

## Implementing the National Defense Strategy

*A Conversation with Amb. Eric Edelman and Adm. Gary Roughead, moderated by  
Bradley Bowman*

MAY: Welcome everyone to the Foundation for Defense of Democracies. I'm Cliff May, FDD's Founder and President, and I'm pleased to welcome you to our event today, Implementing the National Defense Strategy. This event is the first for FDD's new Center on Military and Political Power. CMPP seeks to promote on a bi-partisan basis a better understanding of the strategies, policies, and capabilities necessary, to effectively deter enemies of the United States and its allies, and to decisively defeat those who cannot be deterred. We will provide rigorous, timely and relevant research and analysis. CMPP will build on FDD's existing expertise, not least that which is housed in FDD's Center on Economic and Financial Power, and FDD's Center on Cyber and Technology Innovation. We will incorporate FDD's Long War Journal, which has long been a vital resource with the military and intelligence community.

CMPP also features professional development and research opportunities for active duty military personnel including FDD's National Security Fellows Program. CMPP is led by former National Security Advisor Lieutenant General H.R. McMaster, who serves as chair of the Board of Advisors. It's also led by Senior Director Brad Bowman, who will moderate today's session.

Brad served as National Security Advisor to members of the Senate Armed Services and Foreign Relations Committees, and he was for more than 15 years an active duty U.S. Army Officer. During that time he was both a Black Hawk pilot and an Assistant Professor at West Point. CMPP's Board of Advisors includes former Secretary Of Defense Leon Panetta, former U.S. Senator Kelly Ayotte, former Deputy Secretary of Defense Robert Work, and Ambassador Eric Edelman, who is here with us today, and other leading thinkers.

Let me also just say a few words about FDD's CEO Mark Dubowitz, also with us today. Mark and I have worked together for more than 15 years. And it is only thanks to his imagination, his creativity, his intelligence, and his determination that we now have CMPP and our other centers. And that FDD is able to contribute as much as it does to strengthening America's national security.

I am more proud than I can say of him and of the entire FDD team. Again, thanks to you all for being here, I look forward to this conversation and many more to come. Without further delay, allow me to turn the mic and stage over to Brad. Thank you.

BOWMAN: Thank you Cliff, thank you very much. Thank you also to Mark for this opportunity. As Cliff mentioned my name is Brad Bowman, Senior Director for the Center on Military and Political Power here at the Foundation for the Defense of Democracies. I want to welcome all of you attending here in person as well as everyone watching online and on C-SPAN. I want to offer a special welcome and thank our two distinguished guests, Ambassador Eric Edelman, and Admiral Gary Roughead. Thank you for being here gentlemen.

Their resumes are too long and distinguished to read in full, but here are some highlights that I think you should know. Ambassador Edelman served as the Undersecretary of Defense for Policy from 2005 to 2009. He served as U.S. Ambassador to the Republics of Finland and Turkey in the Clinton and Bush Administrations. He is also a Senior Advisor here at FDD, and a member of our center's Board of Advisors.

Admiral Roughead served as the 29th Chief of Naval Operations after holding six operational commands. He is one of only two officers in the Navy's history to command both the Atlantic and Pacific fleets. He graduated from the US Naval Academy, and he later served as Commandant there.

Most relevant for today Ambassador Edelman and Admiral Roughead served as co-chairs for the National Defense Strategy Commission. And we are once again grateful that you two are willing to be here to discuss the critical and timely findings of the report. Gentlemen, welcome to FDD, and thank you for helping to inaugurate CMPP's first event. I can't think of a better way to do it. Thank you. Before we jump in allow me to quickly provide some context.

The 2017 National Defense Authorization Act, the annual defense policy bill passed by Congress and signed into the law established a commission on the National Defense Strategy. Congress required that the Commission consist of 12 members. Three appointed by each of the four Senior Republican Democrat members of the Senate and House Armed Services Committees. That includes the current leadership of the House Armed Services Committee as well as Senate Armed Service Committee ranking member Reed and the late Chairman John McCain. In other words, this commission was a serious bipartisan effort led by 12 of our nation's leading national security experts.

The statute tasked the Commission to review the National Defense Strategy and make recommendations. That is exactly what the Commission did. The classified National Defense Strategy as well as its unclassified summary were completed in January of 2018. The Commission subsequently released its report last November.

