# SENATE ARMED SERVICES COMMITTEE

## STATEMENT OF

## GENERAL MARK A. MILLEY, USA

# 20<sup>TH</sup> CHAIRMAN OF THE JOINT CHIEFS OF STAFF

# DEPARTMENT OF DEFENSE BUDGET HEARING

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### Introduction

Chairman Inhofe, Ranking Member Reed, distinguished members of this committee, it is an honor to testify before you today on the President's Budget for Fiscal Year (FY) 2021.

It remains my distinct honor and privilege to represent the Soldiers, Sailors, Airmen, and Marines of the United States Armed Forces—the best-trained, best-equipped, and best-led military force in the world. America's servicemen and women stand watch in the air, land, sea, space, and cyberspace defending our nation and protecting the **values** bestowed upon us in the Constitution.

The United States military is a vital component of U.S. national power to deter great power war and protect the security of our nation. Should deterrence fail, we are prepared to fight and win our Nation's wars against any potential adversary.

The last four defense budgets Congress passed have done much to address readiness shortfalls, and reduce the backlog of deferred procurement and modernization, resulting from sequestration in the Budget Control Act of 2011, repeated continuing resolutions, and simultaneously fighting two contingencies. Still, readiness and modernization challenges remain. Our competitors are making steady gains and are closing the gap in all warfighting domains. It requires **sustained**, **predictable**, **adequate**, **and timely** budget authorizations and appropriations to effectively compete in an era of great power competition.

I applaud the Bipartisan Budget Acts of 2018 and 2019 for improving predictability by authorizing a funding baseline in two-year periods. I especially thank Congress for an on-time FY19 appropriation. Unfortunately, continuing resolutions for FY20 reduced predictability again. I urge Congress to continue providing two-year funding baselines to improve our planning, and to pass an on-time appropriation for FY21 so our Department can most effectively apply taxpayer dollars to our national defense.

The President's Budget for 2021 (PB21) requests \$705.4 billion, consisting of \$636.4 billion for base requirements and \$69 billion for Overseas Contingency Operations. It is a product of many **hard funding choices.** It aligns resources to the strategic objectives outlined in the National Security Strategy (NSS), National Defense Strategy (NDS), and National Military Strategy

(NMS), and delivers a **ready**, **agile**, **and capable** Joint Force that can **compete**, **deter**, **and win** across all domains today and in the future.

Specifically, the Department's PB21 request makes investments in four priority areas: improving Joint warfighting readiness, developing the future Joint Force; developing Joint leaders; and supporting our troops and their families. These investments prioritize capability and capacity while reforming the department for better performance and accountability. They also reaffirm our commitment to existing Allies and partners, while helping attract new partners to advance U.S. interests around the world. PB21 provides the best balance of resources to address the security challenges we face today and in the future.

## **Strategic Environment**

As we begin the third decade of the 21<sup>st</sup> century, we are in an era of great geostrategic change and face a complex range of challenges. International institutions and norms are under attack and the free and open order that has brought prosperity and great power peace since the Second World War is being challenged every day. We face threats to the homeland and our national interests from state and non-state actors across every domain—land, sea, air, space, and cyberspace. While the nature of warfare is constant, the character of war frequently changes due to advances in technology and how humans apply technology in the conduct of war.

The NDS provides guidance for how we use military force today and in the future. It emphasizes the return of great power competition and prioritizes our efforts for long-term competition with China and Russia. It also directs us to deter and counter the regional influence of North Korea and Iran while consolidating our gains against violent extremist organizations (VEOs). This strategic framework—not meant to be predictive of future conflicts—informs our planning, capability development, risk assessments, and investments. Each of the challenges outlined in the NDS threaten **our national interests to preserve great power peace, and protect the American people, our homeland, and the American way of life.** 

