

SENATE ARMED SERVICES COMMITTEE

POSTURE STATEMENT OF

19TH CHAIRMAN OF THE JOINT CHIEFS OF STAFF

BEFORE THE 115TH CONGRESS

SENATE ARMED SERVICES

BUDGET HEARING

JUNE 13, 2017

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Chairman McCain, Ranking Member Reed, distinguished members of this committee, thank you for the opportunity to join Secretary Mattis in appearing before you today.

The U.S. military's competitive advantage against potential adversaries is eroding. Over the last decade, sustained operational commitments, budgetary instability, and advances by our adversaries have threatened our ability to project power and we have lost our advantage in key warfighting areas. The FY18 Budget Request will allow the Armed Forces to meet operational requirements, continue rebuilding warfighting readiness, and place the military on a path to balancing the Defense program. However, without sustained, sufficient, and predictable funding, I assess that within 5 years we will lose our ability to project power; the basis of how we defend the homeland, advance U.S. interests, and meet our alliance commitments.

Strategic Environment

In today's strategic environment, five key challenges - Russia, China, Iran, North Korea, and Violent Extremist Organizations - most clearly represent the challenges facing the U.S. military. They serve as a benchmark for our global posture, the size of the force, capability development, and risk management.

Over the past several decades, each of these state actors have developed capabilities and operational approaches to counter our strategic and operational centers of gravity. The United States' decisive victory in DESERT STORM in 1991 was a wake-up call for our adversaries. For Russia and China, specifically, the lessons-learned spurred dramatic tactical, operational, and strategic adaptations. Observing the power and efficacy of precision guided munitions and combined arms maneuver, both countries accelerated modernization programs to asymmetrically counter U.S. advantages. They adapted operational constructs to incorporate anti-access technology and

employed new doctrines to leverage high-tech weaponry across all domains. These efforts sought to limit U.S. freedom of navigation, deny our ability to gain and maintain air-superiority, negate the capability of our precision munitions, and limit our ability to employ sophisticated command and control systems.

Today, Russia continues to invest in a full-range of capabilities designed to limit our ability to project power into Europe and meet our alliance commitments to NATO. These capabilities include long-range conventional strike, cyber, space, electronic warfare, ground force and naval capabilities. Russia is also modernizing all elements of its nuclear triad and its non-strategic nuclear weapons. These capabilities are intended to enable Russia to counter U.S. and NATO power projection and undermine the integrity of the NATO alliance.

Similarly, China has embarked on a significant program to modernize and expand strategic and conventional military capabilities. They have expanded their nuclear enterprise and made investments in power projection, space, cyber, hypersonic weapons, cruise missiles, and ballistic missiles – even as they continue to build out their physical presence in the South China Sea. China is also investing heavily in 5th generation fighters, air-to-air missiles, air defense systems, and sea and undersea anti-access technologies to limit our ability to project power, operate freely, and meet our alliance commitments in the Pacific.

Russia and China are not alone in these pursuits. North Korea's nuclear weapons development, combined with efforts to develop a nuclear-capable ballistic missile capability, is specifically intended to threaten the security of the homeland and our Allies in the Pacific. Over the past year, North Korea conducted an unprecedented number of missile tests. Moreover, North Korea has demonstrated a willingness to use malicious cyber tools against

governments and industry. These actions destabilize the region and pose an increasing threat to U.S. and our allies.

Iran seeks to assert itself as the dominant regional power in the Middle East. They continue to support international terrorist organizations like Hezbollah, and support proxies in Syria, Iraq, and Yemen to assert influence and counter the influence of the U.S. and our Allies. They actively seek to destabilize their neighbors, and employ naval capabilities that threaten freedom of navigation. At the same time, they are modernizing an array of ballistic missiles, missile defense, space, cyber, maritime, and cruise missile capabilities.