So today's event is perfectly timed. As we prepare for the Administration's submission of the fiscal year 2020 defense budget request in the coming weeks, and as Congress prepares to develop the defense authorization and appropriation bills. My vision for today's event is to review the Commission's major findings and recommendations, but also to focus on what comes next.

Here's some of the questions I hope to explore today with our distinguished guests. What should we be looking for in the Administration's budget request? What are the leading threats we face? What is the difference between the military capabilities we need and the military capabilities we have? What should be the top defense priorities for Congress and the Pentagon this year? In short, looking for what is required to implement the National Defense Strategy and best protect the American people.

Before we dive into the many important topics, we have to discuss a few housekeeping items. For those watching online, on C-SPAN, or here today, I welcome you to join in on today's

conversation on Twitter @FDD\_CMPP. Finally, I'd ask that those of you in the room here today, please silence your cell phones. I will engage in a conversation with these two gentlemen until about 12:40 and then we'll open up to questions from the audience for about 30 minutes. Without further delay, let's get started with our conversation gentlemen.

Perhaps we can start gentlemen, if you wouldn't mind, perhaps first with you, Ambassador Edelman. Just summarizing the report including key conclusions and recommendations.

EDELMAN: Brad, I'm happy to do that. Thank you very much. Thanks to Cliff, and Mark, and to H.R. McMaster in absentia for allowing us to kick off this important FDD program. I think both Admiral Roughead and I are honored that you chose us to do this.

I'm glad to be here with my co-chair Admiral Roughead. And I can assure you that we treated this panel not only as a bipartisan, but as a totally nonpartisan panel. And those of you who are in the audience today, and I see a lot old friends and colleagues and at least no known enemies, yet.

But, if you had had the television camera and watched our deliberations over the year that we spent working on this with our colleagues at DOD, I think everyone would have been proud at the fact that you would not have been able to tell who was designated by the ranking or minority members. This was 12 American patriots working very hard to wrestle with the very difficult problems that our colleagues at DOD have been wrestling with and continue to wrestle with.

Let me start by just giving a little bit of background before I get into a summary of some of the conclusions which Admiral Roughead will also provide by providing a little bit of background on how the Commission came to be. In the late 1990s the Congress created a National Defense Panel to provide it with a second opinion on the Clinton Administration's Quadrennial Defense Review.

And then, for a period of time Congress didn't see fit to seek a second opinion on the administration's strategies. But in 2010, the Congress created an independent panel to review the Quadrennial Defense Review of that year. And I'm a recidivist, I've served on all three of the panels that were created the past decade. The 2010 panel concluded that given the costs of keeping the soldiers, sailors, airmen and marines in the field and the escalating costs, given the budget cuts that seemed clear were coming, and this was before the BCA was passed, and given America's ongoing requirements for national defense, we said we thought a train wreck was coming unless something changed the nation's course.

In 2014, the Congress appointed a National Defense Panel to review the QDR. We found that the Budget Control Act that was passed in the interim in 2011, was a strategic mistake. We suggested that the nation needed to go back to Secretary Gate's FY12 defense budget, which was the first, the last budget before the Budget Control Act passed, which was the last one done based not on arbitrary budget numbers either passed back by OMB or composed by the Budget Control Act.

And we quoted then Secretary Hagel's comment that the qualitative military edge that Americans had come to regard almost as a national entitlement was rapidly diminishing. And that was the backdrop against which our commission was created in the 2017 NDAA in which we met. And I think our conclusion is, in light of those previous reports that the consequence of accumulating strategic risk that had been gathering over the past decade was that we are now on the cusp of a national security emergency.

Our finding in general was that the Department's National Defense Strategy, that Secretary Mattis rolled out in January of 2018 was putting the country on the right path by focusing on near-peer competitors, and the return of great power competition in the form of the People's Republic of China and Russia. But, we were concerned about both the lack of resources that were being applied to this in light of the many years of cuts under the BCA. And we were concerned about a lack of definition of the operational concepts that would underpin the approach to dealing with these high end near-peer competitors. And I think Admiral Roughead is going to address that in more detail.

We saw a number of emerging trends in the international security environment that frame up the discussion. One, I've already mentioned, which is the return of great power competition. And we see that in the island building campaign in the South China Sea. Some of the bumping activities in the East China Sea, we see it in Eastern Ukraine, and the Baltic states, etc.