**China** seeks to undermine the free and open Indo-Pacific, our global alliance structure, and the status quo of powers around the world, by ignoring international norms, standards, and laws. Additionally, the Chinese Communist Party exports authoritarian practices around the world to undermine U.S. interests. They assert control of disputed spaces in the Indo-Pacific region

through a campaign of low-level coercion and use of "gray zone" tactics below the threshold of armed conflict. Beijing's increasing military presence in the South China Sea and building of dual-use infrastructure in the Spratly Islands is an attempt to control access, project power, and undermine U.S. influence in the area. Meanwhile, through investments in nuclear, space, cyber, and electronic warfare, coupled with growing air and maritime capabilities, China strives for regional hegemony and to increase its influence on a global scale in the near-term.

**Russia** is attempting to undermine the credibility of our NATO alliance, and U.S. credibility globally. Opportunism is a cornerstone of their behavior in the strategic environment to exploit political instability and uncertainty. Moscow uses information warfare, cyber operations, and political influence to achieve their objectives around the world. We have seen examples of revanchist behavior in their invasions of Georgia and Crimea, activities in the Donbas, and backing of authoritarian regimes in Syria and Venezuela. Since 2016, we have worked to counter their efforts to sow doubt in democratic processes and to exacerbate societal divisions in Europe and the United States.

China and Russia have invested in capabilities designed to nullify our strengths and exploit perceived weaknesses—specifically targeting our ability to project power and operate freely around the world.

Despite the diplomatic thaw between the United States and the Democratic People's Republic of Korea, **North Korea** threatens our regional Allies and our homeland with nuclear and ballistic missile capabilities. We must have a force posture to deter and defend against these threats, as well as Pyongyang's extensive conventional forces. The Joint Force must maintain readiness on the Korean Peninsula, as well as in defense of our homeland, to be prepared for multiple contingencies.

**Iran** is the world's largest state sponsor of terrorism, including groups that threaten U.S. personnel overseas and in our homeland. Iran has taken advantage of instability to expand its influence through partners and proxies to challenge the interests of the United States and our Allies and partners. Tehran also uses covert and overt military action to restrict our military and economic access to the Middle East, especially threatening freedom of navigation along commercial maritime routes. Recently, the Iranian regime's attacks have become more aggressive and they are taking steps to resume development of nuclear weapons. Iran continues

to develop cruise and ballistic missiles, improve their intelligence capabilities, and undertake malicious cyber activities intended to challenge our competitive advantage.

**Violent extremism** is a generational, transregional struggle requiring sustained political, fiscal, and military solutions. While we have achieved significant progress in our counterterrorism efforts, the threat to the United States and our Allies remains. With a coalition of like-minded nations, we continue to apply military pressure against VEOs in Afghanistan and Syria to protect the American people from terrorist attacks against the homeland. Our military strategy remains to work by, with, and through Allies, partners, and local forces; however, a coordinated, whole-of-government approach is necessary to address the underlying conditions of violent extremism.

To meet these priority challenges, the Department requires a **flexible and agile Joint Force** with the **capability and capacity to respond** to any contingency **now and in the future**. We must be able to **adapt quickly** to the rapid evolution in advanced technologies to compete and win against potential adversaries. Our PB21 request targets specific investments in **readiness**, **modernization, leader development, and support to our people and families** to retain overmatch in an era of great power competition.

#### **Improve Joint Warfighting Readiness**

The U.S. Armed Forces are prepared to defeat any adversary that threatens the homeland or its vital national security interests around the world. Investment in readiness is essential to maintain this posture, and readiness continues to be a focus of our budget request this year.

PB21 builds on readiness improvements from FY17-20 with a funding profile that meets readiness recovery goals for all Services within the Future Years Defense Plan (FYDP). PB21 requests \$125.1 billion to robustly fund readiness across the Joint Force, augmented by cooperation with our Allies and partners. This represents an increase of \$9 billion, or 7.8 percent, over FY20 enacted levels to continue readiness recovery and meet global readiness needs. PB21 funds major readiness accounts to grow operational availability and recover from years of wartime operations and budget instability. It will replace aging equipment with accelerated procurement of newer gear, improve training of ground and aviation elements, and invest in manpower with critical skills. Specific readiness status and major priority investments by Service follow.

