee held a hearing on civilian  
9 control of the Armed Forces. Civilian control of the  
10 military is enshrined in our Constitution and date backs to  
11 General Washington and the Revolutionary War. This  
12 principle has distinguished our Nation from many other  
13 countries around the world, and it has helped ensure that  
14 our democracy remains in the hands of the people. The  
15 Commission states unambiguously that there is a relative  
16 imbalance of civilian and military voices on critical issues  
17 of strategy development and implementation. The Commission  
18 went on to state that the civilian voices were relatively  
19 muted on issues at the center of U.S. defense and national  
20 security policy, undermining the concept of civilian  
21 control.

22       When I read the Commission's report, I was struck by  
23 these observations and the consequences that such an  
24 imbalance can have on the development of defense policy, the  
25 impact it could have on the civilian and military personnel

1 serving in the Department, and how it may shape the advice  
2 provided to the President. So, I'd like to hear from our  
3 witnesses today what they believe is the cause of this  
4 troubling trend, and what can be done to reverse it.

5 The other issue is the erosion of analytic capability  
6 within the Defense Department. As the Commission points  
7 out, making informed decisions about strategic, operational,  
8 and force development issues requires a foundation of state-  
9 of-the-art analytical capabilities. However, the Commission  
10 determined that detailed, rigorous concepts of solving key  
11 operational problems are badly needed, but do not appear to  
12 exist. Therefore, I would ask the witnesses for their  
13 thoughts on how to address this shortfall.

14 Finally, implementing a defense strategy requires  
15 resources. The Commission assesses that, in order to  
16 implement the NDS, additional and predictable resources will  
17 be required. However, the challenges facing our country are  
18 complex and multifaceted. As such, the Commission notes  
19 that comprehensive solutions to these comprehensive  
20 challenges will require whole-of-government, and even whole-  
21 of-nation, cooperation extending far beyond DOD. Trade  
22 policy, science, technology, engineering, and math,  
23 education, diplomatic statecraft, and other nonmilitary  
24 tools will be critical. So will adequate support in funding  
25 for those elements of American power. It is a duty of this

1 committee to ensure the men and women we send into harm's  
2 way have the resources necessary to complete their mission  
3 and return home safely. As we examine what funding  
4 requirements are necessary for the safety and security of  
5 our country, we need to look at our Federal budget in a much  
6 broader context. As the Commission states, we need a  
7 holistic approach; otherwise, the United States will be at a  
8 competitive disadvantage and we will remain ill-equipped to  
9 preserve its security and its global interests amid  
10 intensifying challenges.

11 Thank you very much.

12 Chairman Inhofe: Thank you, Senator Reed.

13 We're very proud to have -- to welcome our witnesses  
14 here. They've had many years of service to the security of  
15 this country. We appreciate the hard work they put into  
16 this Commission. And we'd like to start with opening  
17 statements. We'll start with you, Ambassador. And your  
18 entire statement will be made a part of the record. But,  
19 we'll -- we are anxious to hear your statement.

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1           STATEMENT OF AMBASSADOR ERIC S. EDELMAN, CO-CHAIR,  
2           COMMISSION ON THE NATIONAL DEFENSE STRATEGY

3           Ambassador Edelman: Thank you, Chairman Inhofe. Thank  
4           you, Senator Reed. It's a pleasure to be here before this  
5           committee again. I've testified a number of times. It's  
6           always a great experience.

7           I'm glad you've got our statement, and I'll let that  
8           speak for itself. I'm only going to make some very brief  
9           opening remarks and invite Admiral Roughead, who's been my  
10          co-chair throughout this process, to revise and extend my  
11          remarks if I get anything wrong.

12          First, I think we owe you a tremendous debt of thanks.  
13          That is to say, you, Mr. Chairman, Senator Reed, Senator  
14          McCain, when he was Chairman, also Chairman Thornberry and  
15          Ranking Member Smith, for nominating to this Commission a  
16          great group of Americans who approached these issues in a  
17          not only, I wouldn't say, bipartisan way, in a totally  
18          nonpartisan way. We had a great breadth of experience on  
19          this Commission. We had very hard-working commissioners,  
20          and some of them are here today. Not all could make it.  
21          But, I think we owe you a debt of thanks. We couldn't have  
22          done this work without them. We had terrific support from  
23          the U.S. Institute of Peace, which housed us, and our  
24          executive director, Paul Hughes, who is sitting behind me,  
25          as well as LMI, which provided a lot of logistics support.

1 And we had a terrific staff. And so, if there are any  
2 virtues in the report, it comes from all those great folks  
3 who put it together.

4 You mentioned in your opening statement, Mr. Chairman,  
5 the earlier 2010 independent panel and the 2014 National  
6 Defense Panel that the Congress appointed. I -- I'm sorry  
7 to confess that I'm a recidivist. I think I'm the only  
8 person who served on all three of those panels. And this  
9 time, they made me chairman, so, you know, I guess people  
10 figured I had to keep doing it until I got it right. But, I  
11 would say that, on the 2010 panel, we warned, as you noted,  
12 that, absent some activity -- and this was before the BCA  
13 was passed -- that we were headed towards a train wreck. In  
14 2014, we quoted then-Secretary Hagel, who was talking about  
15 our declining margin of military advantage over our  
16 adversaries and said that the BCA had been a strategic --  
17 serious strategic misstep that was putting us on a very  
18 difficult and dangerous path. And in this report, I think it  
19 was the unanimous view of all commissioners that we are now  
20 on the cusp of a national security emergency because of the  
21 waning of our military advantages and the dangers that the  
22 current world presents, perhaps the most complex, volatile,  
23 and difficult security environment that the United States  
24 has ever faced.

25 Our conclusions were that the National Defense Strategy

1 that Secretary Mattis unveiled earlier this year largely  
2 moves us in the right direction. It is nested,  
3 appropriately, under a National Security Strategy, both of  
4 which stress the primacy of great-power competition, the  
5 importance of that competition to the security and  
6 prosperity of the United States, as well as the other  
7 challenges that we continue to face: an emergent nuclear  
8 power in North Korea, a would-be nuclear power in Iran, as  
9 well as a lot of the steady-state counterterrorism activity  
10 that our military is engaged in around the world.

11 But, while we applaud the direction that the strategy  
12 moves us in, we did have a number of concerns. Some of them  
13 have been already addressed in both your opening statement,  
14 Mr. Chairman, and in Senator Reed's opening statement. In  
15 particular, we are concerned that the strategy is not  
16 adequately resourced, that the '19 -- '18 and '19 budgets  
17 moved us in the right direction. There's now a prospect,  
18 however, that we will be moving in the wrong direction,  
19 because, as Senator Reed just noted, we believe strongly  
20 that, for this strategy to succeed, it needs adequate,  
21 predictable, and consistent levels of funding, and the  
22 difficulties we've had funding the Department of Defense,  
23 having periodic 2-year budget deals interspersed with a  
24 series of continuing resolutions, is just not going to  
25 provide the kind of predictability that is required to

1 develop the future capabilities and also meet some of the  
2 readiness challenges and capacity shortfalls that Senator  
3 Reed was adverting to in his opening remarks.

4       We're also concerned that, although the objectives and  
5 ambitions of the strategy are appropriate, that we did not  
6 see, across the enterprise of the Department of Defense, a  
7 equal understanding of what this would require of the  
8 Department; and, in particular, operational concepts for how  
9 we would actually both deter and, if deterrence fails,  
10 defeat these great-power adversaries. And therein, I think,  
11 lies an important role for the committee in its oversight  
12 responsibilities, making the Department of Defense come  
13 forward and show you, over time, how they plan to execute  
14 this strategy, which moves us in the right direction, but  
15 doesn't get us there on its own.

16       With that, I'll await your questions, but I invite  
17 Admiral Roughead to add or subtract from my remarks.

18       [The prepared statement of Ambassador Edelman follows:]

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1 STATEMENT OF ADMIRAL GARY ROUGHEAD, USN (RET.), CO-CHAIR,  
2 COMMISSION ON THE NATIONAL DEFENSE STRATEGY

3 Admiral Roughead: Well, thank you very much, Mr.  
4 Chairman --

5 Chairman Inhofe: Admiral Roughead.

6 Admiral Roughead: -- Senator Reed.

7 First off, I will echo Ambassador Edelman's remarks  
8 with respect to the Commission, a truly remarkable dozen  
9 that came together. And I thank those who appointed them.  
10 Extremely solid experience. But, I think you would all be  
11 heartened by the tone and the approach that the  
12 commissioners took. I've often said, as we went through  
13 this monthlong process, that if I gave someone a piece of  
14 paper and asked them to identify who was appointed by whom,  
15 you couldn't tell, because of the common effort, the common  
16 focus that we had.

17 And so, I'm pleased with the conclusions that we  
18 reached. As Eric said, we found the National Defense  
19 Strategy to be a great first step, but it's, How does it all  
20 come together? And one of the things that I think must be  
21 kept in mind is that we find ourselves in a position that  
22 didn't happen overnight, whether you're talking about  
23 readiness or modernization drives the new technology,  
24 geopolitical/geo-economic competition has been moving. And  
25 we are at a significant inflection point.

1 I had nothing to do with arranging for these young  
2 midshipmen from the Naval Academy to be here this morning.  
3 Senator Reed, it's not part of the strategy for next week.  
4 But, they are really what we're talking about here, because  
5 they're going to be the ones that will be leading our  
6 military into the coming decades. And so, the question, I  
7 think, is, How do we get to where we need to be?

8 I mentioned modernization and readiness and technology.  
9 We are operating a force today that was last modernized in  
10 the 1980s. We are dealing with significant readiness  
11 challenges. And we're having to deal with technology, but  
12 deal with it with competitors who are moving very quickly in  
13 a very integrated civilian/military strategy, investing  
14 billions of dollars in things such as artificial  
15 intelligence and 5G, autonomy, hypersonics. And so, we're  
16 moving into a very new phase of warfare that I think is --  
17 it has to be addressed, and it has to be addressed beyond  
18 just the Department of Defense.

19 I think the newspapers of the last couple of days  
20 highlight some of the challenges that we have. We talk, in  
21 the report, about the gray zone, that space between peace  
22 and war, the Sea of Azov, Russia, Ukraine, new construction  
23 in the South China Sea, tragically losing some more soldiers  
24 in Afghanistan in the last 24 hours. And then I read a  
25 report this morning that deals with readiness. The USS John

1 S. McCain, that was involved in a tragic collision 15 months  
2 ago, just refloated yesterday. Fifteen months to restore a  
3 major capital asset to the fleet, I would submit, in today's  
4 pace and speed of conflict, is not satisfactory.

5 So, those are some of the things that we pointed out.  
6 We are very mindful that it will take money to do that. We  
7 believe that the \$733 billion that was identified is a  
8 floor, and that we need to continue that growth as we  
9 modernize not just our conventional forces, but our nuclear  
10 forces, all of which came of age back in the '80s.

11 So, we look forward to your questions. And again, I  
12 would just like to compliment and thank our fellow  
13 commissioners for their tremendous work and service and  
14 dedication in putting this report together.

15 Thank you very much.

16 [The prepared statement of Admiral Roughead follows:]

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1 Chairman Inhofe: Thank you, Admiral. I -- and I thank  
2 both of you for emphasizing how this is put together. I  
3 know, in the case -- you, Admiral, were nominated by a  
4 Democrat. You, Ambassador, were nominated by a Republican.  
5 And you wouldn't know it. And you, I think, articulated  
6 that very well. And I've not seen one like this before.  
7 And I think you had both the House and the Senate, and  
8 Democrats and Republicans, on both sides.

9 And I want to start off by just covering some of the  
10 things that -- highlighting the problems that were pointed  
11 out that the vast majority of the American people are not  
12 aware of. Those of us up here are. The Commission -- and  
13 I'm quoting from this right now -- "The Commission assesses  
14 unequivocally, that the NDS is not adequately resourced."  
15 And I'm -- a further quote, "America is very near the point  
16 of strategic insolvency." Further quote, that "America's  
17 military superiority, which underwrites the global influence  
18 and national security" -- that's our -- of the United States  
19 -- "has eroded, to a dangerous degree. America's combat  
20 edge is diminishing or has disappeared in many key  
21 technologies that underpin the U.S. military superiority.  
22 The United States is at risk of being overwhelmed, should  
23 its military be forced to fight in two or more fronts  
24 simultaneously." You know, some of us who have been around  
25 a long time can remember, that used to be our standard, we

1 had that there. We had to drop away from that. And that was  
2 regretful.

3 So, anyway, Ambassador Edelman, we are -- your report  
4 makes a -- cites it very clearly, that what the -- some of  
5 our people have said -- and they've said before this  
6 committee -- in terms of what needs to be done. Well, we  
7 pointed out that, in real dollars, between 2010 and 2015,  
8 the amount of money dropped by \$200 billion. It came down  
9 from 794 billion to \$586 billion. And then, of course, that  
10 -- that was 2015 -- the end of 2015. So, we knew we had to  
11 do something. And so, in looking at the challenge that we  
12 had, we wanted to get up, in 2018, to \$700 billion, which we  
13 did. In 2019, \$716 billion. And then, in the President's  
14 original budget, it's up to \$733 billion for the coming --  
15 for the fiscal year '20.

16 Now, we've already established, and you've stated in  
17 the report and elsewhere, and we've also heard testimony  
18 before this committee, just as -- in two different times,  
19 that we need to be looking at it in terms of increasing to  
20 about 3 to 5 percent over inflation. Now, this is something  
21 we think we need. I agree that we need it. I think most of  
22 the people up here -- and I know that you two agree with it,  
23 because it's in your report. And yet the 733 that they're  
24 talking about right now is one that is somewhat in danger.  
25 There's been several quotes of people who say we don't need

1 the 733. But, stopping to think about it, this is not a  
2 matter of 3 or 5 percent over inflation. Going from 716 to  
3 733 is a 2 and -- a 2.3 percent increase, which is below  
4 inflation. So, I'd -- I believe that we're being very  
5 generous, in terms of interpreting this, in saying that this  
6 733 is going to have to be looked at as a floor and not a  
7 ceiling. And I'd like to have each of you comment on that,  
8 on that budget. That's going to be something that we have to  
9 deal with.