The second is the emergence of regional challengers with either proven nuclear capability, or aspiring to nuclear capability in the form of North Korea in northeast Asia, and Iran in the Middle East. We have spent a great deal of time focusing on concerns about the gray zone, the emergence of conflict below the threshold at which the United States would likely respond with a kinetic military response, but, which nonetheless bit by bit are putting the United States in a less and less advantageous strategic position.

And one of our findings was that although people focused on the regional gray zones like South China Sea, like the Baltics, there's also the functional gray zone where you've got cyber and information activities, what I would call political warfare. And in those activities, we're not just in a long term strategic competition with Russia and China, we're in conflict every day. And in that conflict, we are finding ourselves in a more and more disadvantageous position.

That is not to say by the way, that the answer to the gray zone is always the Department of Defense. One of our concerns is that it's not just the Department of Defense that needs adequate funding, but all the other elements of national power that are required to make us competitive in that gray zone.

Another trend is our continued evolution of the jihadist threat, which has intensified. We have now more jihadists in more places than we've ever had. The spread of new technologies, another issue that I think Admiral Roughead is going to address. But very quickly, in no particular order, artificial intelligence, robotics, quantum computing, quantum communications, hypersonics, autonomy in general, all of these things, barriers to entry are dropping, and the technologies are becoming more easily available to adversaries.

And then finally, a kind of self-inflicted wound of budget instability, which had been brought about in part by the BCA, which I've mentioned, but also the inability that Congress does pass consistent, reliable funding for the Department of Defense. We've had just a tremendous number of continuing resolutions. And as Secretary Mattis has testified, continuing resolutions are as much of a threat and challenge to the Department of Defense as some of our high end adversaries because it makes it extremely difficult for the department to plan, and to develop the military capabilities we are going to need in the future to deal with these new, more serious challenges that we face.

I think the Department of Defense over the last 10 years, or 38 months, has been under continuing resolutions, which means no new starts, no new programs, etc. I mentioned that we believe that the resourcing to support this strategy was not adequate. And we based that on the conclusion, judgment, that the previous strategy, the National Defense Strategic Guidance of January 2012, which the Department of Defense had operated under previously, inherited from the Obama Administration, was a less ambitious strategy than the one that was announced by Secretary Mattis.

And as Secretary Mattis and Chairman Dunford have testified, they believe that the time they came into office and in order to execute that strategy, they were going to need three to five percent annual real growth in the budget to execute the strategy. It stood to reason as we looked at it, that a more ambitious strategy was going to require even more in the way of resources.

Now, I will tell you that if we had to try and get an answer to the question of what should the top line be among the 12 of us, we would have had probably 12 different answers of what the top line should be. But, we did conclude that as a legislative matter for the Congress to consider, the three to five percent that Mattis and Dunford said they needed for the previous strategy ought to be considered at least as a kind of starting point for discussion of what's needed to execute this strategy.

The other resource point that I will make is that when the Congress in its wisdom has occasionally tried to repair the damage that inflicted as part of the Budget Control Act. We have had a series of two year bipartisan budget agreements. But, more often than that, the solution has been to shove a lot of money at the department in the Overseas Contingency Operations fund, what in previous years we would call, supplemental appropriations for the Department of Defense.

And for many of the reasons I've stated about continuing resolutions, that money also is not adequate to deal with the problems that we face because of the limitations again, on new starts. That money is meant to be for ongoing military operations in Afghanistan, Iraq, and Syria, and elsewhere. And it's not really a way to solve the problems that we try to identify and highlight in the report.

With that, I will turn it over to my co-chair.

BOWMAN: Thank you, sir.

ROUGHEAD: The first thing I'd like to do is just reinforce Eric's point about how focused the group was and the fact that you couldn't tell the difference between who was appointed by whom. And I think one of the reasons for that, the main reason for that was that all of us really agreed that we're at a very, very serious inflection point.

Eric laid out the buildup and how the warning signs, or warning bells had been going off for some time. But, when you look at how things have changed, and particularly, the rise of peer competitors, and even though the document frames Russia and China as the peer competitors, there's no question that China is foremost in our minds as we go forward.

To Eric's point, the strategy that was laid out and the National Security Strategy, the National Defense Strategy, really does, I think capture the challenges that we face. But, what we found, and even though the report was, the National Defense Strategy was released early in the Administration, we found that the underlying analytics were weak.

