Statement of Chair Harman and Vice Chair Edelman Commission on the National Defense Strategy Testimony before the Senate Armed Services Committee July 30, 2024

(Chair Harman) Chairman Reed, Ranking Member Wicker, and Members of the Senate Armed Services Committee – it is good to see former colleagues with whom I have worked over the years. Your Committee has enormous responsibility and I commend you for operating in a bipartisan fashion. I am very pleased to be joined by Vice Chairman Eric Edelman to present the bipartisan, unanimous report of the Commission on the National Defense Strategy. He and I will jointly present our opening statement to summarize our work.

As you know, Congress created our Commission to review the 2022 National Defense Strategy (or NDS) and offer a clear-eyed, independent view.

Eight commissioners were appointed by the bipartisan, bicameral leaders of the Senate, the House, and the two Armed Services Committees. Commissioners Tom Mahnken, Mara Rudman, and Roger Zakheim are with us today. Commissioners Jack Keane, Mariah Sixkiller, and Alissa Starzak are unable to join us in person.

The current NDS was written by early 2022 before Russia's invasion of Ukraine, China and Russia's strategic partnership, and HAMAS' horrific attack on Israel last October 7.

Our Commission believes unanimously that the threats to U.S. national security and our interests are greater than at any time since World War II and are more complex than during the Cold War.

Significant and urgent action is needed. We recommend fundamental change in the way the Pentagon and other government agencies do business, the way they incorporate private sector technology, and a full embrace of our partners and allies.

Our report includes actionable recommendations, including one that is being implemented in part with today's hearing: educating the American public on how dire the situation is. Their support is critical to implement the changes we need to make. Leaders on both sides of the aisle and across government need to make the case to the public and get their support.

(Vice Chair Edelman) Several of our Commissioners served on the 2018 NDS Commission, which sounded the alarm that the United States was losing its decisive military edge. Six years later, the threats are more serious and we have failed to keep pace.

Our Commission's first finding is that the United States faces the most challenging global environment with the most severe ramifications since the end of the Cold War. The trends are getting worse, not better.

There is potential for near-term war, and potential that we might lose.

The partnership between China, Russia, Iran, and North Korea is a major strategic shift that we haven't yet accounted for. It makes each of those countries stronger militarily, economically, and diplomatically and weakens our tools to deal with them. And it makes it more likely that a future conflict would expand across theaters and that we could find ourselves in a global war.

The 2022 NDS identifies China as "the pacing challenge." We find China is in some ways outpacing the United States. While the U.S. still has the world's strongest military with the farthest reach, within 1,000 miles of China's shore, we have lost military dominance and could lose a war.

China's cyber capabilities, space assets, growing strategic forces, and fully modernized conventional forces are designed to keep the United States from engaging in the Taiwan Strait or the South or East China Seas. China has infiltrated our critical infrastructure networks to prevent or deter U.S. action by contesting our logistics, disrupting power and water, and otherwise remove the sanctuary that the United States has long enjoyed at home.

For its part, Russia has reconstituted after its invasion of Ukraine. Vladimir Putin seeks to re-assert Russia as a great power and is happy to destabilize the world to do it. Our report describes the threats posed by Iran, North Korea, and terrorism. Clearly, Iran and North Korea feel emboldened. Terrorist groups remain a potent threat, fueled by the proliferation of technology. As DNI Haines has said, the current war in the Middle East will likely have "a generational impact" on terrorism.

We share the goal of the NDS of deterring major war. Doing so will require moving with a sense of urgency and determination beyond what we have seen in the past couple of decades.

(Harman) In the interest of time, we will both describe the rest of the Commission's main findings and save further discussion for your questions. They are:

1. DoD cannot, and should not, provide for the national defense by itself. The NDS calls for an "integrated deterrence" that is not reflected in practice today. A truly "all elements of national power" approach is required to coordinate and leverage resources across DoD, the rest of the executive branch, the private sector, civil society, and U.S. allies and partners.

We agree with the NDS on the importance of allies and we commend the Administration for expanding and strengthening NATO and building up relationships and capabilities across Asia. We also point out ways for the United States be better partners ourselves, including by maintaining a more stable presence globally and in key organizations like NATO. We call for reducing barriers to intelligence sharing, joint production, and military exports so we can better support and prepare to fight with our closest allies.

2. Fundamental shifts in threats and technology require fundamental change in how DoD functions. This is particularly true of how DoD works with the tech sector where most of our innovation happens. DoD is operating at the speed of bureaucracy when the threat is approaching wartime urgency.

DoD's structure is optimized for research and development for exquisite, irreplaceable platforms when the future is autonomy, AI, and large numbers of cheaper, attritable systems. Programs like Replicator and offices like the Defense Innovation Unit and the Office of Strategic Capital are great – but they are essentially efforts to work around the larger Pentagon system.

In addition, since the 2018 report, the Joint Staff has worked to develop operational concepts to overcome deficits in numbers and geography. Our Commission finds that there is more work to be done to truly operate as a joint force with technological and strategic advantage.

3. The force-sizing construct in the NDS is inadequate for today's needs and tomorrow's challenges. We propose a Multiple Theater Force Construct with the Joint Force, in conjunction with U.S. allies and partners, sized to defend the homeland and tackle simultaneous threats in the Indo-Pacific, Europe, and the Middle East. U.S. global responsibilities require a global military presence – as well as a diplomatic and economic one.

- 4. U.S. industrial production is grossly inadequate to provide the equipment, technology, and munitions that the U.S. military and our allies need today, let alone given the demands of great power conflict.
- 5. The DoD workforce and the all-volunteer force provide an unmatched advantage. However, recruiting failures have shrunk the force and raise serious questions about the all-volunteer force in peacetime, let alone in major combat. We should prepare now for what a wartime mobilization would entail. The civilian workforce at DoD and in the private sector also face critical shortfalls.
- 6. The Joint Force is at the breaking point of maintaining readiness today. Adding more burden without adding resources to rebuild readiness will cause it to break.
- 7. The United States must spend more effectively and more efficiently to build the future force, not perpetuate the existing one. We have to cancel legacy programs. Additional resources will also be necessary. Congress should pass a supplemental appropriation to begin a multiyear investment in the national security innovation and industrial base.

Additionally, Congress should revoke the 2023 Fiscal Responsibility Act spending caps and provide real growth for FY 2025 defense and nondefense national security spending that, at bare minimum, falls within the range recommended by the 2018 NDS Commission. Subsequent budgets will require spending that puts defense and other components of national security on a glide path to support efforts commensurate with the U.S. national effort seen during the Cold War.

We also agreed unanimously that the national debt is its own national security challenge. If we want to approach Cold War levels of spending, we need to increase tax rates and reform entitlement spending. During the Cold War, top marginal income tax rates were above 70 percent and corporate tax rates averaged 50 percent. We don't call for those numbers, but today we are spending more on the interest on our debt than on defense.

Mr. Chairman, Ranking Member Wicker, and Members of the Committee, thank you again for your role in establishing our Commission and inviting us to share our report with you. We welcome the opportunity to answer your questions.