Finally, Violent Extremist Organizations such as ISIS and al Qaida remain a threat to the homeland, our Allies, and our way of life. Violent extremism is fundamentally a transregional threat and a generational struggle that requires our military to work with interagency and coalition partners to disrupt external attacks, and dismantle their capabilities wherever they emerge. Even with the success of our continued efforts to defeat the Islamic State in Iraq and Syria, the threat of Islamic terrorism will remain.

A review of these five challenges demonstrates that the U.S. military requires a balanced inventory of advanced capabilities and sufficient capacity to act decisively across the range of military operations. As a nation that both thinks and acts globally, we cannot choose between a force that can address ISIS and other Violent Extremist Organizations, and one that can deter and defeat state actors with a full range of capabilities. Nor do we have the luxury of choosing between meeting our current operational requirements and developing capabilities that we will need to meet tomorrow's challenges.

However, as a result of sustained operational tempo and budget instability, today the military is challenged to meet operational requirements and sustain

investment in capabilities required to preserve – or in some cases restore - our competitive advantage.

Sustained operational tempo and demand have forced the Department to prioritize near-term readiness at the expense of modernization. Additionally, a conscious choice was made to limit the size of the force in order to preserve scarce resources necessary for essential investments in immediate upgrades to critical capabilities. As a result, today, demand for high-demand/low-density specialties often outpaces supply. Particular stress is felt in specialties such as ISR, missile defense systems, naval expeditionary forces, special operations forces, global precision strike units, and cyber forces. Additionally, over the past two years, munitions expenditures in ongoing operations against Violent Extremist Organizations exacerbated existing shortfalls.

Making matters worse, for the past five years, the Budget Control Act (BCA) has forced the Department of Defense (DoD) to operate with about \$450 billion less than planned and required. These reductions have been aggravated by repeated Continuing Resolutions (CR) which hamper long-term investment and often result in increased costs. For nine of the last ten years, the Department of Defense has operated under some type of CR, delaying critical new starts, deferring installation and infrastructure modernization, and canceling major training events. A year-long FY18 CR would cut \$33 billion from the Department's request, further exacerbating these problems.

Based on these factors, the Army has been forced to prioritize near-term readiness and now faces a shortage of critical capabilities and capacities in armor, air defense, artillery, and aviation. These deficiencies are made worse by manpower shortfalls in critical military specialties and training resource constraints. Consequently, the Army is limited in its ability to man, train, and equip fully-ready Brigade Combat Teams (BCT) and other critical enablers

required to deploy, sustain, and protect service members operating around the world.

For similar reasons, the Navy faces readiness challenges in both ships and aircraft. Operational requirements and capacity constraints in shipyards and aircraft depots have increased the time and cost required to conduct major repairs. Maintenance delays, low stocks of spare parts, lack of training ordnance, and aging infrastructure impair the Navy's ability to conduct integrated training. As a result, the Navy is limited in its ability to meet operational demand for maritime capability and power projection, especially in contested environments.

The Air Force is also challenged to balance operational demands and invest for the future. Today, the Air Force is short almost 1,500 pilots, including 800 fighter pilots, and more than 3,400 maintainers across all components. They lack sufficient resources to adequately support both 4th and 5th generation training. And they have delayed investment in 4th generation aircraft modifications while limiting the fielding of 5th generation strike-fighters. The result is fewer trained pilots available to deploy, over-tasked and aging aircraft, and delays in modernization programs required to defeat near-peer adversaries.

Over the last several years, the Marine Corps has been forced to delay planned investments in infrastructure, Command and Control, and ground systems required to build, train, and launch combat ready forces. Today, the Marine Corps lacks sufficient Ready Basic Aircraft for training and deployments and has delayed procurement of the F-35, CH-53K, MV-22, and KC-130J aircraft. These delayed investments limit the Marine Corps' strategic flexibility and inhibit its ability to meet operational demands.