Even though it was early, you should have been able to begin to see how the analysis was supporting some of the conclusions. How the analysis was looking at some of the challenges that we have, and putting them into operational concepts whether they were for the South China Sea, or the Baltics, for the Middle East. And also important to note was that as we looked at what the challenges were and talked to different areas within the department, and even those from outside the department, that there were at times some right hand, left hand issues.

For example, in dealing with a peer competitor, we've been conditioned by almost two decades of war in the Middle East, lethal to be sure, but not at the level or of the type that we will experience with a peer competitor. We move logistics to the area of operations pretty much at will. Air space is uncontested, the sea lanes are open, the port facilities are good once you get in and start trying to move inland, it changes particularly for those people on the ground, very different perspective of the threats that they face.

But, it's really been a very benign environment. And so in the context of major power competition and conflict, what will be the major capital losses that you're going to face? And there's no question that any adversary that watches how America goes to war knows that you go after logistics because that's how we win. We win through logistics. We win through extraordinary command and control capability.

The other thing that I think comes into focus too, and even though we were critical of the department's lack of analysis. Some came back at us and said, "Well, you've made some of these recommendations, particularly about budgets. You didn't have a chance, you didn't really have some rigorous analysis to put against this either." But, the fact of the matter remains that we're operating a conventional force that was last modernized in the 1980s.

We have a nuclear triad that is in need of recapitalization. Associated with that, is a nuclear command and control system that faces far different challenges, and threats, and vulnerabilities than that the systems did 20 or 30 years ago. We know that we are dealing with significant readiness issues.

And some of the tragic accidents that the services have experienced in the last couple of years are examples of that. And then we also know that technology is rushing at us. And the nature of war, and the types of systems that we're going to have to counter and field ourselves are going to be very different.

So when you combine all of those together, and you say you can do it for less than what you're operating on now, that just doesn't make sense. So, that there is a need for growth. And as Eric said, if you wanted to throw a dart at an exact number, it would be hard to hit. But, the fact remains that the percentage of growth, three to five percent, we want to talk about a floor of 733 billion dollars, to us that seemed like a reasonable starting point. And one that is going to be required to modernize both the conventional and nuclear, to dig out of the readiness hole that we're in. And then to bring the new technology forward in effective ways.

The whole idea of how we come at some of the challenges, Eric mentioned the gray zone. All too often, the pull is to have the Department of Defense do it. The phrase that comes to mind for those that are old enough, "Let Mikey do it," that's kind of – let the Department of Defense do it.

Gray zones are far more complex, and require a far broader involvement on the part of government to pull the various levers that are involved. A couple areas that I think have drawn attention subsequent to the release of our report. Some have asked who made the comment in the report that the challenges that we face, and the rivals that are out there, that we could lose in some of these conflicts and contests.

The question was, was that a shock factor? No, it wasn't. It was the assessment of the commission that given the challenges that we face, if we do not properly move the nation's defense and security in the right direction we could lose.

And I honestly believe that that discussion has not been had with the American people. The point that we also make in the report is that many of the operational challenges that we face are classified. And it's hard to have that discussion. It's hard to talk about what is required when you can't discuss it. Well, the operational challenges we face are imposed on us by adversaries, and they know what the challenges are that they're imposing.

So we think it's important that that get out there. This is very applicable also to space. The challenges that we face in space, heavily classified. And not only are we unable to talk about the capabilities that we should have, I think we've seeded a debate particularly, on the part of the Chinese, that we are the weaponizers of space.

We have to have conversations about what is really going on there. Another point that I'll put out that has drawn some attention as well is the comment that we made that there is an imbalance between the voices of the civilian leadership in the department and the military leadership in the department. And this is not focused on this Administration. It was not pointed at any particular individuals who are serving in the Department of Defense.

This is something that has happened over time. The voice of the uniform military has become stronger, and for a variety of reasons. The civilian leadership has had less of a say in the direction of defense and national security strategy. And we can talk about that in Q&A. But, I'll stop there so that we can get on with the –

BOWMAN: Thank you, gentlemen. At risk of being a little redundant, but based in part, Admiral, on your comment that perhaps the conversation has not occurred within the American people with the way it should help them realize how our American military superiority has deteriorated over time.