10 Ambassador Edelman: Well, Chairman Inhofe, I agree  
11 with the statement of the problem you just made. Let me  
12 talk for a second, if I could, about how we came to the  
13 illustrative finding that 3 to 5 percent was about the right  
14 number. And I will tell you that, as smooth as the  
15 Commission's workings were, and as much unanimity as we had  
16 on all of the issues that are in the report, had I asked the  
17 Commission to tell us what each member thought the top line  
18 should be, I doubt we could have come to a unanimous  
19 agreement on that. But, what we did agree on was that  
20 Chairman Dunford and Secretary Mattis, when they first  
21 testified before you and the HASC, not about the new NDS,  
22 but back in 2017, when they were still operating under the  
23 existing defense strategic guidance from the Obama  
24 administration, testified that they believed they needed 3  
25 to 5 percent annual real growth in order to sustain that

1 strategy. Our judgment as a Commission was that the NDS has  
2 a higher level of ambition because of its desire to put us  
3 into a much better competitive space with Russia and China,  
4 in particular, and that, therefore, it stood to reason that  
5 3 to 5 percent, as an illustrative number, was the minimum  
6 that would be necessary, possibly more. I mean, I think  
7 you'd get a wide range of views among us on the Commission  
8 as how much more, but that that would be the minimum. And  
9 it's for that reason that we were very troubled when we  
10 talked to folks in the administration who said that they  
11 were planning -- and the Department -- that they were  
12 planning on flat budgets after '19. It seemed to us that it  
13 would be very difficult to actually execute that -- this  
14 strategy under those kinds of fiscal constraints.

15 So, I certainly agree that 733 ought to be, as my  
16 colleague just said, a floor, not a ceiling as you all go  
17 forward in your deliberations.

18 Chairman Inhofe: Yeah. And I appreciate that. And I  
19 think it's -- that's a longer answer, but a very articulate  
20 answer. And we know what we're going to have to doing. We  
21 -- and we have to have the right priorities in our own  
22 thinking.

23 There's two other areas, and I think you'll be covering  
24 these in responses to other questions, but one having to do  
25 with China and Russia, what we consider to be our peer

1 competitors. And I think that's significant. I have  
2 sometimes -- people are surprised when they find out some of  
3 the things that China and Russia are doing that are actually  
4 ahead of us in many areas. Shipbuilding maintenance,  
5 hypersonics -- you know, hypersonics is something that they  
6 hadn't even started yet, but they're already rapidly passing  
7 us up, in one respect. Electronic warfare, nuclear triad  
8 modernization -- we haven't done any modernization. That's  
9 going to be one of the top things that we're going to be  
10 dealing with in this committee. Air defense, artillery --  
11 you know, we're both in -- both China and Russia have in the  
12 -- they've got us outranged and outgunned. We've heard the  
13 experts testify to that. So, I'm anxious to get your  
14 response to some of those things, in response to other  
15 people's questions.

16 And then the last thing being the -- now,  
17 "disequilibrium" is not a word that I use, but I'm sure it's  
18 real. It's out there. And I think that -- you say that  
19 there is a disequilibrium between the aging of America's  
20 nuclear arsenal and the vigorous modernization programs of  
21 our adversaries. And I would hope that, during the course  
22 of your responses, you might articulate some examples of  
23 these, because this is something that's very distressing. I  
24 think we have -- agree with you that the Secretaries of  
25 Defense of both the Republican and the Democrat



1 administrations have identified nuclear deterrence as the  
2 Department's number-one priority.

3 Senator Reed.

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

5 I, once again, thank you, gentlemen, for your great  
6 work.

7 I was struck, as I indicated in my comments, of your  
8 comments about civilian voices have been relatively muted on  
9 issues at the center of U.S. defense and national security  
10 policy, undermining the concepts of civilian control. Could  
11 you elaborate on that, beginning with Ambassador Edelman,  
12 and --

13 Ambassador Edelman: I'm happy to do that, Senator  
14 Reed.

15 I think, first, I'd want to make that this is a problem  
16 that I think all of us unanimously agreed with on the  
17 Commission. And that includes a number of folks who have  
18 had recent senior experience in the building, and, of  
19 course, two retired four-stars. And I'll let Admiral  
20 Roughead, obviously, speak for himself on that score. But  
21 -- so, this was a unanimous finding.

22 Second, this is not directed at any individuals. This  
23 is not a criticism of Secretary Mattis or of Chairman  
24 Dunford, because these trends have been developing over a  
25 long period of time.

1           Third, I would say that this is a perennial problem.  
2    It's not a problem that, you know, obtains of an easy  
3    solution, because if, as Professor Corwin said, the  
4    Constitution is an invitation to struggle between the  
5    legislative and executive branch over the control of foreign  
6    policy, the National Security Act of 1947, in my view, is an  
7    invitation to struggle between military and civilian leaders  
8    in the Department of Defense over the direction of defense  
9    and national security policy.  And if one reads the  
10   histories of -- the official histories of the Office of the  
11   Secretary of Defense, one of the themes that emerges from  
12   that is the struggle of a variety of different Secretaries  
13   to try and develop the tools, the staff, the means to  
14   accomplish the constitutional objective of civilian control.  
15   So, this is a perennial problem.  And a lot of it is just  
16   about maintaining a balance.

17           Part of the issue, frankly, has been vacancies on the  
18   civilian side for a long period of time.  I know, when I was  
19   serving in the Bush 43 administration, we routinely had  
20   about 25-percent vacancy rate among the civilians.  Over the  
21   years, those vacancy rates have become, you know, more  
22   problematic and more pronounced.  And so, even today, 2  
23   years into the current administration, there are still a  
24   number of vacancies in OSD.  And I think that's created a  
25   kind of imbalance, in terms of the voices being heard on

1 national security policy.

2 I don't -- again, I don't -- I wouldn't want my  
3 comments to be misconstrued as saying that the Chairman  
4 doesn't have an important role to play, including as a, you  
5 know, global force integrator. I think, on the Commission,  
6 all of us had sympathy for the notion that somebody has to  
7 adjudicate, you know, requests from combatant commanders  
8 about who goes where, under what circumstances. But, we  
9 felt strongly that that needs to be embedded in a healthy  
10 military/civilian debate, and a management of the natural  
11 tensions in a constructive way that we currently see as  
12 absent.

13 Senator Reed: Admiral Roughead, any quick comments?

14 Admiral Roughead: Yes. I would echo what Ambassador  
15 Edelman said. A lot of the presses could have picked up on  
16 this and tried to say it's focused on individuals. That is  
17 not the issue. In fact, as I think this through and as we  
18 discussed it during the course of the Commission, this has  
19 been a long time in coming. In fact, if someone were to ask  
20 me, I would say the genesis is in 1986, with the passage of  
21 the Goldwater-Nichols Act, which, since that time, we've  
22 seen large increases in military staffs, the combatant  
23 commanders have gotten larger, the Joint Staff has gotten  
24 larger. We have invested heavily in professional military  
25 education, so we've really upped the intellectual heft of

1 those who are serving in uniform today. And so, you have a  
2 mass and a quality on the military side that it can move  
3 quickly, generate, you know, great options.

4 I would also say that there has been a deference to  
5 those in uniform, both on the executive branch and in the  
6 Congress, as opposed to holding to account the civilian  
7 leadership of the Department. My opinion on that.

8 I think it also is reflected, as Ambassador Edelman  
9 said, the vacancies, but it also, I believe, has dissuaded  
10 young people from coming into the policy space of defense  
11 and national security. That's the seed corn for the future.

12 So, this is an issue that has been a long time in  
13 coming, and I would argue that it's one that really needs to  
14 be thought through as to how you want to shape the balance  
15 between the military and civilian, going forward.

16 As someone who has been in uniform, my civilian leaders  
17 that I work for, we had some pretty sporty discussions from  
18 time to time, but it was always clear to me where the coin  
19 landed. And I think that needs to be reinforced.

20 Senator Reed: Thank you.

21 And, in a spirit of sportsmanship, let me wish the  
22 midshipmen good luck.

23 [Laughter.]

24 Chairman Inhofe: Thank you, Senator Reed.

25 Senator Fischer.

1           Senator Fischer: Thank you, Mr. Chairman.

2           Gentlemen, I know the Commission's report strongly  
3           endorses nuclear modernization and also recapitalizing the  
4           triad. It's called the critical imperative. But, I just  
5           want to be absolutely clear on this point. Does the  
6           Commission believe the rationale for the triad exists today?

7           Ambassador Edelman: Senator Fischer, I think the  
8           rationale continues to exist to have, as President Kennedy  
9           once said, a nuclear force second to none. This strategy,  
10          in some ways, requires even more reliance on nuclear  
11          deterrence than the previous strategy did. And in order to  
12          have a deterrent that is effective, we always need to  
13          remember that what matters is not what we think deters, but  
14          what the other side actually finds deterring. And, for that  
15          reason, I think having both a -- an air-breathing leg of the  
16          triad, that can be used for signaling and can be recalled,  
17          or having one that has a fast flying capability to destroy  
18          deep and buried targets quickly, and also having one that  
19          remains invulnerable to preemptive strike because it's  
20          lodged under the sea, makes as much sense as it ever has.

21          Senator Fischer: Thank you.

22          Admiral.

23          Admiral Roughead: I agree. And I would say that the  
24          increased challenges that we will face are beyond the  
25          platforms. The complexities and the security that is going

1 to be required in nuclear command-and-control systems of the  
2 future will be far more demanding than what we've had in the  
3 past.

4 The other thing that must be taken into account, as  
5 well, is the investments in the stewardship of this  
6 capability that we have -- investments in the people,  
7 investments in the infrastructure, investments in the labs.  
8 And so, when we talk about the triad, absolutely the three  
9 legs are required, but it's important that those other  
10 dimensions be addressed, as well.

11 Senator Fischer: Thank you.

12 We're hearing from critics of nuclear modernization.  
13 They often advance the argument that we cannot pay for both  
14 nuclear and conventional modernization. Your report talks  
15 about the costs, which it notes will peak at about 6.4  
16 percent of the Department's budget, and states that, quote,  
17 "America can surely afford to pay this price to preserve  
18 such critical element of its national defense," end quote.  
19 It goes on to argue that we cannot hollow out nuclear  
20 capabilities to pay for conventional capabilities, and vice  
21 versa. So, is it fair to say that this notion of funding  
22 one or the other is a false choice, and that the risks of  
23 going down that path are unacceptable?

24 Ambassador.

25 Ambassador Edelman: Senator Fischer, I certainly agree

1 with that. One of our concerns was that, in talking to, in  
2 particular, the service chiefs of the Air Force and the  
3 Navy, which are facing major recapitalization of the --  
4 their respective parts of the nuclear triad, are also under  
5 pressure as part of the strategy to develop a more lethal,  
6 agile conventional force. And this is one of the reasons  
7 why we find the resource constraints very troubling, because  
8 the danger -- I fear, anyway, personally -- is that we will  
9 do a very bad job of both if we don't adequately resource  
10 the strategy. And we need to have both a strong  
11 conventional and a strong nuclear deterrent.

12 Admiral Roughead: Agree completely.

13 Senator Fischer: Thank you.

14 The report also mentions that the Commission consulted  
15 with diplomats and military officials from our allies and  
16 our partners. Could you talk a little more about this? Who  
17 was consulted? What were the primary reactions to the  
18 National Defense Strategy? Were there any observations that  
19 you found particularly meaningful?

20 Ambassador Edelman: We spoke with -- and I hope I'm  
21 not going to insult any of our allies by leaving anybody  
22 out, but we spoke with our British, French, Australian,  
23 Japanese colleagues -- Korean colleagues, as well.

24 Senator Fischer: Were there any themes that seemed to  
25 be universal in those conversations that you had?

1           Ambassador Edelman: I think most of them appreciated  
2 the focus on great-power dynamics in the strategy. I think  
3 many of them had similar questions to those we had. A lot  
4 of them were focused more on some issues of defense  
5 industrial cooperation among allies, which we address, not  
6 in detail, but in passing, in our report. So, I think that  
7 was something that was of concern.

8           And, to your question about, you know, findings that  
9 were interesting, I mean, one of the things that the French  
10 pointed out to us from their defense review, which I  
11 personally found very interesting, is, they had similar  
12 concerns to some of the ones we express in our report about  
13 the defense industrial base and the role of some of our  
14 great-power adversaries, potentially, in our supply chain,  
15 and as well as with innovation. And so, the French have  
16 started a fund, actually, to buy up some of their own French  
17 technology startups to preclude them being taken over by  
18 foreign nations who might seek to use that technology for  
19 purposes that would be competitive with the West. And that  
20 struck me as an interesting idea. We didn't develop it  
21 ourselves in the report, but it might be something worth  
22 looking at.

23           Admiral Roughead: I will -- would say that -- you  
24 know, all of the allies that we talked to live in  
25 neighborhoods where bad things are happening, so their



1 interest in "Where is the U.S. going?" I think was clarified  
2 by the strategy that they read and the need to eliminate  
3 some of the dissonance that they're hearing in -- with  
4 respect to the importance of our allies.

5 I'd just add one thing to the -- Eric's comments about  
6 the French. It was my understanding, also, that some of  
7 these companies are acquired because they have promising  
8 technology, but they're circling the drain and will fail.  
9 And this is a way for that technology to be advanced and  
10 matured and benefit the defense capabilities of France. So,  
11 very insightful and very worthwhile. And that dialogue  
12 should continue.