<u>U.S. Army:</u> Recent budgets have reversed readiness declines and facilitated modest gains, achieving and sustaining the Army's highest readiness levels in the last three years. Since 2016, the Army's non-deployable rate has decreased from 15 to six percent, and over the last year, active component Brigade Combat Team average readiness is holding steady at 74 percent. Despite significant progress recovering core mission readiness, global operational demands continue to challenge the Army's ability to sustain its gains and to achieve the readiness levels needed to meet contingency planning requirements.

The PB21 budget enables the Army to maintain its current tactical readiness levels while improving its strategic readiness. The PB21 budget produces modest end strength growth to build cyber operations and electronic warfare (EW) capabilities, and increases funding for ground and air readiness—resourcing training strategies at 100 percent for the Active Component and 80 percent for the Reserve Component. The budget proposal also enables the Army to improve training, support, and command facilities through the activation of a 4<sup>th</sup> Corps headquarters.

<u>U.S. Navy</u>: Navy readiness bottomed out in June 2018 and has trended slowly upwards after the implementation of a readiness recovery strategy. By October 2019, the Navy improved mission-capable rates for all aircraft types and achieved the desired 80 percent mission capable rates for F/A-18 E/F and EA-18G primary mission aircraft inventory. However, complete readiness recovery requires continued sustained implementation and funding of the recovery initiatives to address challenges in supply, munitions, and infrastructure. In the long term, the Navy must balance sustainment of the current and growing force with the need to increase capacity and field new capabilities.

PB21 implements the NDS and prioritizes readiness recovery of force elements required in a major contingency while sustaining a combat-credible force forward. The Navy prioritizes funding for its people—growing its end strength by 3,970 personnel over the 2020 projected level. This growth will eliminate shortfalls in critical warfighting readiness specialties, align manpower to force structure as the Navy grows the Fleet, and reduce manpower gaps at sea. The Navy is focused on data-driven process improvements that drive the implementation of industry best practices for aviation readiness and ship maintenance. Maintaining and improving public and private shipyard infrastructure capacity is essential to shipbuilding and conducting required

maintenance of a growing Navy. Planned Naval Shipyard investments and completion of Naval Shipyard optimization analyses are a necessary step to minimize maintenance delays, increase on-time deliveries, and incentivize private shipyards to grow much-needed shipbuilding capacity.

<u>U.S. Marine Corps</u>: Funding increases have enabled the Marine Corps to sustain its role as a ready, agile, and expeditionary force ready to meet global demand. Current unit readiness remains high for deployed forces and total force readiness continues to trend upward. However, the Marine Corps has entered a period of transformation to build a force that is postured to meet the demands of the rapidly evolving future operating environment and align with the NDS.

As an inherently naval force, PB21 enhances the Marine Corps' capability through naval integration. It prioritizes investments that incorporate revolutionary warfighting concepts, such as littoral operations in contested environments, expeditionary advanced base operations, and distributed maritime operations. PB21 invests in ground combat capabilities by divesting known legacy and low-demand programs that do not meet future operating requirements and reinvests these funds in capabilities that enable a naval expeditionary force-in-readiness to operate inside contested maritime spaces. Marine aviation continues to advance through ongoing and comprehensive readiness recovery efforts to increase the capacity and quality of mission capable aircraft.

<u>U.S. Air Force</u>: FY17-FY19 funding contributed to readiness improvements across various platforms by investing in pilot training and production, depot maintenance, and aviation spare parts, while increasing flying hours. Increased aircraft mission capable rates have resulted in over 75 percent readiness of the Air Force's pacing squadrons. However, aging programs, such as the legacy tanker fleet, and programs that lack sufficient sustainment capacity to support total inventory, prohibit additional improvements in the Air Force's readiness. PB21 divests of programs like these and reinvests in new procurement and advanced technology to improve readiness, address future threats, and lower aircraft sustainment costs.