Allow me if I may, just to read really the first paragraph of the report's Executive Summary then ask to build a comment. Here's what this bipartisan panel concluded. "The security and well-being of the United States are at greater risk than any time in decades. American's military superiority, the hard power back bound in this global influence and national security has eroded to a dangerous degree. America's ability to defend its allies as partners, and its own vital interest is increasingly in doubt. If the nation does not act promptly to remedying these circumstances, the consequences will be grave and lasting." End quote.

The current mission report says we're confronting a crisis of national security. And the commissioner warns that the US, quote, “– might struggle to win, or perhaps lose in a war against China or Russia.” Some Americans might be startled by that, they might be skeptical of those conclusions, maybe think there's a bit of hyperbole. Can you speak to the degree of consensus if you wouldn't mind, regarding these and how we arrived at this point?

EDELMAN: Well, I think first of all, early on we received some classified briefings. But, a lot of the material is available in unclassified form as well as in a RAND study, for instance, about how we stack up and are likely to continue to stack up in the future against our Chinese and Russian competitors.

And I think all of us found that to be extremely sobering. One of the things we decided to do was try and write the report in a way that was very accessible. There's not a whole lot of Pentagon speak in this report. So that members of the lay public can read this and understand what we're talking about.

And Brad, to your point, we sketched out a few vignettes of what might happen in a contingency with China, with Russia, and North Korea, Iran, etc., to give people a sense of what this, I think all of us felt that there is a sense in American public that we are the finest military in the world. And we are. And in particular right now as Admiral Roughead was suggesting in his remarks a couple of minutes ago, we are the finest military in the world at finding, fixing, and finishing terrorists.

But, that will not be what we're going to be required to do if we have to face China in a contingency off Taiwan, or in the East or South China Sea. Nor what we will have to do if we have to deal with a Russian move in the Baltics, or somewhere else along the frontline states of Europe. And those are things we have not done, nor have we developed concepts to do, nor exercise, or war gamed, or trained for in a very, very, long time.



And it is for those reasons that we concluded that A, we might lose, and B, we needed to make the American public aware of this.

ROUGHEAD: I think related to that in a peer conflict with the technology that we're going to be dealing with, the electromagnetic environment is going to be extraordinarily intense. And we do not have the ranges with which we practice in those environments. When we go against a high end opponent, particularly in an air, or in an undersea environment the amount of expendables that will be used will far exceed anything that we have had the practice of dealing with recently.

And this again, is where the analytics come in. Where, what are your expectations for precision ammunition, for decoys, for deployable sensors in anti-submarine warfare? The other dimension of this is because our areas of conflict would be removed from the United States. The number of tankers that will be required to move things. The number of tankers that are required to put in place tanker bridges for replenishing combat losses of aircraft.

All of these details, which are things that we have not had to deal with over the last two decades come into play. What is the nature of your reserve component active component next? When you look at the logistics for example, we've become very dependent on the reserve component. Does that work in a major conflict?

And then when you also look at the heavy use of reserves that we've had on the wars in Iraq and Afghanistan, particularly during the peak, and I speak from personal experience on this. When the economy slows down much as it did in the financial crisis, tapping into the reserve component was a rather easy thing to do both from their desire to participate, but also employers were often supportive of having those people.

What happens now that the economy is doing better? Can you tap into that reserve component in a way that you did in the past? And this gets to the analytics and the need for concepts to think this through. And also, the importance of making investments in the things that perhaps aren't as bright and shiny, that are just consumed in the grind at the type of combat that would be required.

BOWMAN: Sir, I know in the report you listed the following are some areas where our military superiority has either disappeared or eroded, air and missile defense, anti-surface warfare, long range ground base fires, and electronic warfare, were some examples of what you cited.

Admiral Roughead, I was reviewing again your testimony before the Armed Service Committee, and I noted that you observed the attendance of some midshipmen in the room. And you pointed out this is really what it's all about. And we have some active duty service members here. Can you just speak a little bit about the consequences if Congress doesn't provide the funding necessary to fund this National Defense Strategy?

ROUGHEAD: Yeah. And we've seen this before in our country when you do not have the resources. And I think one of the things that is often lost is that its investments in the tools

that people use to do what we ask them to do. In other words, I think when people look at the human dimension, are they being paid enough? Do they have good quality of life?

My experience has been that the best retention tool that I have seen employed over the span of my career has been giving the young men and women who we ask to do the work the tools, the resources, the training to hone their skills and to assure a probability of success. And so, as we look to the future, it's are we preparing the force in the right way? So that in the event of conflict, they come out on top.