13 Senator Fischer: Thank you.

14 Thank you, Mr. Chairman.

15 Chairman Inhofe: Thank you, Senator Fischer.

16 Senator Shaheen.

17 Senator Shaheen: Thank you.

18 And thank you, to both of you, for the impressive work  
19 on the report.

20 I want to -- Admiral -- Ambassador Edelman, I want to  
21 pick up on something that I think I heard you say at the end  
22 of your remarks. You talked about the operational concepts  
23 to win the great-power competition being missing across the  
24 whole Department of Defense. Did I understand that  
25 correctly? And, if so, can you explain a little more about

1 what you mean by that, and what you see being done to  
2 address it?

3           Ambassador Edelman: Senator Shaheen, I think it  
4 manifested itself in a couple of different ways, actually,  
5 in our discussions. So, for instance, the strategy does  
6 talk about taking, potentially, more risk in the Middle  
7 East; yet, when we asked different folks in the Department  
8 with different sets of responsibilities that touched on this  
9 issue, "Where, exactly, are you talking about taking the  
10 risk? Is it risk with regard to the fight against ISIS, or  
11 is it risk with regard to containing Iran, or is it risk in  
12 Afghanistan?" we got different answers from different  
13 people. So, I think we were concerned that there wasn't  
14 complete, common understanding, across the enterprise, of  
15 what the strategy really was going to require.

16           Second, it -- there were a lot of concepts in the  
17 strategy that -- like expanding the competitive space,  
18 which, upon examination, turns out to be what we used to  
19 call, in the old days, the Cold War, "horizontal  
20 escalation." And when we poked at these things, we found  
21 them very ill-defined, and it didn't seem that there was a  
22 whole lot of "there" there. Now, that's not to say that good  
23 people aren't working very hard in the Department to give  
24 those concepts more reality, but we're a bit away from  
25 actually having the reality, I think.

1           Senator Shaheen:  So, is that a leadership function?  Is  
2 that an oversight responsibility?  How do we fix that?

3           Either of you.

4           Ambassador Edelman:  Well, I'll let Admiral Roughead  
5 speak for himself.  I -- my view is, it's both an oversight  
6 function for the committee to demand that the Department  
7 explain how it's going to do these -- how it's going to  
8 accomplish these things, and it's a responsibility of the  
9 Department's.  And I know Deputy Secretary Shanahan is  
10 working hard to try and make the big changes that are going  
11 to be required.  I think one of the things we were struck by  
12 was that a lot of people didn't seem to understand how big a  
13 shift this is for the Department to move back into a world  
14 of great-power competition, as opposed to the  
15 counterinsurgency, stabilization, counterterrorism focus  
16 that we've had for much of the last decade and a half.

17          Admiral Roughead:  And, to follow up on that, the --  
18 for the last 18 years, we've been focused in one very  
19 specific area, a very unique type of warfare, and we now  
20 find ourselves going against potential adversaries who have  
21 invested in ways to stymie our efforts in regions that are  
22 still of critical importance to the United States.  And we  
23 have taken our eye off what it really will require to get  
24 into thinking our way through it for the foreseeable future.  
25 In the near term, we have what we have.  So, how do we use

1 that? What's the best way to use it? How do we come up  
2 with these concepts? Where do we go to test them? And how  
3 do we bring the young thinkers into the game to say, "Well,  
4 that may work, but here's a better idea. Let's try that"?  
5 We used to do that extensively.

6 And the other thing that is required is, we have to  
7 start thinking our way through some of these more  
8 technologically challenging environments that we haven't had  
9 to worry about. We have operated in the Middle East with  
10 complete disregard for, you know, flying around in contested  
11 airspace. That is no longer the case.

12 Senator Shaheen: So, I appreciate the technological  
13 challenges, and I think it's very easy -- or, it's easier,  
14 maybe, to track how we're doing with nuclear weapons  
15 development, with technological developments. But, you also  
16 identify two areas where I think it's much harder to track  
17 how we're doing and to, not just measure, but to figure out  
18 where the lines of authority and the structures are. And  
19 that's in the cyber area and also in the gray-zone conflict.  
20 And, as we look at where much of the action has been over  
21 the last 10 years or so, outside of the counterterrorism  
22 issues, it's been in those two arenas. And yet, we still  
23 don't have identified authorities to address cyber, we still  
24 don't have ways, or at least that seem apparent to me, to  
25 train for a gray-zone conflict, and just watching what's

1 happened with Ukraine and Russia this week. I mean, we've  
2 got another situation where it doesn't appear that we've got  
3 a direct response for how to deal with that.

4 So, I know I'm out of time, but can you just respond to  
5 that?

6 Ambassador Edelman: I -- like you, Senator Shaheen, I  
7 think a lot of us were troubled that issues like  
8 responsibility and authority in some cyber areas still seem  
9 to be -- and fundamental definitions --

10 Senator Shaheen: Right.

11 Ambassador Edelman: -- still seem to be contested and  
12 unresolved. And it's one reason why we, as a  
13 recommendation, suggested actually creating a commission to  
14 look at this in more detail than we were able to because we  
15 were looking at the whole --

16 Senator Shaheen: Sure.

17 Ambassador Edelman: -- you know, rather than the part  
18 pieces. I would note that, in 2010, we recommended a  
19 compensation commission, which led to the creation of the  
20 Maldone Commission, which I thought had pretty good report.  
21 So, hopefully, if you all approve, some of these issues  
22 maybe could be, you know, at least articulated in a way that  
23 yields a path forward, if there's a commission.

24 On measuring, you know, how we do in other areas, you  
25 know, the example people use always from the Cold War is the

1 development of air/land battle as a way of using our unique  
2 advantages to go against some of the disadvantages the  
3 Soviet Union had. And we need, I think -- I think that's  
4 really what Secretary Roughead -- or Admiral Roughead was  
5 saying when he was speaking, a minute ago, of what we used  
6 to do, in terms of --

7 Senator Shaheen: Right.

8 Ambassador Edelman: -- wargaming and exercising, et  
9 cetera. And we need to do more of that.

10 Chairman Inhofe: Thank you, Senator Shaheen.

11 Senator Shaheen: Thank you.

12 Chairman Inhofe: Senator Cotton.

13 Senator Cotton: Thank you, gentlemen, for your service  
14 on this Commission, and your many years of service in our  
15 military and our diplomatic corps. I want to touch on just  
16 a few issues that have already been addressed here in a  
17 little more detail.

18 Senator Fischer talked about nuclear modernization and  
19 conventional modernization. If I understand your answers,  
20 the point as to why we have to have both is, What good is  
21 conventional modernization if Russia or China, or Russia and  
22 China combined, have the ability to destroy our way of life  
23 with nuclear overmatch? Is that correct, Ambassador  
24 Edelman?

25 Ambassador Edelman: I think that's one part of it,

1 Senator Cotton. I mean, the other part of it is the fact  
2 that Russia, at least, has been using nuclear threats in a  
3 way that sees it as part of its suite of tools, including  
4 from conventional up. So, it's a question of escalation  
5 dominance as well as the danger of crisis instability and  
6 attack on the homeland.

7 Senator Cotton: Yeah.

8 Let's turn to the question of resources that Senator  
9 Inhofe started out with and many others have addressed, as  
10 well. Admiral Roughead, I'll this address towards you. I -  
11 - the point that the report makes is that \$733 billion for  
12 the next fiscal year should be considered a floor, and that  
13 we probably should be more than that, but what is especially  
14 alarming is the reports we have seen that the administration  
15 maybe consider cutting 5 percent from the Department of  
16 Defense, all the way down to 700 billion. Is that correct?

17 Admiral Roughead: That's correct, yes, sir.

18 Senator Cotton: There's lots of things that you  
19 recommend in this report that we ought to do as a government  
20 and as a nation. A lot of those lay in the hands, though,  
21 of people like the President of the United States, the  
22 Secretary of Defense, the Chairman of the Joint Chiefs, and  
23 the service chiefs. We're Congress. The thing we do best  
24 is pass budgets and spend the taxpayer dollar. Is the  
25 simplest thing we could do to help achieve some of the goals

1 that you lay out in your report repealing the Budget Control  
2 Act caps for fiscal years 2020 and 2021, and ensuring that  
3 \$733 billion next year remains a floor?

4 Admiral Roughead: I think that's the most important  
5 thing you can do. I would also add that I believe that  
6 there is a sense that the last 2 years of growth have fixed  
7 the problems. And nothing could be further from the truth,  
8 whether it's in readiness, whether it's in conventional  
9 modernization or nuclear modernization. But, I think that  
10 that is kind of feeding this idea that it's okay to taper  
11 down. And now is the time that we really need to have a  
12 consistent strategy, going forward, to build --

13 Senator Cotton: So, those last 2 years have been a  
14 down payment.

15 Admiral Roughead: Right.

16 Senator Cotton: And that last point you made there is  
17 that it's not just a matter of the level of funding, but the  
18 predictability and the smoothness of funding, that this is  
19 probably something Congress should try to address early next  
20 year in a budget agreement and in a appropriations bill for  
21 the Department of Defense, as we did this year for the first  
22 time in many years.

23 Admiral Roughead: I agree. And I would argue that the  
24 failure to pass a predictable budget has done more harm to  
25 readiness than any other thing that has happened.



1           Senator Cotton:   Okay.

2           Ambassador Edelman, I want to turn to you about cyber  
3 and a few of the other, kind of, high-tech concepts we've  
4 discussed here -- artificial intelligence or quantum  
5 computing or 5G, all very critical to our defense as well as  
6 our prosperity.  There is a belief, in some quarters,  
7 though, that those kinds of technologies will obviate the  
8 need for more traditional weapons, you know, that maybe the  
9 Navy can mothball some ships and subs, and the Air Force  
10 doesn't need as many fighters and bombers, and the Marines  
11 and Army doesn't need as many trigger-pullers on the front  
12 line.  Is that the case?  Are things like cyber and  
13 artificial intelligence, quantum computing, sufficient to  
14 replace good, old-fashioned trigger-pullers and airplanes  
15 and ships?

16          Ambassador Edelman:  Not in my view, Senator Cotton.  I  
17 think, first of all, many of these technologies are -- have  
18 great promise, but it's going to take a bit of time, first  
19 of all, to develop the technologies and then, as Admiral  
20 Roughead said, figure out how we're going to use them,  
21 operationally, before you can really count on them.  And I  
22 don't think that obviates the need for, in the medium term,  
23 having a strong, robust, conventional deterrent to dissuade  
24 potential adversaries for taking actions that are inimical  
25 to our -- you know, our strategic situation.

1           Senator Cotton: Thank you.

2           In the time remaining, I'd like to turn to one final  
3 question. On page 69 of your report, in Readiness, you talk  
4 about how our people are the most important asset that we  
5 have in our military. Yet, the number of people who have  
6 required fitness and propensity to serve is in decline, and  
7 you recommend that DOD and Congress take creative steps to  
8 address those aspects of the problem rather than relying  
9 solely on ever-higher compensation. Could you be a little  
10 more specific about what kind of creative steps you have in  
11 mind? Because I do think this is a challenge across all our  
12 services.

13          Admiral Roughead: Well, I think, clearly, we need to  
14 stop looking at the accession point for those who are coming  
15 in, but look at, How are we preparing young people to live  
16 and ultimately serve in this more complex environment? How  
17 are we preparing people that will be able to withstand the  
18 physical stresses of serving in the military? And so, you  
19 know, as we talked about it, it's not the entry point, it's,  
20 What is being done? What are the programs? How are we  
21 investing in the youth of America to be prepared to serve in  
22 the military and in national security of the future?

23          Senator Cotton: Thank you, gentlemen.

24          Chairman Inhofe: Thank you, Senator Cotton.

25          Senator Kaine.

1 Senator Kaine: Thank you, Mr. Chair.

2 And thanks, to the witnesses.

3 I actually want to pick up on two of the topics that  
4 Senator Cotton discussed. First is the budget caps. Your  
5 recommendation 24 is to end the BCA for the next 2 years.  
6 And I think that would be a very smart thing for us to do,  
7 so I would echo the comments that Senator Cotton made about  
8 that. I'm worried a little bit that we have -- we engage in  
9 a little bit of magical thinking around here on this,  
10 because you're not the first that have suggested that we  
11 should end the BCA. We've heard that since I came into the  
12 Senate in 2013, that sequester and BCA were going to be  
13 harmful to national security, and yet, we are kind of  
14 kicking the can down the road. I was a strong supporter of  
15 the deal that we just got. I think it's great. But, it did  
16 continue to leave us under the specter of the BCA. And if  
17 we're serious about your recommendations and the  
18 recommendations in the strategy, we would follow that  
19 recommendation.

20 The budget deal was good, but we also just did a tax  
21 deal that increased the deficit by -- it will be 2 trillion,  
22 with interest, over the next 10 years. That's going to make  
23 it harder to do the very things that you suggest that we  
24 need to do. And so, I think we have to align our actions  
25 with our words, and make sure that our actions are fair -- a

1 fair reflection of realistic expectations. And I think  
2 that's a challenge for us.

3         Senator Cotton asked one question about Russia and  
4 China, and I want to explore this with you. The National  
5 Defense Strategy assumes we have five competitors -- two  
6 peer competitors, two nation-state competitors that are sort  
7 of regional competitors, and one set of nonstate actors that  
8 are competitors. But, I have been concerned, over the  
9 course of the last few years, when I hear the analysis of  
10 these competitors, there's seldom any analysis about their  
11 possible combinations. Of course, when we're talking about  
12 our own capacities, we always talk about alliances, you guys  
13 do -- NATO and other alliances. We talk about the  
14 importance of those alliances. But, we don't really analyze  
15 our competitors in terms of potential combinations. When we  
16 take steps in the diplomatic space that make Iran want to be  
17 closer to Russia or China, when we see Russian military  
18 exercises that the Chinese join in, as was the case  
19 recently, we're seeing combinations among our five  
20 competitors, and yet much of our analysis about our defense  
21 need does not focus upon that as a realistic option. What  
22 would you say to us as we, as a committee, grapple with  
23 that? It's not just that we need to fight, maybe, a two-  
24 front war. We might need to be engaged in military action  
25 where Russia and China decide that they jointly have an

1 interest in pushing us back in the Arctic or somewhere else.  
2 How should we approach that?