The number one priority of the Air Force is multi-domain command and control. This investment allows current and future platforms to instantly share important data, and increases effectiveness, survivability, and lethality. The Air Force is also continuing to leverage data analytics, innovation, industry best practices, and cutting-edge technologies to reduce sustainment costs, increase efficiency, and improve weapon system reliability. PB21 addresses operational training

infrastructure shortfalls through targeted near-term investments and a long-term funding strategy to upgrade both its live and synthetic training infrastructure.

<u>U.S. Space Force</u>: We are expeditiously building the newest branch of the Armed Forces – the Space Force – as a co-equal Service under the Department of the Air Force. To complement U.S. Space Command, which the President established as a unified combatant command in 2019 to integrate Joint Force operations in the space domain, the Space Force will focus on the Title X responsibilities of manning, training, and equipping U.S. forces to maintain a competitive advantage in space. We expect the Space Force to be an agile and lean organization that will initially grow its membership from the U.S. Air Force, and eventually other Services pending Congressional approval. There is much work to do to establish the mechanisms to commission, enlist, appoint, train, equip, and support members of this new military service. We look forward to working with Congress in these areas to create the world's most capable Space Force.

#### **Developing the Future Joint Force**

To effectively compete and deter in a time of great power competition, we must modernize existing capabilities, accelerate the evolution of advanced technologies, and develop and implement joint warfighting concepts.

Analytical assessments, like the Joint Military Net Assessment, the Chairman's Risk Assessment, and Contingency Planning Guidance, allow us to assess risk, estimate the future operating environment, and make comprehensive, threat-informed decisions. Based on these assessments, the Joint Force has prioritized the following capability areas as critical to achieve the NDS objectives and counter tomorrow's expected challenges.

<u>Nuclear Deterrence</u>: As the Department's top priority, PB21 robustly supports the nuclear enterprise under the NDS and the 2018 Nuclear Posture Review. It invests in nuclear modernization to improve the safety, security, and reliability of our nuclear enterprise, and supports simultaneous recapitalization of capabilities across all three aging legs of the nuclear triad and sustainment of legacy systems. Key investments are in the Ground-Based Strategic Deterrent, the B-21 bomber, the Columbia-class submarine, Long-Range Stand Off Weapon, missile warning, and resilient assured Nuclear Command, Control, and Communications. <u>Space</u>: PB21 requests funding to increase our resiliency, deterrence capability, and warfighting options in the space domain. It includes funding to modernize existing space assets, diversify offensive and defensive space control capabilities, and improve space-based intelligence, surveillance, and reconnaissance (ISR). The budget also requests continued funding for the Space Development Agency's first project to develop a new data transport layer to enhance connectivity among our warfighting platforms. As they move forward, they will set an example of how the Department can move quickly and leverage industry best practices and innovation in developing new space capabilities.

<u>Cyber</u>: The PB21 request prioritizes the defense of DoD Information Networks, improves offensive and defensive cyberspace operations capabilities, and matures our cyberspace command and control structure. It continues to build, train, and equip Cyber Mission Forces. It also makes investments in next-generation encryption to secure DoD communications, and invests in secure, cloud-based information technology for the Department's business and mission operations through the Joint Enterprise Defense Infrastructure Cloud contract.

<u>Command and Control</u>: PB21 increases investment in Joint All-Domain Command and Control (JADC2) to create an agile, interoperable Joint Force that can fight with fully networked platforms, sensors, weapons, and command and control capabilities, even through contested environments. The Air Force's Advanced Battle Management System (ABMS) and our collective digital modernization efforts across the Department increase our speed, agility, and capability to fight and win in all-domain operations.