And I think it's so important that we think about it in a human dimension and not just as the budget going to buy more in the area of AI, or cyber. We really need to look at, are the tools that we're giving to the men and women that are going to go in harm's way adequate to assure success?

EDELMAN: Hey, Brad, if I could just add to your question about our declining military superiority in different areas. None of this was something we invented or discovered. I mean, a lot of this has been testified to by the service chiefs, and service secretaries over the last decade as this has been going on.

I think what we were able to do is pull it together with a bipartisan group. And try and lay out, and explain so the public understands that if you take for instance, Europe, as an example. These are not things that haven't been testified about by the chief of staff of the army, General Miller who is about to become chairman.

But, I think it would be shocking to the American public to know that at the time of the Russian invasion of Crimea there was not a single US tank in Europe. Not to mention the fact that as General Miller has testified, new advanced Russian tanks are superior to the tanks we'd deploy because of the reactive armor that they have, because they've got longer range. It would be a shock I think to the American public to know that the US Army has systematically disinvested in long range artillery over the past decade.

And so then when you look at the net advantages that a Russian force would have in dealing with a US led NATO force, it's pretty sobering and pretty striking. And I think what we've been able to do is sort of pull it together, synthesize it. It's not like we discovered all this.

ROUGHEAD: We talk about the need for improvements in air defense. And I think if you walk out on the street and you find someone that would engage on air defense, they think about air defense in the context of a North Korean missile. But, air defense also means army units being able to move in a combat environment and Europe providing air defense for those ground forces as they go forward against an adversary who wants to own the sky.

And so, it's much more complex. It's multi-faceted. And we have to think through what those operational concepts are going to be, and make the appropriate investments. And for fear of saying, "Oh, we have to invest in the same sorts of things that we've had in the past." That's not what we're saying.

We have to look at what are the new technologies, how are those brought into the inventory, what are the operational concepts that they will enhance, that those new technologies will enhance? And begin to think, and gain, and test, and practice, and refine, and just keep thinking down that path. And create the infrastructure that's allowed, that allows us to do that.

BOWMAN: Thank you. No, I would concur Ambassador with what you said. I mean, the testimony before Congress over the last decade or more has been very clear. It's kind of a slow motion disaster. Our service vice-chiefs have been warning for a long, long time. I remember the 2017 readiness subcommittee testimony where the Vice Chief of Staff of the Army said, "We're out gunned. We're currently out gunned."

And so we, this is a slow motion disaster. We've seen it coming for some time. Is the following a fair summary of the commission's report? You basically, I think of strategy as the coordination of ends and means more precisely, ends, ways, means. I hear you saying that the ends are right. They've established basically the right objectives. You have some concerns about the ways, i.e., the operational concepts. And in the end, the means will be determined by Congress.

So, we're kind of batting one out of three here, right. We need a little more fidelity on the ways, and we need Congress to deliver the funding. Is that a fair summary of a top point?

ROUGHEAD: That's pretty good.

BOWMAN: All right. Very good. All right, shifting if I may, before, a quick lightning round, if I may before we go to the audience. Couple quick things I want to cover – alliances. The report says, "US alliances and partnerships are sometimes mischaracterized as arrangements that squander American resources on behalf of free riding foreign countries. In reality," the commission says – "US alliances and partnerships have been deeply rooted in American self-interest."

From both of your perspectives, how have U.S. alliances and international engagement relationship benefited Americans?

EDELMAN: I think first is there's no question that our allies need to step up and do more. No one debates that and the commission report says that. But, the alliance contributions are not nearly, additional increments of military capability. That's one part. But, they're also, a very important for giving us access, for enabling us to be forward positioned in East Asia, in Europe, and parts of the Middle East.

And they provide us with additional legitimacy when called upon to act, that we're acting with a group of like-minded countries with whom we've operated before. So it provides a variety of force multipliers that remain crucial. And I'm glad you mentioned it, Brad, because the emphasis on alliances is one of the major light motifs of the report.

ROUGHEAD: But, I think also we have to think more broadly and more deeply about the alliance relationships. For example, it's very easy to talk about we have ships in Japan, and we

work with closely with the Australians. But, we also have to make it easier particularly, as we move into the new technologies for there to be genuine cooperation between and among allies.