3 Ambassador Edelman: Senator Kaine, you've put your  
4 finger on one of the major concerns that we had about the  
5 strategy. The strategy very explicitly says that it is  
6 meant to make us more competitive with and, if deterrence  
7 fails, defeat decisively one great-power competitor while  
8 deterring the others, essentially using our nuclear  
9 deterrent. But, "the others," when you peel back the onion,  
10 means Iran, North Korea, et cetera. It's really not aimed  
11 at Russia per -- I mean, it's meant to deter Russia, too,  
12 but it's really focused on these minor competitors. And  
13 when we ask the question, "What happens if we have both at  
14 the same time?" -- frankly, we didn't get a very good answer  
15 about what -- you know, what that means.

16 Senator Kaine: And there's different ways to have both  
17 at the same time. You could face separate challenges from  
18 each at the same time, or you could face some form of --

19 Ambassador Edelman: Some --

20 Senator Kaine: -- coordinated challenge. Both Russia  
21 and China are authoritarian nations, they don't like U.S.  
22 sanctions policy, they don't like other things we do in the  
23 international sphere. When Nixon did the opening with  
24 China, a lot of the reason for the opening was to stop China  
25 and Russia from finding common cause so that we wouldn't

1 have to deal with a combined threat. And yet, it seems like  
2 the analysis we've seen, whether it's in the strategy,  
3 whether it's the RAND analysis we got recently, it looks at  
4 our competitors as if they're siloed with no real interest  
5 in ever combining. And I think that's quite unrealistic.

6       Ambassador Edelman: I agree, it's not realistic and  
7 that one would have to be -- whether it was concerted, which  
8 would be a major challenge, or whether it was opportunistic,  
9 because one of us is in a conflict with -- one of them is in  
10 a conflict with us all -- ongoing. Either one of those  
11 scenarios is very -- would be very stressful. And the  
12 answer we got when we asked was, "Well, that would -- you  
13 know, that would be World War III. That would be on the  
14 order of World War II. It would require total national  
15 mobilization." I think we agree, it would require total  
16 national mobilization. And we need to begin actually having  
17 a discussion about this. We -- in the 2010 and 2014  
18 reports, we talked about the fact that the Nation needed to  
19 start thinking again about potential mobilization in time of  
20 conflict. And we haven't really done that. And we really  
21 need to now, because the prospect of this, I think, is a  
22 very, you know, realistic one. I mean, it's -- hopefully,  
23 it's not the future we have, but it's one that we can't  
24 blink away, I think.

25       Admiral Roughead: No, and I would agree. And I would

1 say that this whole idea of the gray zone puts it in a  
2 completely different space, because it may not be, you know,  
3 "Is it a carrier here or a carrier there?" It may be  
4 there's an economic issues that's taking place. And so, how  
5 do we think our way through that? And it's much more  
6 complex.

7 The other thing that's somewhat related -- and we had  
8 really good discussions on this -- is the idea that we might  
9 be able to control the situation, you know, by trying to  
10 move into some horizontal escalation. And I would argue  
11 that, in some situations -- for example, if China is  
12 hellbent on absorbing Taiwan -- we might want to do all we  
13 can in another area, but I'm not sure that's going to deter  
14 them once they get the ball rolling. But, it -- again, this  
15 is where the thought process and the different types of  
16 concepts need to be brought in, into the discussion --

17 Senator Kaine: Thank you.

18 Thank you very much, Mr. Chair.

19 Chairman Inhofe: Thank you, Senator Kaine.

20 Senator Ernst.

21 Senator Ernst: Thank you, Mr. Chair.

22 Gentlemen, thank you very much for being here today.

23 This discussion has been very helpful. And I notice we  
24 tend to build upon each other's questions, so I'm going to  
25 go ahead and pick up, Admiral Roughead, with where you left

1 off. You were just discussing the gray-zone activities. And  
2 I'd like to delve into that a little bit more. We deal with  
3 that a lot in our Emerging Threats and Capabilities  
4 Subcommittee here in the Armed Services Committee.

5 In your opening statement, you note, and quote, "China  
6 and Russia's ambition for regional hegemony and global  
7 influence are underwritten by determined military buildups  
8 aimed at neutralizing U.S. strengths. Threats posed by Iran  
9 and North Korea have worsened as those states develop more  
10 advanced weapons and creatively employ asymmetric tactics.  
11 In many regions, gray-zone aggression, coercion, and the  
12 space between war and peace has become revisionist actors'  
13 strategy of choice." So, I share that concern. It's  
14 something that I spend a lot of time thinking about. And  
15 I'm increasingly alarmed at our adversaries' attempt to  
16 offset our great strengths. And you've already noted some  
17 of those, whether it was the Chinese bullying in the South  
18 China Sea, Iranian influence throughout the Middle East. It  
19 might be Russian cyberattacks and disinformation or  
20 propaganda that is thrown out there. Whatever it happens to  
21 be, we do find ourselves facing adversaries that are  
22 increasingly capable in those areas.

23 So, if you could, delve in a little bit more, and maybe  
24 visit with us about where you see our Special Operations  
25 Forces, where they fit into the great-power competition.



1           Admiral Roughead: I'm -- I would say that they may be  
2 more applicable in different regions. I believe that, in  
3 the Middle East, we are seeing excellent employment of our  
4 Special Operations Forces. I think that we will see  
5 increasing involvement as China presses into its Belt and  
6 Road in a fairly significant way. I think, you know, we  
7 rarely talk about Africa these days. You know, we'll talk  
8 about Mali, and we'll talk about what happened in Libya.  
9 But, I think that the nature of how China will move into  
10 resource-rich Africa and the relationships we have there is  
11 going to be important. I think those are places where  
12 Special Operations Forces are absolutely essential. I  
13 think, in many areas, if you wanted to talk about it, we'd  
14 probably have to go into a different space to do that.

15           But, I think it's important to really look at the array  
16 of U.S. capabilities that we have. And this is where I  
17 think, in particular, the alliance relationships come into  
18 play, because, in many instances, our allies and partners  
19 may have relationships that can be an advantage to us and  
20 that we can work together on.

21           So, it really is a full spectrum. I don't like to use  
22 the "butted" words, but that's what we're talking about.

23           Senator Ernst: Right.

24           Ambassador Edelman: If I could just add, Senator  
25 Ernst, I -- and going back to both Senator Shaheen's

1 question and Senator Reed's opening remarks, one of the  
2 things I think we found on the panel, and I think it was  
3 unanimous, again, was that, while the strategy talks about  
4 the United States now being in competition with Russia and  
5 China and these other potential adversaries, in the gray  
6 zone, we're in conflict with them already every day. This  
7 is actually ongoing. And it's -- you see it in the cyber  
8 realm, you see it in other realms, as well. And it's  
9 something that goes well beyond -- this is to Senator Reed's  
10 point -- well beyond the purview purely of the Department of  
11 Defense. I mean, in a lot of areas, it's not even  
12 necessarily the Department of Defense that would be first,  
13 you know, in the line of fire, here. It would be, really,  
14 the use of intelligence, diplomacy, other -- you know, other  
15 tools of government. And it's why we stress, in the report,  
16 the importance of whole-of-government solutions to many of  
17 these problems.

18       Senator Ernst: I agree. And making sure that we are  
19 resourcing those Special Operations Forces correctly is  
20 important, as well. And we talked a little bit about  
21 personnel, too, as if -- if we can utilize conventional  
22 forces rather than our SOF operators, that also would be  
23 part of that strategy. Would you agree?

24       Admiral Roughead: If I could -- I would agree with  
25 that. The other thing I think is important -- and we

1 mentioned it in the report, with respect to some of the  
2 operational challenges that the United States faces, and I  
3 would take that also into the space realm -- that I think  
4 that there -- that some of these have been put into the  
5 classified domain, and it has deprived the American people  
6 from understanding what exactly is going on out there.

7 Senator Ernst: I agree.

8 Admiral Roughead: And so, I think looking at, you  
9 know, what is really classified and what is not is something  
10 that is very important in having the type of discussion and,  
11 indeed, debates that are going to be taking place as a  
12 result of some of these recommendations.

13 Senator Ernst: I appreciate the input. Thank you,  
14 gentlemen, very much.

15 Thank you, Mr. Chair.

16 Chairman Inhofe: Thank you, Senator Ernst.

17 Senator Peters.

18 Senator Peters: Thank you, Mr. Chairman.

19 And, to our witnesses, thank you for your testimony  
20 today.

21 I'd like to expand a little bit on some of the  
22 discussion we've had already related to operational concepts  
23 and some of the problems associated with that. And I'd turn  
24 to page 26 in your report, when you talk about the threats  
25 that we face from both Russia and China, and how those are

1 escalating. And you write, "These countries are also  
2 leveraging existing and emerging technologies to present  
3 U.S. forces with new military problems, such as China's  
4 anti-access area-denial capabilities and the Russian hybrid  
5 warfare approach employed in seizing eastern Ukraine." Then  
6 the next sentence, I found particularly troubling,  
7 "Detailed, rigorous operational concepts for solving these  
8 problems and defending the U.S. interests are badly needed,  
9 but do not appear to even exist. We recommend the DOD more  
10 clearly answer the question of how it intends to accomplish  
11 a core theme, defeating a major power in competition and  
12 war, and without a credible approach to winning a war  
13 against China or Russia, DOD's efforts will be for naught.  
14 Similarly, the United States needs plausible strategies and  
15 operational concepts for winning these competitions." And  
16 it goes on to say, "DOD should identify what the United  
17 States seeks to achieve, explain how the United States will  
18 prevail, and suggest measures of effectiveness to mark  
19 progress along the way."

20 Now, these seem to be incredibly fundamental questions.  
21 And what I'm -- question I have is that, if we don't have  
22 answers to these very fundamental questions, how do you  
23 then, in the next part of the report, say, "Well, we need a  
24 whole lot more resources. We've got to spend a whole lot of  
25 money"? You know, I come from a business background, and

1 normally you try to figure out, What do we have to achieve?  
2 How do we get to that objective? And then, how do we  
3 resource it? Here, you seem to be saying, "We don't know how  
4 to do that, but we do need a whole of resources." But, I  
5 can't go to -- back to the taxpayers and say, "Just give a  
6 blank check to the Department of Defense," even though we  
7 can't answer these fundamental questions. Could you please  
8 help me with that?

9       Admiral Roughead: I've -- I would submit that, in  
10 several of the areas that we looked at, particularly with  
11 respect to what China is doing in the East Asian littoral,  
12 their ambitions within the Indian Ocean, the capabilities  
13 that they have in play, and what we currently have, that it  
14 -- it's apparent that we are in an -- at an -- at a  
15 disadvantage in those areas. I would also argue that, as  
16 Russia acts on its periphery, that the challenges that are  
17 faced there, especially, as we addressed earlier, the fact  
18 that we have not been working in these more complex  
19 environments, really demands that we up our game there. We  
20 have not been investing in the types of training and range  
21 infrastructures that allow our people to practice in those  
22 more complex environments.

23       So, you know, we did not get into a line-by-line  
24 costing of what it would take, but it is -- was apparent to  
25 us that there is an imbalance, that the investments are

1 required. We haven't been making investments in this type  
2 of warfare for decades now. And that is the basis of our  
3 recommendation.

4 Senator Peters: Well, I -- my sense before you of the  
5 answers are -- is that we -- from what I just read, is that  
6 we don't really know what we need to do in order to counter  
7 the threats that you have just mentioned. How do you  
8 resource something if you don't really know how to even  
9 counter it?

10 Ambassador Edelman: Senator Peters, I think there are  
11 a couple of different elements here in play. One is, to be  
12 fair to our colleagues in the Department of Defense, since  
13 the end of the Cold War, there's been an assumption built  
14 into most of what the Department has been doing, which is  
15 that the era of great-power competition was over. We were  
16 working towards cooperative relationships with China, which  
17 is why we took them into the WTO in the late '90s, or early  
18 2000s. We were -- we made Russia a member of the G8 because  
19 they were part of the so-called Washington consensus about  
20 future development. So, it's only within the last few years  
21 that their defense buildups and more aggressive actions have  
22 actually gotten people to realize that this is a serious  
23 potential problem which we now need to devote some time and  
24 attention to. That's point one.

25 Point two is, while we've been otherwise engaged in

1 these counterinsurgency fights, our adversaries have been  
2 developing both weapon systems and concepts for using them  
3 that we now have to engage in, but we also have an ongoing  
4 requirement to deter them with that which we already have.  
5 And even the development of new concepts is going to take  
6 some funding. There are some capabilities we know we need  
7 to invest in. And those are the ones that are identified --  
8 have been identified by Secretary Griffin, which we agree  
9 with in our report. But, we still have to deter, today.  
10 And all those other capabilities are going to come online in  
11 some -- at some point in the future, and how we put them  
12 into play is going to take some time to figure out. And  
13 it's going to cost some money to do that, in terms of  
14 exercises, gaming, all of that, as well as while you're  
15 developing the capability.

16 Senator Peters: All right.

17 Thank you.

18 Chairman Inhofe: Thank you, Senator Peters.

19 Senator Perdue.

20 Senator Perdue: Thank you, Mr. Chair.

21 And I'd like to thank both of you, for the record, for  
22 your lifetime of service. I can't think of a more important  
23 period in our history that people like you, who have served  
24 their country, step up in a civilian role and do something  
25 like this. This is one of the best documents that I've seen

1 in my 4-year tenure here.