<u>Air</u>: PB21 requests funding to modernize air capabilities, while divesting legacy air programs. It maintains tactical aviation capacity through continued procurement of both 4<sup>th</sup> and 5<sup>th</sup> generation aircraft, including F-35, F/A-18 E/F, and F-15EX aircraft. It invests in developing Next Generation Air Dominance platforms to meet future Joint Force requirements. PB21 reduces the size of the B-1 fleet, but funds selective legacy bomber upgrades, to improve aviation readiness, while investing in development of the future nuclear-capable bomber, the B-21 Raider. It also requests funding to build the future tanker fleet.

<u>Sea</u>: PB21 requests funding for a battle force of 306 deployable ships in FY21, including funding to recapitalize the Columbia strategic ballistic missile submarine, our nation's sea-based strategic deterrent. PB21 invests in a more lethal and innovative maritime force through increased

research and development for maritime strike tomahawk, the hypersonic Conventional Prompt Strike weapon, unmanned systems, a family of lasers, cyber and information warfare capabilities, and Marine Corps expeditionary equipment. Our budget request also includes key readiness investments in ship depot maintenance and ship operations.

Land: Further developing long-range fire capabilities remains a priority in the land domain. The Army and Marine Corps intend to field an initial ground-launched cruise missile capability in the next few years. PB21 also invests in the recapitalization of combat vehicles with the fielding of the Joint Light Tactical Vehicle, which provides increased protection and restored payload characteristics compared to the legacy High-Mobility Multi-Wheeled Vehicle (HMMWV) fleet. Army Combat Vehicle and Marine Corps Amphibious Combat Vehicle investments will help meet the Joint Force's operational needs in the face of the changing character of modern land warfare.

<u>Missile Defeat and Defense</u>: PB21 strengthens missile defense of the homeland, deployed forces, and our allies and partners. It supports continued investment in the modernization of critical near-term layered capabilities to meet the threats of today while building additional capacity and lethality to outpace evolving threats. Additionally, this budget is aligned with the Missile Defense Review which places emphasis on homeland Ballistic Missile Defense and reduces risk by pursuing multiple developmental efforts. These investments support a flexible, adaptable, and expanded missile defense architecture on the ground, in the air, and from the sea that leverages space technology.

<u>Advanced Technologies</u>: Great power competition requires the Department to be on the cutting edge of advanced technologies. **Hypersonic weapons, artificial intelligence (AI), and autonomous systems** are a few of our key advanced technology investment areas. PB21 represents the Department's largest-ever investment in research, development, testing, and evaluation. Through this infusion of funding, we will draw on the power of America's industrial base and technology sector as partners in our modernization and innovation efforts.

PB21 increases our investment in **hypersonic weapons** development. This request supports promising long-range conventional and advanced rapid-response strike capability development in each military department, including the Army's Long-Range Hypersonic Weapon, the Navy's Conventional Prompt Strike, and the Air Force's Advanced Rapid Response Weapon.

Hypersonic weapons provide an offensive capability against time-sensitive and high-value targets. They challenge adversary sensors and interceptors, and complement existing cruise and ballistic missile capabilities.

PB21 also increases our investment in **AI** research, prototyping, and fielding. The Joint Artificial Intelligence Center (JAIC) and Project Maven are leading cross-Service AI efforts, while each Service leads projects focused on their unique needs. Funding for the JAIC provides a common foundation upon which multiple organizations can develop, test, certify, and share AI capabilities. JAIC also provides a single point of contact for government, industry, academia, and other Allies interested in collaborating with DoD on AI. Project Maven's application of AI to full-motion video exploitation demonstrates how the Department can to rapidly develop, test, and field AI capabilities to address operational problems. We are rapidly expanding our AI efforts to logistics, cyber operations, command and control, and semi-autonomous and autonomous vehicles, while we refine how humans will interact with this technology in our future.