If these trends continue, and the constraints of sequestration are not lifted, the Department will have to cut force structure, as the tradeoffs required to

maintain the capability and capacity of the current force are no longer sustainable. Going forward, the Department of Defense requires sustained, sufficient, and predictable funding to meet current operational requirements, restore readiness shortfalls, and place us on a path toward restoring our eroded competitive advantage.

Impact of FY17 Request for Additional Appropriations (RAA).

Congress' willingness to support the Administration's request for additional resources in FY 2017 was a necessary first step to reverse the impacts of under-investment over the last five years. The FY17 appropriation yielded improvements in immediate warfighting readiness by providing funding for modest increases to end strength that primarily filled holes in existing units, funding full spectrum training, beginning to replenish depleted ammunition stocks, and continuing the restoration and modernization of critical systems.

However, the FY17 Appropriations Bill did not fully address the Department's modernization and procurement requirements and significant, long-term readiness challenges remain. The Services' inability to fully fund procurement of key platforms continues to hamper readiness by limiting the number and types of platforms available for initial entry training, individual proficiency, and collective training. Because of this, the military begins the FY18 budget cycle in a less healthy position than if the FY17 RAA was fully funded, making full and on-time funding of this budget even more critical.

Intent of the FY18 Budget: What does it do?

The FY18 Budget Request builds on the readiness recovery started in FY17, starts to fill the holes created by the BCA, and begins to balance the program. It enables the Department to meet operational requirements, begin rebuilding mid- and long-term readiness, and begin restoring capability and capacity

necessary to improve lethality. These are essential first steps in arresting the erosion of the military's competitive advantage.

In Afghanistan, FY18 investments will reinforce improvements in the Afghan National Defense and Security Forces. In Iraq and Syria, the Budget Request funds emerging requirements and provides sufficient funding and authority for the defeat-ISIS train and equip fund. In Europe, the Budget Request provides a 40 percent increase in funding for the European Reassurance Initiative (ERI) that sustains ongoing assurance efforts, and improve the capability of the U.S. forces and our Allies to deter potential Russian aggression.

To rebuild warfighting readiness, the Army will fully man its combat formation, fund 19 Combat Training Center rotations in FY18, and increase resources for home-station training to ensure units maximize full spectrum readiness. The Navy will provide flying hours and increase depot maintenance to enable integrated air/sea training. The Air Force will invest in training required to improve 4th and 5th generation warfighting capability. The Marines will increase funding for flying hours, logistics, and engineering units, and focus training resources on amphibious and combined arms operations.

Maintenance resources included in the FY18 Budget Request also improve readiness. The Army will prioritize maintenance for equipment coming out of theater in order to prepare it for unit training and refill prepositioned stocks in Europe and the Pacific. The Navy will add critical workforce capacity that reduces ship and aviation depot maintenance backlogs. The Air Force will conduct overdue weapons system sustainment, increase maintenance for inter-theater airlift, and execute recapitalization of critical systems. The Marines will prioritize maintenance for MV-22, rotary wing, and fighter aviation to improve its survivability, mobility, and lethality.

To begin restoring capacity and lethality across the force, the FY18 Budget makes critical investments in Tactical Air (TACAIR), ships, space, and cyberspace, and begins essential nuclear recapitalization efforts.

Investments in TACAIR enable the Air Force, Navy, and Marine Corps to continue procurement of 5th generation fighters and fund upgrades to 4th generation fighters that fill shortfalls and begin to grow capacity. The Air Force will procure 46 F-35As and begin upgrades to F-16s. The Navy will procure 4 F-35Cs and 14 F/A-18E/Fs to mitigate its strike fighter shortfall. The Marines will procure 20 F-35Bs. These investments, coupled with investments in modernization of depot maintenance facilities, allow us to begin reversing the impact of delays in TACAIR modernization over the past five years.

The FY18 Budget Request supports the Navy's growth by supporting the procurement of 9 ships and continuing necessary investments to upgrade and modernize nuclear aircraft carriers, destroyers, littoral combat ships, TICONDEROGA-class cruisers, amphibious assault ships, and submarines. These investments are essential to enabling the Navy to project power, ensure forward presence and deterrence, ensure access to the global commons, and provide ballistic missile defense.