2 On page 62, figure 10 is what I think speaks to the  
3 entire problem here. This is the funding issue that you're  
4 talking about. But, I think there are two overarching  
5 crises that we face as a country. One, we have a global  
6 security crisis that you're talking about today. The  
7 world's never been more dangerous in any time in my lifetime  
8 than right now. The second is, of course, this financial  
9 crisis that not only we, but the world, face. And this  
10 can't be a question of, How much more can we spend? We  
11 can't spend enough. I've done the math. It's not there.  
12 Right now, in this -- I can do this all day, but I want to  
13 get to a question that ties together something both of you  
14 have addressed already. This is not what I had planned to  
15 talk about, but I want to follow up on your conversation  
16 about allies and about threats.

17 Five threats across five domains is brand new. It's  
18 been developed at a time when we were withdrawing. Now we  
19 have a situation where we are trying to shoulder the burden,  
20 the way we have for the last 70 years since World War II. It  
21 can't happen. It can't continue any longer. If you look at  
22 the economic power of the people who believe in self-  
23 determination in the world, it's about \$65 trillion. If you  
24 look at the people who are talking about state control, it's  
25 only about 14 or 15 trillion now, unadjusted -- no more than



1 20, even if you adjust it for purchase power. So, the  
2 numbers are on our side. The problem is, we're trying to do  
3 it all ourselves, sirs. And, when I look at that, the  
4 situation is, every dime that we spend on our military  
5 today, by definition, is borrowed money. I can prove that  
6 to you because of the way we have to spend money on  
7 mandatory expenses. And, look, nobody's arguing about  
8 cutting those. The reality is, though, we can't continue to  
9 be the only security force in the world. We borrow about 30  
10 percent of what we spent over the last decade. We're  
11 projected to spend about that -- or borrow about the same  
12 amount. And our discretionary spending is actually less  
13 today than it was in 2009. And that's less than 25 percent.  
14 So, by definition, every dollar that comes in has to go to  
15 mandatory expenses before we can spend money on our  
16 military, on anything else.

17 And just -- you call out, on this chart, just one of  
18 the issues -- just in the last 2 years, we've added \$400  
19 billion of interest to our expense sheet -- 400 billion.  
20 And that's just a 200-basis-point increase in interest  
21 rates. Interest rates right now are still in the low  
22 quartile over the last 30 years. If we get back to the  
23 historic average of 5 and a half percent, we'll be spending  
24 a trillion dollars on interest, alone. So, your point's  
25 made.

1           Now the question. The Shanghai Cooperation  
2 Organization, we've seen it for some time now, but it's --  
3 there's a lot new -- a lot of new energy around that, with  
4 people like Russia, India, Pakistan, Uzbekistan, Kazakhstan,  
5 et al. There are four nuclear powers inside that  
6 cooperative organization. How do you propose, in light of  
7 this reality that we have here, with the financial crisis  
8 that we have -- how do we engage our allies, who face the  
9 same problems we do -- they're going to have to take money  
10 from social programs, or somewhere, or tax more, or  
11 whatever, to afford to defend against these rising threats,  
12 when they don't have -- China and Russia do not have the  
13 overhead that we have, they don't have limitations on time  
14 that we have to get to the answers, here, to compete? So,  
15 I'd like for you to address the idea of allied cooperation  
16 as a way out of this conundrum that we have, in terms of the  
17 need versus the resources, globally.

18           Ambassador Edelman: Well, Senator Perdue, I agree with  
19 you. I mean, allies are absolutely crucial element, here,  
20 and it's one of the reasons why we consulted broadly with  
21 allies when we were doing the report, and why we stress, in  
22 the course of the report, the importance of maintaining our  
23 -- both treaty alliances and then the non-treaty special  
24 relationships with countries that are almost tantamount to  
25 alliances that we have in places like the Middle East.

1 Those are extremely important.

2 Burden-sharing among allies has been a problem, you  
3 know, for us since we first -- you know, the ink was drying  
4 on the Washington Treaty in 1949, and it's not something,  
5 again, I think, that we will ever solve. We have to  
6 continue to work at it. I think, in response to the  
7 President's invocation of this issue a lot, allies are  
8 stepping up and contributing more. That's clearly the case.  
9 But, I think it's going to be harder to sustain more allied  
10 contributions to defense, which is difficult to motivate, as  
11 you note, in any event, if we're cutting, ourselves. I  
12 mean, that's usually not a formula for getting your allies  
13 to do more. We need to get them to do more. And, I would  
14 add, we need to think more about how we cooperate with them,  
15 in terms of defense industrial issues, to give them more  
16 incentive to cooperate with us and work with us and field  
17 the kinds of systems that they need to do things.

18 I mean, if you look, for instance, at, you know,  
19 Operation Odyssey Dawn, the Libya operation, where we  
20 consciously tried to put the allies forward first, they hit  
21 the bottom of their magazine in about -- of precision-guided  
22 munitions -- about 3 or 4 days. And so, we need to get them  
23 to invest in more of those capabilities, but I think we  
24 probably need to also do more to develop those capabilities  
25 with them so they have more of an industrial interest, along

1 with us, in doing that.

2           Admiral Roughead: I agree, and I think one of the  
3 areas, particularly in the cooperative space, there needs to  
4 be a look at what are the policies with which we engage in  
5 these cooperative arrangements. Sometimes, I think it's a  
6 -- it's an imbalance, it's a disincentive for what I would  
7 call the high-end allies to participate. You know, we have  
8 the five allies, but, you know, the technology in Japan is  
9 pretty extraordinary. So, you know, how should we deal with  
10 Japan in the areas of technical cooperation?

11           The other thing I think, as we move into this more  
12 complex environment, that we have to pay particular  
13 attention to are for those allies who are drawn to an  
14 adversary's systems. You know, it used to be that, you know,  
15 country X could get something from Russia, and it would be  
16 very isolated. As we deal more with networks and the  
17 exchange of data, allowing or making it more attractive for  
18 country X to go that route has a massive effect that it  
19 didn't used to have. So, when we think about, you know, a  
20 country that may be wanting to acquire an air defense system  
21 from Russia, what does that mean when we want to enter a  
22 network with that country?

23           So, it -- we have to look at the bigger picture. But,  
24 I think opening up to some of the countries that have high-  
25 end technical capability, with different policies, different

1 processes, different levels of cooperation, each one is  
2 going to be different, but I think that's an area that can  
3 pay off greatly.

4 Senator Perdue: Thank you. Thank you for this body of  
5 work.

6 Thank you, Mr. Chairman.

7 Chairman Inhofe: Thank you, Senator Perdue.

8 Senator Hirono.

9 Senator Hirono: Thank you, Mr. Chairman.

10 I'm particularly interested in the focus on a whole-of-  
11 government approach, which we know that, particularly, China  
12 uses to their advantage. And, frankly, both China and  
13 Russia have engaged in provocative acts in the cyber arena.  
14 With regard to China -- I mean, with regard to Russia, their  
15 interference with our elections. Most recently, what Russia  
16 is doing with regard to the Ukraine. And if there is little  
17 or no response from the United States, doesn't this -- our  
18 inaction, or little action, add to the perceived imbalance  
19 of power of -- between the United States, vis-a-vis China  
20 and Russia? And how do our allies view what is happening?

21 Ambassador Edelman: Senator Hirono, this is -- it's a  
22 little bit beyond the remit of the report, but I'll take a  
23 shot at it, speaking personally, in any event.

24 You know, my belief is, actually, that both Russia and  
25 China today are waging what we would have called, in the

1 1950s, political warfare --

2 Senator Hirono: Yes.

3 Ambassador Edelman: -- against the United States and  
4 its allies. If we were having this discussion -- I mean, we  
5 are very focused, in Washington, of course, on Russian  
6 political warfare, because of interference in the election  
7 in 2016 and ongoing. If we were having this conversation in  
8 Australia or New Zealand, I could tell you that the  
9 discussion would be about Chinese efforts to use these kinds  
10 of tools to develop greater influence, domestically, in  
11 Australia and New Zealand. And we're beginning to get some  
12 of that discussion here in the United States, too, with the  
13 discussion about the use of Confucius Institutes and other  
14 elements of the Communist Chinese -- Chinese Communist  
15 Party's United Front Department that orchestrates much of  
16 this political warfare. We used to have capability in this  
17 area in the late 1940s and 1950s. And we did a little bit  
18 of it in the 1980s. But, since the end of the Cold War,  
19 we've essentially disassembled our capability, which is not  
20 -- most of it was not in the Department of Defense, it was  
21 resident in other agency --

22 Senator Hirono: Well, and when you talk about whole-  
23 of-government approach, though, it means more than just what  
24 the DOD is --

25 Ambassador Edelman: Right. Right.

1           Senator Hirono:  When we talk about what the other  
2 countries are -- that Russia and China are employing the  
3 political warfare, that is the environment that we are  
4 currently in, I would say, to a great extent.  So, if we're  
5 not aware of -- well, we should be aware -- of those aspects  
6 of their whole-of-government approach, and we're not doing  
7 very much in that regard, then we're behind the eight ball  
8 already.

9           Ambassador Edelman:  I agree.  And I think we need to  
10 develop a capability -- we need to redevelop the capability,  
11 and reacquaint ourselves, frankly, with the history of that  
12 earlier -- those earlier eras, when a combination of  
13 different means -- diplomatic, intelligence, and others,  
14 now, you know, empowered with modern technology -- could  
15 have similar kinds of effects to those that we had in  
16 earlier efforts, when we were quite successful.

17          Senator Hirono:  So, do you suggest another commission  
18 or some other way that we can focus on a whole-of-government  
19 approach that truly includes all of these aspects?

20          Ambassador Edelman:  A -- I mean, again, it's a little  
21 bit outside the remit of our report, but a commission on  
22 political warfare, I think, would perhaps be a useful idea.

23          Senator Hirono:  What do you think, Admiral?

24          Admiral Roughead:  I'm always loathe to advocate for  
25 more overhead, but the thing that I would say is that --

1           Senator Hirono: You need it.

2           Admiral Roughead: -- you know, we talk about whole-of-  
3 government -- I would say, in the case of China, it's whole-  
4 of-government integrated with the private sector,  
5 particularly as you get into AI, 5G, things like that. And  
6 the question, I think, for us is, Where do we want to be in  
7 that competitive space? As they put in place this Belt and  
8 Road, everyone's been captured by the brick and mortar  
9 that's going in, but who are the companies that are going in  
10 and putting in the information systems? What are the  
11 standards that will be applied to 5G? How will the, you  
12 know, driverless cars be operated, and who will be the ones  
13 to set the standards for that? And that's why I'd say the  
14 whole-of-government is really more than just defense. But -  
15 -

16           Senator Hirono: Well, I totally agree.

17           Admiral Roughead: -- what we're talking about in that  
18 new technology --

19           Senator Hirono: Yeah.

20           Admiral Roughead: -- is national security and who sets  
21 the stage, who sets the standards, going forward. And I  
22 think that's something that needs to be as -- part of the  
23 issue.

24           I do think that one could make the case that what we're  
25 going through right now can, in the long run, be as



1 impactful as what happened to us on 9/11. It's just  
2 happening in slower motion.

3 Senator Hirono: So, I think that we do need to pay a  
4 lot more attention to these other aspects that are not  
5 specifically DOD, but it's all interconnected, our economic  
6 activities, what we do with regard to China and Russia, and  
7 putting sanctions on them, et cetera.

8 I just -- I'm going to -- some of the things that my  
9 colleagues mentioned about, How can we determine what kind  
10 of resources are needed if you're not really very clear on  
11 how you're going to implement -- now, you can have a  
12 National Defense Strategy, but, as you both indicated, that  
13 if we don't have a clear way to implement these strategies,  
14 or we don't understand it, I don't know how we're supposed  
15 to proceed. But, you know, I realize that numbers do matter.  
16 And you both say that our military needs to grow. So, our  
17 Army, Navy, Air Force, that there are far fewer of them than  
18 in the decades past. So, numbers matter, I agree. And a  
19 lot of resources will have to go to increasing those  
20 numbers.

21 Thank you, Mr. Chairman.

22 Chairman Inhofe: Thank you, Senator Hirono.

23 Senator Kyl.

24 Senator Kyl: Thank you very much, Mr. Chairman.

25 As a matter of personal privilege, let me comment, for

1 just a moment, as a former member of this Commission, to  
2 compliment you and Senator Reed for the incredible support  
3 that you gave to the Commission, and to Senator McCain, for  
4 helping to create it, for appointing me to the Commission,  
5 and to reiterate what I believe Ambassador Edelman said in  
6 the beginning, which was that the quality of the members of  
7 this Commission was outstanding. And I except myself from  
8 that. I learned a great deal from my fellow commissioners.  
9 I see that Ambassador Patterson is here. I don't know if  
10 there are any other members of the Commission who are here.  
11 I don't see any out there. But, we had a breadth of  
12 experience and expertise that I found just to be  
13 extraordinary. That's the first point that I wanted to  
14 make.

15 The second is that, while it's been said here, I wanted  
16 to reiterate it. This was a nonpartisan discussion. This  
17 was a group of like-minded people who -- like-minded, in the  
18 sense that we cared very much about ensuring an adequate  
19 national security for our country. And we approached the  
20 questions involved, I think, from an unbiased point of view,  
21 and reached -- and this is probably the most important thing  
22 of all -- reached a consensus. Here are 12 people. I  
23 assumed that there were six Democrats and six Republicans,  
24 because that's who appointed the members of the Commission,  
25 though I honestly don't even know about the politics of some

1 of the people there. It was never apparent in the  
2 discussion. So, to me, it is extraordinary that this  
3 Commission reached a consensus. Now, there were some  
4 additional views from one of the members of the Commission,  
5 and I think that they were probably agreed to by the other  
6 members of the Commission, but he felt it important to  
7 express these additional thoughts. They were not  
8 contradictory to the consensus that the Commission reached.  
9 I want you all to appreciate that.