PB21 also requests funding for **autonomous and remotely piloted systems** in the air, on and under the sea, on land and in space. These systems increase the capacity of our force, allow us to focus human efforts on more complex tasks, and enhance our speed of maneuver and lethality in contested environments. Combined with developments in piloted and optionally-piloted platforms, our advanced autonomous systems will enhance our speed of maneuver and lethality in contested environments.

<u>Joint Warfighting Concept (JWC)</u>: Advances in technology and great power competition are driving us to refine our Joint Warfighting Concept. The JWC will provide a threat-informed capability development roadmap for all-domain joint maneuver warfare. We will harness the innovation within our force, the intelligence community, industry, and other sectors of America to develop and test this concept to ensure it reflects the best ideas for the future fight. PB21 invests in Joint wargames and experiments so we can accelerate our learning and adapt concepts and capabilities faster than our adversaries.

### **Develop Joint Leaders**

In order to retain our competitive advantage into the 2030s and beyond, we are refining Professional Military Education (PME) and talent management to develop Joint Leaders with the skills, values, and intellectual agility to fight and win the wars of tomorrow.

Our PB21 complements measures we are taking to reorient the PME enterprise to prepare Joint leaders to operate globally, across all domains, and in an environment where the character of war is constantly changing. Measures include shifting PME curricula from a predominantly topic-based approach to instead focus on outcomes, and modifying instruction to emphasize ingenuity, military professionalism, and historical insights in the art and science of warfighting. The Joint Chiefs and I are committed to ensuring our PME enterprise can continuously assess, adapt, and innovate.

Our collective talent management enterprise, based on individual Service personnel processes, must likewise continuously assess, adapt, and innovate. The positive benefits of adaptation and innovation in our PME enterprise are sub-optimized if we do not wisely identify and nurture the development of the human talent in the Joint Force. Our best and brightest must be identified, assigned to schooling, and employed in such a way that maximizes both their potential and the benefit for the Joint Force. Careful selection of who goes to school and when, who teaches them, assessments of cognitive abilities, and purposeful post-PME assignments require adaptation and innovation to realize this vision.

The increased speed, complexity, and ambiguity of today's strategic environment require that we develop strategically-thinking joint warfighters who can critically and creatively apply military power to inform national strategy, conduct globally integrated operations, and fight under conditions of disruptive change. Through rigorous, specialized military education combined with enhanced talent management approaches, we will provide the Joint Force intellectual overmatch and competitive advantage in all domains.

#### **Troops and Families**

The United States military is the strongest in the world because of our people. We maintain a resilient and adaptable military by providing unwavering support, care, and leadership to our

troops and families, to include our extended family – the civilian employees who serve across the Joint Force.

PB21 requests funding for family support initiatives, to include child care for over 160,000 military children and various youth programs serving more than 1 million dependents. PB21 also requests a significant investment in a variety of military spouse programs. These include family advocacy, financial readiness, and the Military OneSource network. We are also implementing programs to offset the costs of acquiring and transferring professional licenses for our military spouses.

In broad terms, PB21 focuses on improving our facilities infrastructure and maintenance to support operational and training readiness, while also providing our military families safe, high-quality residences. In recognition of the deficient conditions with some of our base housing, each of the Services has enhanced oversight of their public-private housing partnerships consistent with the FY 2020 NDAA requirements.

America's military operates globally and at a high operational tempo. We must keep the trust of our service members and their families by ensuring that they continue to receive superior quality of life benefits. Our all-volunteer force will continue to be the greatest in history only if we continuously affirm how much we value the service that our military and civilian members provide their country.

## Conclusion

The United States armed forces is a **flexible and adaptable force** ready to deter, fight, and win our Nation's wars. The PB21 budget request increases the lethality of the force by improving readiness, developing the Joint Force of the future, developing Joint leaders, and taking care of our troops and their families. I appreciate the support of Congress to provide sustained, predictable, adequate, and timely funding so America's armed forces will achieve all-domain dominance now and into the future.