Continued improvement in space-based systems enables us to better protect satellites, improve tracking/discrimination capabilities, and continue domestic launch development. Cyberspace investments prioritize hardening information networks, defending against cyber-attacks, and continuing to build, train, and equip cyber mission forces and maturing cyberspace command and control. These advances improve both offensive and defense space and cyberspace capabilities and enhance the resiliency of our systems and networks.

The FY 18 Budget Request also invests in upgrades to the nuclear enterprise, including inter-continental ballistic missiles, nuclear submarines, strategic

bombers, and command and control systems. Continuing to maintain a secure and effective nuclear deterrent is essential to defending the homeland.

However, the FY18 Budget Request alone will not fully restore readiness or arrest the military's eroding competitive advantage. Reversing the impact of the past five years of sustained operational tempo and budget instability requires sustained investment beyond FY18.

What FY18 Budget Request doesn't do: Areas for continued investment.

Specific recommendations for FY19, and beyond, will be informed by the results of the National Defense Strategy. Today, however, we know that continued investment is needed to execute responsible growth in capacity, build advanced capabilities, and restore the long-term readiness. These investments are essential to ensuring our ability to project power and maintain a credible strategic deterrent.

We continue to consume readiness as fast as we build it and lack sufficient capacity to both meet today's operational requirements and rebuild the competencies necessary to defeat near peer adversaries. As a result, our units are training to meet their assigned missions at the expense of training for their designed mission. To break this cycle, we must increase capacity in critical areas such as C4ISR, fighter aircraft, armored BCTs, amphibious ships, and special operations forces. This additional capacity will allow us to meet today's requirements and prepare for tomorrow's.

We must also invest in advanced capabilities required to defeat near-peer adversaries. As we have prioritized readiness for ongoing operations, our adversaries have prioritized investment in technologies that exploit our vulnerabilities and limit our ability to project power. To ensure our competitive advantage, we must accelerate investments in systems that defeat adversary anti-access capabilities at sea and under the sea, improve our ISR resiliency,

guarantee access to space and cyber, and enable us to defeat integrated air defenses. These advanced capabilities are vital to maintaining the U.S. military's competitive advantage in all environments and across all domains. It is also essential that we restore Comprehensive Joint Readiness, the ability of the U.S. military to deploy, employ, and sustain itself anywhere in the world, while maintaining the flexibility to transition from one crisis to another, across the range of military options. This requires sufficient capacity, the necessary capabilities, and iterative training. Our Air Force must possess the right mix of 4th and 5th generation aircraft and have sufficient capacity to conduct integrated training. Our Navy must grow and modernize while preserving a globally-present fleet, capable of sailing and operating anywhere in the world. The Army and Marine Corps must fill unit short-falls and upgrade ground tactical vehicles while expanding full spectrum training. These investments are essential to projecting power in contested environments against any adversary and operating across the spectrum of conflict.

Additionally, we must invest in maintaining a credible strategic deterrent. Due to fiscal constraints, we have delayed modernization of all three legs of the nuclear triad and are now approaching decision points with no remaining schedule margins. Over the coming decades we must recapitalize our inter-continental ballistic missiles, ballistic missile submarines, strategic bombers, and many of our command, control, and communication systems. Recapitalization costs will be significant and can no longer be delayed if the United States wants to maintain a safe, secure, and effective nuclear deterrent.

Conclusion

Today, despite the challenges facing us, our military is the most capable military in the world. We need sustained, sufficient, and predictable funding to grow sufficient capacity, develop the correct mix of advanced capabilities, and ensure a ready force. These investments are necessary to ensure our ability to

defend the homeland and project power when and where required. With your help and commitment, we can preserve our competitive advantage and ensure that we never send America's sons and daughters in to a fair fight.