10 Now, I say all of this because if we're really going to  
11 do something about it -- and one of the things this  
12 Commission said from the beginning is, "We would -- we just  
13 don't want to this to be another report that sits on a  
14 shelf." This has to provide action, at the end of the day,  
15 if our year of activity, here, will not have been wasted  
16 activity, plus all of the other support that we got.

17 This means that -- and because the Commission was  
18 created by having each of you -- Senator McCain and Senator  
19 Reed each appoint three people, and the Chairman and Ranking  
20 of the House Armed Services Committee each appoint three  
21 people. The idea was to come back to this committee and to  
22 the HASC and report our findings and advocate for those  
23 findings. We also were supposed to, originally, advise the  
24 Secretary of Defense. But, because of the late start that  
25 we got, for a variety of reasons, the Secretary's defense

1 strategy actually came out before ours. Nonetheless, we've  
2 been consulting with him very directly, and our two co-  
3 chairmen have done a remarkable job of that.

4 But, what this means is that we need to go -- this  
5 committee and the House Armed Services Committee, and the  
6 Appropriations Committees in both the House and Senate, and  
7 the leadership of the House and Senate, and the Budget  
8 Committees, per discussion earlier with Senator Perdue, plus  
9 the OMB and the President, all need to work together to try  
10 to address the issues here. If this Commission can reach a  
11 bipartisan -- nonpartisan consensus on this, hopefully the  
12 members of this committee can reach across the Capitol,  
13 here, and talk to our colleagues in the House, and Democrats  
14 and Republicans can work together in a concerted way to  
15 solve these problems. That's my plea to all of you.

16 Finally, I think that the question that Senator Peters  
17 and, to some extent, Senator Hirono asked needs just a  
18 little bit of fleshing out. I'd like to give it my take and  
19 invite the panelists to add whatever they want to.

20 The question here is, Well, if we've criticized the  
21 Defense Department for not necessarily having a good and  
22 complete strategy in place, how can we then concur that it  
23 needs more resourcing? And the answer is, both of those  
24 things are true, and can be true. Just a couple of examples  
25 that come my mind, for example. We talked a lot about

1 logistics. We know that the strategic concept of the  
2 Defense Department is, if there's a conflict, for example,  
3 in the South China Sea, we've got to move a bunch of assets  
4 from Europe and the United States over there as soon as  
5 possible, but we don't have the logistical capability to do  
6 that. So, we found both the strategy a little bit  
7 perplexing, here, and the need for more resourcing. Both of  
8 those things are true.

9       That's also true, for example, on the strategy of  
10 dealing with the fact that our peer competitors, Russia and  
11 China, now have an area-denial capability that we used to be  
12 able to deal with. Now we will find it very difficult  
13 without new weapons. So, while the strategy calls for  
14 getting into a European theater and dealing with Russians up  
15 close and personal, and the same thing with the Chinese, if  
16 there ever is a conflict there, we realize we're going to  
17 have to have some new weapons to be able to do that, a lot  
18 of standoff capability that we don't have today.

19       The nuclear is another area. Cyber and space. All of  
20 these, we realize the strategy doesn't quite take into  
21 account the fact that we don't yet have what we need to  
22 implement a sensible strategy, and that's going to take more  
23 resources.

24       So, I think our colleagues deserved a little bit more  
25 of an answer there. And, if I could, now that my time is

1 expired, Mr. Chairman, would it be all right to ask the  
2 panelists to add anything they'd like to add here?

3 Chairman Inhofe: Certainly, it would be appropriate,  
4 and we'd be anxious to hear from them.

5 Senator Kyl: Thank you for your time.

6 Chairman Inhofe: I'm sure they disagree with  
7 everything you said, but that's all right.

8 [Laughter.]

9 Admiral Roughead: No, Senator Kyl, you've wrapped --  
10 summarized it up perfectly. I mean, the nature of what we  
11 will have to do, and what we currently have, it's an obvious  
12 shortcoming. And even though we mentioned in the report the  
13 percentage of nuclear recapitalization of the defense  
14 budget, we have to look at that in the context of the  
15 recapitalization budget. And so, it -- it's pretty  
16 apparent, to your point. And I think the way that you said  
17 it, that both can be true, summarizes it perfectly.

18 Ambassador Edelman: The only thing I have to add would  
19 be to say that, to the degree that this report is accessible  
20 to the layman and carries with it a sense of urgency, and  
21 also describes some ways that this could actually happen in  
22 the real world in a compelling way, a lot of that we owe to  
23 Senator Kyl's participation in the panel, which was very  
24 vigorous, and he was a -- given the fact that it was a kind  
25 of bicoastal effort for him, he was an incredibly vigorous

1 contributor and put in an enormous amount of time. And I  
2 know that both of us are grateful to him for it, and glad  
3 that he's now on your panel.

4 Chairman Inhofe: Thank you, I say to both the  
5 witnesses.

6 And, Senator Kyl, you had expressed a concern -- and  
7 you and I have seen these things happen before -- about  
8 another report that sits on the shelf. And I'll read to you  
9 the first sentence of the Chairman's program that we've --  
10 are going to be showing forward tomorrow. "Using the NDS  
11 Commission Report as a blueprint, enact recommendations from  
12 the Commission to ensure military readiness and  
13 modernization is repaired."

14 Senator King -- no. Well, let me look, here. Senator  
15 King.

16 Senator King: Thank you, Mr. Chairman.

17 And I also want to commend the report, the way it's  
18 presented, how clear it is. I think it's a really useful  
19 document. I want to join Senator Perdue, one of the most  
20 useful I've seen in my time here. I also want to echo  
21 Senator Perdue's comment that figure 10 is especially  
22 revealing, and we should list interest rates as a strategic  
23 risk, because it won't be long before interest on the debt  
24 will exceed defense expenditures. And ironically, a portion  
25 of that interest goes to one our major adversaries. They

1 can buy a aircraft carrier with the interest that we're  
2 going to pay them, to China, on the national debt.

3 I'm interested in comparing expenditures between China,  
4 Russia, and the United States. As a percentage of GDP,  
5 Russia is a little higher. They're about 4 percent.  
6 China's a little bit lower. They are 2 -- 2 and a half  
7 percent. We're at 3.3, I think. So, all in the same range.  
8 But, in absolute dollars, they are way below us. Way below.  
9 Russia is one-tenth of our expenditures. China's about one-  
10 fifth. And yet, this whole premise of this document is that  
11 they are peer competitors. Are they being smarter than we  
12 are in their expenditures? Are they being -- do -- are we  
13 being not very sensible, in terms of our expenditures? How  
14 come they've risen to the level of a peer competitor when  
15 spending one-tenth to -- one-fifth to one-tenth of what  
16 we're spending? That's a question I get at home.

17 Ambassador Edelman: Yeah. It's a good question,  
18 Senator King.

19 So, look, first, we have a very, very capable  
20 professional military. But, as a result of that, personnel  
21 costs consume a much, much larger percentage of our budget  
22 than is the case in either China or Russia, where you have  
23 largely a conscript force. Russians are beginning to move  
24 in the direction of a mixed contract-and-conscript force,  
25 but they're still largely a conscript force.



1           Second, both of them have the luxury of concentrating,  
2           essentially, on their region of the world, as opposed to the  
3           global responsibilities which the United States has  
4           exercised for 75 years since the end of the second World  
5           War. And that means they have the luxury of concentrating  
6           their investments in a couple of particular areas, and they  
7           have been very shrewd in schooling themselves in how -- in  
8           the -- in what -- you know, what you might call "the  
9           American way of war," how we have fought in the Persian  
10          Gulf, how we fought in OIF and in Afghanistan. And they have  
11          developed capabilities that seek to neutralize how we fight,  
12          and take advantage of weaknesses. I mean, the outstanding  
13          example is the one that Admiral Roughead gave earlier, which  
14          is, we have assumed, you know, since the end of the Cold  
15          War, unimpeded air and sea access --

16                Senator King: Right.

17                Ambassador Edelman: -- and that an aggressor can go  
18                in, accomplish some act, and then we'll go in and reverse  
19                the aggression, as we did in Kuwait. We're now dealing with  
20                adversaries who can contest the airspace and the seas.

21                Senator King: Let me interrupt, because I think this  
22                is -- we could really spend some time on this. And I hope,  
23                perhaps, the Commission could think about this, about how  
24                they are getting -- are they getting more bang for their  
25                buck, I guess is the basic question? And we can pursue

1 this. But, let me ask another question, and that is, Are we  
2 -- do we need a strategic and tactical realignment, in term  
3 -- because of the development of the gray war? In other  
4 words, we've got massive capacity, both nuclear and  
5 conventional, and yet we're confronted with the closure of  
6 the strait at the north part of the Black Sea. Ukraine's  
7 not a NATO ally, and yet clearly that's a dangerous  
8 situation for the world. And yet, how do we respond? What  
9 tools do we have? And do we need to be thinking about tools  
10 other than conventional military tools to deal with  
11 situations like that? I think this is a classic dilemma  
12 confronting American policymakers today.

13 Admiral Roughead: The one thing I'd -- I might comment  
14 on, Senator, is, when you say that we have massive  
15 conventional capability, I would disagree with that. When I  
16 look -- and again, we're dealing with regional challenges  
17 that -- you know, obviously, the Asian littoral, our allies  
18 in Asia are very important to us, our stature --

19 Senator King: Well, perhaps I misused the term  
20 "massive," but we have -- we do have conventional  
21 capability. My point is, we're being confronted with  
22 unconventional challenges, where the conventional response  
23 may not be either appropriate or effective. Do we need to  
24 think -- have a broader sense of strategy and tactics to  
25 deal with "little green men" and the closure of -- let's

1 make it even more dramatic -- the Bering Strait?

2           Admiral Roughead: Absolutely. And I think that is the  
3 basis for our recommendations on the operational concepts:  
4 How do we really want to go after that? What is the best  
5 way to pull the levers of power in order to offset what is  
6 happening in these particular regions? But, I think it's  
7 important, too, that, you know, being there is important to  
8 us. When I look at, for example, the balance of China and  
9 the U.S. in East Asia on surface ships, they are about four  
10 or five to one of what we currently have there. Would we  
11 flow more? Yes, we likely would. Twenty-six, twenty-seven  
12 submarines operate in that area. And, oh, by the way, one  
13 of the things that doesn't show up on the nice charts are  
14 about 119 other ships that can shoot at you. So, you know,  
15 I think we have to think in terms of that. And, oh, you  
16 know, China uses, in those two areas -- East China Sea,  
17 South China Sea -- their coast guard, which is really, when  
18 you look at some of their ships, they're about as big as our  
19 cruisers. So, you know, this is where we believe the  
20 operational concepts are key, that it is not just the  
21 hardware. There is going to be cyber, there's going to be  
22 economic, there's going to be diplomatic. So, that's what  
23 we're driving at when we talk about, What are the concepts  
24 that we want to come at these problems with?

25           Senator King: I appreciate that. And just to close

1 out, I think one of the most important things you've said  
2 today was, we are in danger of a kind of slow-motion change  
3 of strategic balance, where we don't have a response, and,  
4 the next thing we know, there are islands in the South China  
5 Sea, the strait at the north of the Black Sea is closed, and  
6 we don't have a response. It's the frog in the water as the  
7 -- it approaches boiling.

8 I appreciate your testimony and your work. Very, very  
9 important for the country. Thank you.

10 Thank you.

11 Chairman Inhofe: Thank you, Senator King.

12 Senator Tillis.

13 Senator Tillis: Thank you, Mr. Chairman.

14 Thank you, gentlemen, for being on the Commission and  
15 your past service to the country.

16 I was going through the summary here, and was looking,  
17 first, at page 19, then page 22, when you start looking at  
18 the -- you note two key risks. One is whether or not the  
19 whole of DOD can actually get its act together and execute,  
20 which is a very, I think, important thing to point out. You  
21 also note, in several instances, from the beginning of the  
22 report to the end of the report, the funding risk. And you  
23 have, basically, two tiers to it. You say that the NDS is  
24 at risk of being fully realized or implemented based on what  
25 you think are historical downward trends in funding. So,

1 even if we don't let sequestration use the blunt-forth --  
2 force reductions, then you see a very real risk for funding.  
3 Has there ever been a defense strategy that looked at the  
4 whole of the DOD and finding efficiencies a key pillar of  
5 the strategy, looking inside itself and trying to figure out  
6 where the efficiencies are to fund these strategic  
7 initiatives? And, Ambassador Edelman, I know you've been  
8 doing this for a while. Has there ever been that focus on  
9 the National Defense Strategy, actually enabling the DOD to  
10 execute?

11           Ambassador Edelman: You know, there have been various  
12 efforts. I know, at the beginning of the Obama  
13 administration, for instance, there was a -- an effort under  
14 Secretary Gates to find -- to identify, I think, \$100  
15 billion worth of efficiencies, and the deal that they had  
16 cooked with OMB was, they'd be able to keep the money, but  
17 OMB welched on the deal and they didn't get the money. This  
18 is all described in Secretary Gates's memoir in excruciating  
19 detail. I'm not aware, Senator Tillis, of any strategy that  
20 specifically pointed at this, although the current strategy  
21 also talks about doing business differently in order to  
22 generate more capability. We looked at some of the reform  
23 proposals, and we agree that the Department of Defense needs  
24 to be reformed in the way it does business, particularly,  
25 those of us who are advocating more money for defense, you

1 know, need to be able to tell you so that you can tell  
2 taxpayers and voters that the Department of Defense is  
3 spending the money wisely and appropriately. But, even at  
4 the high end of estimates of what might be wrung out of the  
5 Department, in terms of efficiency --

6 Senator Tillis: Still not enough.

7 Ambassador Edelman: -- it's usually about a -- on the  
8 high end, it would be about 150 billion over 10 years, and  
9 it's not even close to filling the --

10 Senator Tillis: Right.

11 Ambassador Edelman: -- the hole we're talking about.

12 Senator Tillis: Well, the -- you know, it just seems  
13 to me that, if you were taking a look at -- if you read  
14 through your report, I mean, what we're saying: at current  
15 course and speed, we're unlikely to achieve the objectives  
16 of the National Defense Strategy, either because we have  
17 organizational execution challenges or because we have very  
18 real and very likely resourcing shortfalls. So, I think  
19 it's very important -- you know, the conclusion that I draw  
20 from this -- great strategy; you have neither the  
21 organization nor the resources to execute it successfully.  
22 Is that a fair assessment?