And how do we adjust our processes and our policies to where it is much easier, say for example, for the technology that's being developed in Japan. And I think all of us here would agree that Japan is world class when it comes to robotics. Robotics, autonomy, unmanned systems, we need to think about ways to make it easier and more effective for allies to work in that space.

And where both countries, or multiple countries can take advantage of that collaboration in ways that is perceived as being equitable.

BOWMAN: Thank you. I just note that National Defense Strategy, had the three primary lines of effort, one is restoring locality focused on great power conflict, the second was alliances. If I would argue that we're going to shift to the great focus on the great power of conflicts like we're going to need to, we're going to need allies to help us in areas like the Middle East. So, that perhaps gives one a view on some of the decisions that are being made as we speak.

Nuclear modernization very quickly. How would you respond to someone that would say that there was a CBO report that came out highlighting a higher price tag for our nation to modernize or try command structure? How would you respond to someone who say we can't afford to modernize our nuclear triad?

EDELMAN: Well, so a couple of things. I haven't had a chance to look at that CBO study, but I have talked to some folks who have. And I think you got to look whenever you get the study of what the cost of our nuclear force is to look very carefully at what people are counting or not counting. There's always a danger of double counting since of the platforms are dual capable and are meant to convey, they're meant to be primarily conventional mission.

But, are capable of executing a nuclear mission in extremeness. But, you can't put the whole cost of that against the nuclear mission. And they're also some issues having to do with command and control because they're used for both conventional and the mission side for that purpose of supporting, to put the markers down.

But, overall, I mean, even if the cost is a trillion dollars over 30 years that is a small price to pay for, in my view, for one of America's historic comparative strategic advantages, which has been to have what President Kennedy called a nuclear force second to none. And to me, it's the idea that it's not affordable given the wealth that the country generates is, is laughable. I mean, and we're now spending something like 3.3% maybe a little less of our GDP on defense.

In the Cold War, we were spending routinely eight, nine percent. I think in an era where we're now facing great power of competition, four percent is not unreasonable. And we should be able to fund both conventional and nuclear modernization in order to be competitive. My fear, honestly, as I'm speaking personally now, and not going to associate Admiral Roughead with my personal view.

But, my fear is that we will, if we try and do both with inadequate resources we'll do a half-ass job on both.

ROUGHEAD: What I would say is one, I think the lesson that should be taken away is we've allowed the triad to kind of age out all at the same time. Not a good strategy in my mind. But, we are where we are. I think it's also important that we look at what those investments are going to provide. And I'll go back to my Navy roots, but the sea based deterrent that we're talking about, the last ship of that class that we are now talking about building will come off of a strategic patrol probably in late 2080, or 2090.

And when you think about stretching the investment out over that length of time, in my view, that's a pretty darn good investment when you think about the duration. That that capability is going to serve the nation.

BOWMAN: February 2nd is the deadline for Moscow to come back into full and verifiable compliance with the 1987 Intermediate-Range Nuclear Forces Treaty. It appears, of course, that the Russians will not do so. And the US will officially declare its intention to leave that INF Treaty next week. What is your assessment of the current state of play with the INF Treaty? And once the US leaves the treaty presumably, what actions do you believe the US must take in order to ensure Moscow does not continue to enjoy military advantages as a result of this violation of the INF Treaty?

EDELMAN: Well, Brad, I'd have to say that, the INF question was not one we really wrestled with in the report. I mean, again, my personal view is that it's a good thing that the Congress had the foresight to put some money aside to do some R&D on a capability that would allow us to field something in the 500 to 5500 kilometer range that is currently banned under the treaty. Obviously I think we ought to try to get the Russian's to come back into compliance.

But, if not then we have to be prepared to field capabilities. And I think we have several, actually, that are candidates. In pretty short order so that they don't have the kind of advantage that we found ourselves dealing with in the late 1970s with the deployment of the SS-20s. It does help to have lived long enough to have seen a lot of that.

ROUGHEAD: No, and I think that the Nuclear Posture Review lays out, as we've stated in the report, an appropriate option to deal with the circumstances where we find ourselves.

BOWMAN: Last question before we go to the audience. And we got to a portion, there's so much to talk about, what is your assessment of the Administration's withdrawal of our troops from Syria? Obviously outside the purview of the report but I can't resist to ask.

