

Opening Statement on the Defense Budget for FY2018 and Beyond
Chairman John McCain
January 24, 2017

The Armed Services Committee meets this morning to receive testimony on the defense budget for fiscal year 2018 and beyond. I'd like to welcome our witnesses:

- Dakota Wood, Senior Research Fellow for Defense Programs at the Heritage Foundation;
- Dr. Thomas Mahnken, President and CEO of the Center for Strategic and Budgetary Assessments; and
- Dr. Lawrence Korb, Senior Fellow at the Center for American Progress.

As Donald Trump assumes the awesome responsibilities of the presidency, he has inherited a world on fire and a U.S. military weakened by years of senseless budget cuts. I am encouraged that he recognizes these problems. In fact, the White House website now features President Trump's promise to "end the defense sequester" and "rebuild our military." I know the President will find many allies on this committee who share these goals.

The world order that America has led for seven decades—which has benefited our people most of all—is now under unprecedented strain. We have entered a new era of great power competition, even as we continue to face an enduring global conflict against violent Islamist extremist groups.

Too many Americans seem to have forgotten that our world order is not self-sustaining. Too many have forgotten that, while the threats we face may not have purely military solutions, they all have military dimensions. In short, too many have forgotten that hard power matters. It is what gives our nation leverage to deter aggression and achieve peace through strength.

The epitome of this forgetfulness is the *Budget Control Act of 2011*, which cut and arbitrarily capped defense spending for a decade. At a time of growing threats, this law led to a 21 percent reduction to the defense budget from 2010 to 2014. Across the board, the military got smaller and, worse, less capable. Critical investments in new technologies were deferred, which helped adversaries like Russia and China to close the gap. At the same time, the combination of rising threats, declining budgets, aging equipment, shrinking forces, and high operational tempo produced a military readiness crisis.

In other words, President Trump is now commander-in-chief of a military that is underfunded, undersized, and unready to meet the diverse and complex array of threats confronting our nation. That is why every member of the Joint Chiefs of Staff has testified to our committees that years of budget cuts have placed the lives of the men and women of our armed forces at greater risk.

Despite the damage done to our military over the last several years, there are still those that argue we should not be so concerned. They say America's military is still the greatest fighting force ever known, that our military capabilities are still "awesome," that we spend so much more than Russia or China, or that we spend roughly the same amount we did during the Cold War.

True as these statements may be, they say little to nothing about whether our military can achieve the missions assigned to them and at what cost. In fact, the testimony of our military leaders in open hearings and closed briefings leads me to believe there is real reason for concern. We don't fight wars by comparing budgets. That's why this kind of happy talk is not just unhelpful, it's dangerous. It breeds the kind of complacency we cannot afford with a world on fire.

It's time to change course on America's defense budget.

We have to invest in the modern capabilities necessary for the new realities of deterring conflict. Our adversaries have gone to school on the American way of war, and they are investing heavily in advanced capabilities to counter it. After years of taking our military advantage for granted, we are now at serious risk of losing it. We cannot just buy a bigger version of the military that won the Gulf War twenty-five years ago. We have to invest in the new technologies and capabilities that will allow our military to prevail in a conflict twenty-five years in the future.

We also have to regain capacity for our military. Put simply, our military today is too small. It does not have enough ships, aircraft, vehicles, munitions, equipment, and personnel to perform its current missions at acceptable levels of risk. Adding capacity alone is not the answer. And any capacity that we do add must be done deliberately and sustainably. But add we must.

Of course, rebuilding our military must be done smartly. We must seek to make our military better, not just bigger. We must continue our reform efforts to make the Department of Defense more effective and efficient, while cutting wasteful spending.

We must also be clear about the challenge of rebuilding America's military.

It will not be cheap. In my estimation, our military requires a base defense budget for fiscal year 2018, excluding current war costs, of \$640 billion, which is \$54 billion above current plans, and sustained growth for years thereafter.

It will not happen overnight. The harm done to our military over the past eight years will not be reversed quickly. The longer we wait, the worse it will get, and the longer it will take to fix.

And it will not be easy. Rebuilding America's military will require spending political capital and making policy tradeoffs. That's why national defense must be a political priority on par with repealing and replacing Obamacare, rebuilding infrastructure, and reforming the tax code—indeed, more so, because national defense is job one for the federal government.

None of these challenges should obscure the fact that rebuilding America's military is the right and necessary thing to do. I look forward to the testimony of our witnesses on the way forward.