23 Ambassador Edelman: Unless we change some of the  
24 assumptions about resourcing and --

25 Senator Tillis: That's why I said "current course and

1 speed."

2 Ambassador Edelman: Yeah. Correct.

3 Senator Tillis: Thank you.

4 Chairman Inhofe: Thank you, Senator Tillis.

5 Senator Blumenthal.

6 Senator Blumenthal: Thanks, Mr. Chairman.

7 I wonder if you could indicate whether you think that  
8 the National Defense Strategy, in our current path forward  
9 on undersea warfare, in terms of construction of submarines,  
10 both the Columbia-class and the Virginia-class attack  
11 submarine, is likely to meet the needs that you think have  
12 to be met.

13 Admiral Roughead: Senator, thank you for the question.

14 And I would say that the Commission discussed, you  
15 know, what specific things should we recommend, as far as  
16 increasing capability, capacity? We discussed, would there  
17 be tables of various capabilities? And we did not do that.  
18 However, one of the systems that is mentioned in the report  
19 is the need for submarines. Undersea dominance, given how  
20 we will have to get to where we want to go, is absolutely  
21 key. And that is one of the areas where our adversaries  
22 have -- they know it's our strength, and will go after that.  
23 So, clearly, the need to make sure that we have the required  
24 numbers of submarines is something that we highlighted in  
25 the report. So, you know, that is a huge issue for us,

1 because we do own the undersea now. I think we should never  
2 lose it. And we have to make the investments in that  
3 regard.

4 Senator Blumenthal: I noted that you -- that you did  
5 refer to it specifically in the report, and that's why -- I  
6 mean, my conclusion from your report is that we will be  
7 falling short of that goal on the present path.

8 Admiral Roughead: That's correct, sir. We're actually  
9 in a downslope at the same time that other countries are  
10 investing heavily in their submarines. I mentioned the  
11 numbers that China is able to put out. And, you know, there  
12 was a time where we questioned the quality of those  
13 submarines. I would argue that, today, that would be a  
14 mistake, to question the quality of what they're putting out  
15 there.

16 Senator Blumenthal: In fact, we're at grave risk of  
17 losing that undersea dominance that we've enjoyed for quite  
18 a long time, as long as we have been involved, I think, in  
19 naval warfare, which is a tremendous threat to our national  
20 security. Would you agree?

21 Admiral Roughead: And I would say it's the precursor  
22 to the movement of reinforcement that we would require in  
23 the Middle East, in Asia, or in Europe, and upon which our  
24 allies would be able to continue the fight, as well. So,  
25 seizing the undersea, making sure that we own it, and then



1 moving the sealift that is also in short supply. We  
2 highlight both air and sealift in the report, as well.

3 Senator Blumenthal: A number of us on the committee  
4 have referred to the interference in the 2016 elections by  
5 the Russians as an attack on our country. And I think, not  
6 only members of this committee, but, I think, pretty widely,  
7 that that kind of language has been used. I've actually  
8 called it -- and others on the committee, as well -- an act  
9 of war. How would you characterize it?

10 Ambassador Edelman: Senator Blumenthal, I think it  
11 might have been before you came in, but, in response to a  
12 question from Senator Hirono, I made the comment that I  
13 think both Russia and China are waging political warfare  
14 against the United States every day.

15 Admiral Roughead: And I think, as Ambassador Edelman  
16 mentioned, we put some scenarios in the report. And one of  
17 those is a bit more extensive than just election  
18 interference, but it's the waging of cyber warfare, and  
19 targeting it at critical elements of how we live our lives  
20 and how we operate. And I think that, again, is something  
21 that needs to be part of a broader public discussion and  
22 debate.

23 Senator Blumenthal: Do you think we have adequate  
24 standards for what constitutes an act of war in the cyber  
25 domain?

1           Admiral Roughead: I, personally, believe that we do  
2 not have clarity on that at all. And it's hard. There is  
3 no question about it. It's a different environment. There  
4 are so many aspects of it. But, again, this is where I  
5 believe the strategic discussions, the deliberations, the  
6 work that is done here needs to be followed through to lead  
7 to those standards and strategies.

8           Senator Blumenthal: Thank you for your excellent  
9 testimony today.

10          Thank you.

11          Chairman Inhofe: Thank you, Senator Blumenthal.

12          Senator Sullivan.

13          Senator Sullivan: Thank you, Mr. Chairman.

14          And, gentlemen, I appreciate your excellent report and  
15 also your decades of service, so I want to thank you for  
16 that.

17          I wanted to kind of focus on a couple of glass-half-  
18 full elements of, not just the report, but what's happening  
19 in some of these areas.

20          First, so you mention this big shift to great-power  
21 competition. So, I'm assuming that both of you are  
22 supportive of what I think are pretty serious and good  
23 documents, the Trump administration's National Security  
24 Strategy and the National Defense Strategy. Do you agree  
25 that those were timely and an important shift in strategy?

1 Ambassador Edelman: Absolutely.

2 Admiral Roughead: Timely and, as we articulated in the  
3 report, a good first step.

4 Senator Sullivan: And I agree with that. And I do  
5 think it doesn't get enough coverage here in the press, but  
6 it's also gotten pretty strong bipartisan support, and  
7 certainly on this committee and in the Senate. How is the  
8 Pentagon reacting to your report and to the NDS and to the  
9 National Security Strategy? I do get a sense, sometimes,  
10 when I meet with our leadership, that the inertia of, hey,  
11 staying focused on, you know, the last 20 years of what  
12 we've been doing post-9/11, very important, no doubt, but  
13 I'm not sure having a predator drone-feed trailing a mid-  
14 level guy on a motorcycle in Afghanistan who may or may not  
15 be a Taliban low-level official is the best use of our  
16 forces. I'm just giving that as an anecdote. Are they  
17 coming around to this, the building and to your report?

18 Admiral Roughead: In all honesty, Senator, I will be  
19 able to answer that question -- I'm headed over to the  
20 Pentagon this afternoon --

21 Senator Sullivan: So, you haven't gotten a reaction --

22 Admiral Roughead: I have not spoken to --

23 Senator Sullivan: -- from the Pentagon to your report?

24 Admiral Roughead: -- anyone directly in the Pentagon  
25 since we issued our report, no.

1           Ambassador Edelman: I think, by and large, the  
2 reaction I've had so far, Senator Sullivan, has been  
3 appreciation for the recognition that the strategy needs to  
4 be adequately resourced, and I think, as well, agreement on  
5 the emphasis on future areas -- future capabilities and on  
6 missile defense and on the Nuclear Posture Review. Slightly  
7 less enthusiastic reception for some of the findings on  
8 civil/military relations.

9           Senator Sullivan: Let me ask another one. Admiral, I  
10 think you have a lot of experience in the Asia-Pacific  
11 scenario that I care a lot about. I like to remind some of  
12 my colleagues here: every time I go home, I'm in the Asia-  
13 Pacific. Anchorage, my hometown, is closer to Tokyo than it  
14 is to Washington, D.C. So, we are an Asia-Pacific nation.

15           You know, the Chinese reaction to the National Defense  
16 Strategy and National Security Strategy was kind of this  
17 feigned, "Oh, my gosh, I can't believe you're focusing on  
18 us." Hasn't the Chinese been focused on that very issue, the  
19 flip side of this, for 40-plus years?

20           Admiral Roughead: I think the Chinese have had a very,  
21 very close focus and a very informed strategy, and they have  
22 stuck to it, and, as a result of that, we find ourselves in  
23 a different position than we were a couple of --

24           Senator Sullivan: So, we need to take with a little  
25 bit of grain of salt the notion that they're shocked that

1 all of a sudden we're recognizing what they've been focused  
2 on for 40 years, which is great-power competition, correct?

3 Admiral Roughead: Yes, sir. The scene from Casablanca  
4 comes to mind.

5 Senator Sullivan: Yeah, me, too.

6 Admiral Roughead: Yeah.

7 Senator Sullivan: Real quick, another glass-half-full  
8 issue, I think, our allies. So, we are a ally-rich nation.  
9 Our adversaries and potential adversaries are ally-poor.  
10 Not a lot of people wanting to join the North Korea team,  
11 even the Russia team, and even the China team, to be honest.  
12 I believe a big reason for that is trust. Yes, we're not a  
13 perfect country, but most of our allies intuitively trust  
14 us. We're not going to invade them. Any -- you know the  
15 whole issue there. Isn't it true that China and Russia have  
16 been, for decades, viewing -- one of their strategic goals  
17 is to splinter our alliances?

18 Admiral Roughead: No question in my mind. And I think  
19 that that was the basis for including in our report the  
20 importance of the alliance relationships, because China, in  
21 particular, is keen on fracturing those that we have in  
22 Asia, and then to be able to influence events there in a way  
23 that they can't with our presence and influence.

24 Senator Sullivan: Just real quickly, because I do have  
25 one more question I want to ask on regional, but how are we

1 doing, from your perspective? If our goal is to deepen and  
2 expand our alliances, are we doing a good job on that? What  
3 more should we be doing?

4 Ambassador Edelman: I think that our alliances are  
5 still pretty robust, but there are growing questions about  
6 how committed the United States is going to remain to these  
7 allies in the long run. When I meet with our allies, they  
8 ask questions about comments that the United States should  
9 be nation-building in the U.S. as opposed to overseas. So,  
10 what does that mean? What does "America first" mean? I  
11 mean, there are a lot of questions about the longevity of  
12 our commitment to the alliances, although I think the  
13 alliances today are still pretty strong.

14 Senator Sullivan: Mr. Chairman, if I may ask just one  
15 final question.

16 Admiral, you know, you've spent a lot of time studying  
17 on one of the issues where we talk about, in this report,  
18 expanding the competitive space and look at different  
19 regions. There was a big Washington Post piece, just  
20 yesterday, I believe, on the Arctic and the competition  
21 there. It's an area where I think this committee's starting  
22 to focus on. Can you just give me your views? I didn't see  
23 it highlighted or mentioned in the report, which kind of  
24 surprised me. But, there's a lot going on there. It's --  
25 happens to be my home State. America is an Arctic nation

1 because of Alaska, and there's a lot happening there. Are  
2 we doing enough? And what more should we be doing in that  
3 realm?

4 Admiral Roughead: Senator, you may have heard me say  
5 that the Lower 48 probably has a different view of being an  
6 Arctic nation than I think folks in Alaska do.

7 Senator Sullivan: Well, the Chairman was with me in  
8 Alaska recently.

9 Admiral Roughead: Right.

10 Senator Sullivan: I think he understands --

11 Admiral Roughead: But, I would say that it is  
12 extraordinarily important that there be a national Arctic  
13 strategy. It has to include energy, it has to include  
14 trade, because the sea routes will open. We can question  
15 how well traveled they will be. The resources that are on  
16 the bottom of the Arctic Ocean are going to be much sought  
17 after. China is probably moving into the Arctic more  
18 aggressively than any other country. Hopefully, it'll make  
19 the Russians a bit nervous, as well.

20 But, you know, we really need to think about how we  
21 want to operate there. What are the -- what's the type of  
22 infrastructure that we have to put in place, not only for  
23 national security purposes, but to serve the people in the  
24 Arctic whose lives are changing forever? So, you know, an  
25 Arctic strategy and how we want to resource that, I think,

1 is hugely important. Not covered in our report. Those are  
2 my views on it.

3 Senator Sullivan: Well, I look forward to working with  
4 you and the committee on those issues.

5 Thank you, Mr. Chairman.

6 Chairman Inhofe: Thank you, Senator Sullivan.

7 Senator Warren.

8 Senator Warren: Thank you, Mr. Chairman.

9 So, there's no doubt that the Budget Control Act  
10 contributed to a decline in defense spending, but I just  
11 want to put that in some perspective. The defense budget  
12 bottomed out at an eye-popping \$586 billion in FY15. And,  
13 despite that decline, we still spend more than the next  
14 seven nations combined, and that includes several of our  
15 allies. So, what have we gotten with all that money? I  
16 read the first line in the Commission report, which says,  
17 quote, "The security and well-being of the United States are  
18 at greater risk than anytime in decades."

19 So, let me ask the question this way, Ambassador  
20 Edelman. This can't just be about money, because if money  
21 could solve this problem, we would have solved it already.  
22 Assume, just for a minute, that the 2020 budget cap of \$576  
23 billion will not be lifted. How would you prioritize  
24 between force structure, readiness, and modernization and  
25 still stay within that cap?



1           Ambassador Edelman: You know, I think that  
2   hypothetical question, Senator Warren, is difficult to  
3   answer unless you make some preliminary judgments about what  
4   it is you don't want to do. In other words, you know, what  
5   is it that we are going to stop doing? Are we going to stop  
6   the fight against ISIS? Are we going to get out of  
7   Afghanistan? Are we going to be less willing to protect the  
8   South China Sea or Taiwan or reinforce our allies in Europe?  
9   I mean, because, at that level of spending, you will not be  
10  able to do all of those things, which are all things that  
11  the current strategy says we should do, albeit taking some  
12  risks --

13           Senator Warren: Well, I --

14           Ambassador Edelman: -- in some areas.

15           Senator Warren: I'm sorry, but it's not really a  
16  strategy just to keep saying "more." We have to talk about  
17  priorities. You know, the United States will spend more than  
18  \$700 billion on defense this year alone. That's more, in  
19  real terms, than President Ronald Reagan spent during the  
20  Cold War. It's more than everything the Federal Government  
21  spends on highways, education, medical research, border  
22  security, housing, the FBI, disaster relief, the State  
23  Department, foreign aid, everything else in the  
24  discretionary budget put together. And I've heard a lot of  
25  talk about a hollow military in recent years. But, if we

1 continue to prioritize investment in defense at the expense  
2 of infrastructure, education, basic research, then we will  
3 have a hollow country. Our Nation's strength flows directly  
4 from our competitiveness in these areas, and we need to stop  
5 treating domestic policy and national security as if they're  
6 unrelated to each other. You want to talk about what we're  
7 not doing, what we're not doing is making a lot of  
8 investments we need to make to make this country stronger.

9 So, let me ask a question from a different perspective.  
10 Ambassador Edelman, the Commission recommended that Congress  
11 should, quote, "hold the Secretary accountable for ensuring  
12 robust civilian control." So, let me ask on that -- I want  
13 to dig in on the question that Senator Reed started with --  
14 what specific recommendations do you have for us on that?  
15 What questions should we be asking DOD leaders, both in  
16 civilian and uniform, when they come before this committee?

17 Ambassador Edelman: Senator Warren, before I take that  
18 on, I do want to get back to the first issue you raised. I  
19 actually agree with you on the need for adequate domestic  
20 spending on infrastructure. And I think all of those things  
21 that you cited are things that also contribute enormously to  
22 the national security. And it's one reason why I think the  
23 Budget Control Act is so poorly designed, because the issue  
24 -- the long-term-debt issue, if you look at the CBO's 20-  
25 year projections, is clearly driven by Medicare, Medicaid,

1 and Social Security. It's entitlement spending, not  
2 discretionary spending. And the problem that we have is  
3 that we spend all our time fighting with one another over  
4 which pieces of this shrinking discretionary pie we get.  
5 And I think that's, you know, not good for the health of the  
6 country at home or abroad.

7 On the civil/military issue --

8 Senator Warren: Well, I -- surely you're not saying  
9 you think we should cut Social Security so that we can spend  
10 more money on defense.

11 Ambassador Edelman: No. I think we need to reform our  
12 entitlement spending so that we're not --

13 Senator Warren: I --

14 Ambassador Edelman: -- so we're not --

15 Senator Warren: You can't use the word "reform" as a  
16 way to ally the fundamental question, and that is the  
17 priorities about where we're spending our money and whether  
18 we should be spending -- I just wanted to hear about  
19 priorities --

20 Ambassador Edelman: Right.

21 Senator Warren: -- because we are spending, this year,  
22 \$700 billion on defense, and the only priority I hear from  
23 you and from this report is "more." And that can't be an  
24 answer.

25 Ambassador Edelman: I agree. There's no amount of

1 money we can spend that gets us out of the conundrum --  
2 conundra that we're facing with Russia and China. And the  
3 report goes at great length to say that, in addition to  
4 sufficient resources, we need new operational concept and  
5 other new capabilities that may, in the long run, save us  
6 money, but I don't think are a magic bullet.

7       On the civil/military piece, ma'am, I would say that I  
8 don't think there's new legislation that's needed. I think  
9 there is plenty of authority in Title 10 for civilians to do  
10 their job. I think what's really important is for those  
11 jobs to be filled and for people to be there, occupying.  
12 And I think we have at least one, I think maybe two,  
13 Assistant Secretary positions in OSD policy that are vacant  
14 right now. And those jobs just need to be filled, and need  
15 to be filled in a timely manner. And we need some longevity  
16 in those positions so that people can amass the experience  
17 that allows them to deal as equals with their military  
18 peers.

19       Senator Warren: Well, I appreciate your raising the  
20 point. You know, our uniformed servicemembers are  
21 incredibly talented. I know that everyone wants to hear  
22 their opinions, and values it. But, there's a reason that  
23 the Constitution puts the hard calls on the civilian part of  
24 government. And we need to make sure that's strong enough  
25 to handle those calls.

1 Ambassador Edelman: I completely agree.

2 Senator Warren: Thank you.

3 Chairman Inhofe: Thank you, Senator Warren.

4 Senator Nelson.

5 Senator Nelson: Thank you, Mr. Chairman.

6 Good morning, gentlemen. And you've really contributed  
7 a lot by bringing this.

8 And, Admiral, seeing you, and not having seen you for a  
9 while, I am reminded that, when you were a one-star, you  
10 were tasked with the duty of the first congressional  
11 delegation into Afghanistan, led by no less than John  
12 McCain. And I'll never forget going in, lights out, into  
13 Bagram, and then meeting with a group of military members  
14 from Florida. And we met in a bombed-out aircraft hangar,  
15 where you could see the sky through that bombed-out roof.  
16 So, it's a great set of memories that I have for you, all  
17 the way up through your illustrious career to the top  
18 position in the Navy. So, thank you.

19 And, Mr. Ambassador, thank you for your service.

20 I have observed, over the years, the rapid  
21 technological advances in our commercial companies. Seeing  
22 this, for example, in telecommunications, seeing this in our  
23 civilian space program -- of course, what so many of the  
24 contractors provide for defense. Do you see opportunities  
25 for expanded commercial military operations? And where do

1 you see that?

2 Admiral Roughead: Well, thank you, Senator, and thank  
3 you for all that you've done for those who have served over  
4 the years. And, as you alluded to, you know, in our lives,  
5 we all have little vignettes that are forever there, and  
6 that time with you and Senator Reed and others in  
7 Afghanistan is exactly one of those for me. So, thank you.

8 I think that the need for there to be civil/military  
9 cooperation, particularly in the technological space, is  
10 imperative, going forward. And it's all well and good that  
11 we may create a cell out in Silicon Valley, but, if we can't  
12 make it easy for companies to be able to work quickly,  
13 smoothly, effectively, cooperatively within the Department  
14 of Defense acquisition system, I think we're just going to  
15 increase frustration, because we'll be calling for more  
16 cooperation, and we just make it hard.

17 And so, I think that -- and again, as the report calls  
18 out -- that we have to look at some particular areas where,  
19 you know, the regulations may have to be changed, or some  
20 relaxations made, that allow that to happen, because if we  
21 can't get that flow going and that level of cooperation, I  
22 think that we'll be just shouting louder, and nothing will  
23 be happening. And so, that was one of the reasons why we  
24 wanted to highlight that in the report.

25 I'm encouraged, based on our interaction with people in

1 the Department of Defense, that they're working mightily at  
2 that. But, inertia has to be overcome, regulations have to  
3 be changed, and there has to be an acceptance that sometimes  
4 things just aren't going to work.

5 And I would go back to our early days of the space  
6 program, and I would argue that, if we probably had as many  
7 missteps as we had back then, we'd be getting nothing done  
8 today. So, you know, we really need to relook at how we  
9 move into this new technical space with a different set of  
10 eyes and different set of rules and some support for where  
11 the Department wants to go.

12 Senator Nelson: And that's a good comparison, to the  
13 civilian space program, where NASA had always done it, and  
14 done it well, but, with the technological innovations in the  
15 commercial sector, and with the creation of a new plan  
16 through the NASA authorization bill of 2010, it set the  
17 entire civilian space program on a dual track. And we're  
18 NASA to explore the heavens, but the commercial space sector  
19 to take off and provide a lot of the services that NASA  
20 still needed. So, that's a good parallel as you look at the  
21 national defense, going forward.

22 Mr. Ambassador, I wanted to ask you. It seems that we  
23 have put less emphasis on Africa, specifically through  
24 Secretary Mattis. And yet, we see China investing all over  
25 the continent. Would you comment on that?

1           Ambassador Edelman: Truth be told, I think Africa's  
2    been neglected by, you know, more than just this  
3    administration. It's been an area that we haven't focused  
4    on really very much, except in the counterterrorism domain,  
5    since -- really since the Cold War ended. But, it's  
6    certainly an area where China, for instance, is investing  
7    very heavily. I think there are something like 2 million  
8    Chinese now living on the African continent, working on  
9    various Chinese industrial projects that are meant,  
10   obviously, to spread Chinese influence in the region. So, I  
11   think it's an area that we neglect, you know, at our peril,  
12   but it is not, I think, right now anyway, one that requires  
13   a military response to.

14           And I would just, if I could, Senator, join Admiral  
15   Roughead in thanking you for your service on this committee.  
16   I think this is the tenth time I've testified before the  
17   committee. I think you've almost always been here. So,  
18   thank you very much for your service to the Senate Armed  
19   Services Committee.

20           Senator Nelson: Thanks, Mr. Chair.

21           Chairman Inhofe: Thank you. And I would add to that,  
22   because it's not just this committee, but Senator Nelson and  
23   I have been on two major committees for a long period of  
24   time, and his contribution has always been very great. And  
25   I appreciate it very much.



1 Did you have anything further?

2 Senator Reed: No, sir.

3 Chairman Inhofe: I do have -- at the very beginning of  
4 this -- and we can make this kind of quick -- I asked a  
5 couple of questions I was hoping that would be responded  
6 during the course of other people's questions, one having to  
7 do with using the word of the --

8 Senator Reed: "Disequilibrium."

9 Chairman Inhofe: -- I said I've never used that  
10 before, but I enjoyed reading it --

11 [Laughter.]

12 Chairman Inhofe: -- between China and Russia's nuclear  
13 modernization, as opposed to our aging nuclear fleet and the  
14 fact that we've been doing nothing while they have been --  
15 granted, we started out way ahead, but where are we now?  
16 And how would you respond to what they're doing in that  
17 nuclear area?

18 Ambassador Edelman: Senator, so if you look at both  
19 China and Russia, they've both been engaged in pretty  
20 vigorous nuclear modernization programs over the last  
21 decade. If you look at the Russians, they're building a new  
22 road-mobile ICBM, they're building a new heavy ICBM, they  
23 are testing a rail-mobile ICBM, although it's not clear  
24 whether they will ultimately deploy it. And they have been  
25 developing concepts in their literature for use of low-yield

1 theater nuclear weapons --

2 Chairman Inhofe: Yeah.

3 Ambassador Edelman: -- that could be very troublesome  
4 if they were actually put into effect. So, that's on the  
5 Russian side.

6 On the Chinese side, you see a very big qualitative  
7 improvement. They're developing MIRVs and MARVs. And that  
8 numerical buildup is not quite as visible, but it is  
9 ongoing.

10 And so, we have two nuclear adversaries with much more  
11 modern nuclear arsenals than we do, and at least one of them  
12 exploring concepts that could be very dangerous in a time of  
13 crisis, because it might actually lead to someone deciding  
14 that they could use some of these weapons in a way that  
15 would be below the threshold that would necessitate a U.S.  
16 response.

17 Chairman Inhofe: And this is the area that your report  
18 holds out as the number-one issue that we're dealing with,  
19 too.

20 Ambassador Edelman: Right. And so, I think -- our  
21 judgment was that the commitment of the current  
22 administration, which actually builds on the previous  
23 administration's commitment to modernize our nuclear triad,  
24 is worth sustaining, and that the findings of the Nuclear  
25 Posture Review struck us as reasonable answers to all of

1 those problems.

2 Chairman Inhofe: Yeah.

3 Admiral Roughead: I would also add, Senator, that the  
4 work that China is doing in hypersonics, what type of  
5 weapons will be on those vehicles, that poses problems as  
6 far as they're no longer on this very easily determined  
7 point of origin of where it came from, where did it come  
8 from. Defensive systems that are optimized against  
9 ballistic missiles, those have to be relooked. And again,  
10 this adds to that growing To Do List, if you will. And  
11 these are hard technical problems that will require  
12 resources. And so, you know, it's a significantly  
13 challenging area, and we have kind of taken our eyes off the  
14 ball of nuclear policy, nuclear deterrence, creating a group  
15 of future thinkers that will be able to deal with it.  
16 Because it's not going to go away. I think all of us would  
17 like to put the genie back in the bottle, but it's not  
18 happening.

19 Chairman Inhofe: Well, one thing -- and I'd like to  
20 ask this for the record, because it'll be far -- I'd like to  
21 have you give more thought to it -- and that is to list the  
22 areas, the -- and I listed a few of them in my opening  
23 statement, or I guess in my first questions -- where China  
24 and/or Russia is actually ahead of us, or catching up with  
25 us. If you could do that, just for the record, I'd like to

1 -- that'd be very helpful for me to have the benefit of  
2 that.

3 Admiral Roughead: Yes, sir.

4 [The information referred to follows:]

5 Chairman Inhofe: All right. Well, thank you --  
6 Yes. Go ahead.

7 Senator Reed: Just one point, here. I chaired the  
8 trip with Senator Nelson to Afghanistan, and it was one of  
9 the many kindnesses and examples of leadership and  
10 friendship that he extended to me through a long time. So,  
11 thanks, Bill. Good being with you.

12 Thank you for getting us back home, Admiral.

13 And one point -- we've had a discussion back and forth  
14 about Social Security, et cetera -- the Commission is very  
15 clear about not -- looking at the entire Federal budget for  
16 ways in which we could deal with this resource issue,  
17 including taxes, as well as entitlements. And I think that  
18 should be noted. And I commend the Commission.

19 Thank you, Mr. Chairman.

20 Chairman Inhofe: Yes, sir.

21 And we are adjourned.

22 [Whereupon, at 11:44 a.m., the hearing was adjourned.]

23

24

25