EDELMAN: Well, my personal view is that the offhand manner in which it was made and the lack of consultations with allies has created an enormous disequilibrium in Syria and in Iraq. And I think Secretary Pompeo, National Security Advisor Bolton, Chairman Dunford have been working very hard to try and deal with that. And try and bring it all back into some kind of equilibrium. And I applaud them for their efforts and hope they're successful.

ROUGHEAD: But, I would just say that again, the importance of looking at things strategically, the withdrawal from Syria, the potential departure from Afghanistan, the impact that that'll have on NATO while also noise around NATO, what does the big flick tell you? And so I think that it can't be looked at in isolation. And again, this is where we have to step back and look at how we want to deal with, particularly the Middle East. Even though the strategy, the National Security Strategy, the Defense Strategy talked about wanting to pull out. We've all been around long enough, and, I leave it to the regional expert here, it has a way of pulling you back. And so how do we want to approach it in its totality.

BOWMAN: Thank you, gentlemen. Now, we can entertain questions from the audience. If you could wait for the microphone. Stand up, if you wouldn't mind, give us your name and your affiliation.

LUBOLD: Sure. Hi. Gordon Lubold of *The Wall Street Journal*. The NDS, seemed a very credible document, kind of formalized this narrative that a lot of people already felt. But I'm wondering to what degree you gentlemen are concerned that there's still elements of the Administration who believe that Iran is huge threat. And I'm wondering to what extent you think that that's muddying the message, or creating a lack of clarity when it comes to executing now the NDS.

EDELMAN: Gordon, I'm sorry did you say it was or was not a real threat?

LUBOLD: There are elements of the Administration that are still focused on Iran.

EDELMAN: I think Iran is a threat to US interest in the region. I think we should only focus on the nuclear piece. You could argue yourself into saying, "Well, that they're abiding, they're still inside and abiding by the JCOPA, and therefore, what's the problem?"

But, Iranian activity is not just in the nuclear realm, it's also the conventional side, which has been an enormous problem for our friends and allies in the region and for us. Before 9/11 it was Iranian sponsored proxies who had killed more Americans than any other terrorists group in the world. And so, actually I think it's a problem that we have to manage, I think one of our concerns honestly was that the strategy suggests that in order to deal with these near-peer competitors, that we are prepared to take more risk in the region.

I think we had a little bit of difficulty ascertaining from the department spokespeople who we talked to where they thought that risk was coming? Whether it was in the effort to contain Iran, or whether it was coming in the counter ISIL campaign, or whether it was in Afghanistan, there was a real lack of clarity about that.

And it is one of the reasons that as Admiral Roughead said, our concern was that you're always one masked casualty attack away from being drawn back into the region in a bigger way than you want. Therefore, is other steps of withdrawal, or restraint in the region need to be considered very carefully, lest you put yourself in a position of having to go back in a much less advantageous way.

ROUGHEAD: Then I would just add that to Eric's point, if you want to focus just on the nuclear you can take yourself down one path, but I think that the broader view of the region that the Sunni, Shia divide and conflict is going to go on and will continue to shape the region, and affect friends and allies that we have there.

BOWMAN: Thank you and I just in addition to the regional threat that Iran poses, I would just add that as the Annual Worldwide Threat Assessment by the DNI has repeatedly pointed out that there is, in the Missile Defense Review that just came out, is that Iran continues to make gains on its ballistic missile program through this space launch vehicle as a means to develop potentially ICBM capabilities that could eventually threaten our homeland.

And the Missile Defense Review mentions the possibility of a third ground base missile defense site here in the US that kind of punts on that decision. And these things take time. So I feel like we've been playing catch up on North Korea, and I'm worried that we're about to commit the same mistake on Iran.

Next question.

SPEAKER: Hi, Brad. Thank you for a great report gentlemen. The commission is something that we pay a lot of attention to over across the river at the War College. There's an elephant in the room. It's called the national debt. We're running two trillion dollars a year deficits, and you're recommending three to five percent real growth in defense, which is at a very relatively high level right now even if it doesn't match the percentages of GDP that we had during the Cold War.

Should the next president stand up on inauguration day and say, "Watch my lips. No more tax cuts." Or, are there other ways that you're foreseeing in the discussions perhaps, that didn't get into print to the commission at how to square the circle?

EDELMAN: Well, we do take on some of this. And I mean, the long term budget forecast at CBO I mean, I'll make very clear that the long term national debt is a huge issue as you suggest. But, I think 70 to 80% of it according to the CBO is driven by three programs, Medicare, Medicaid, and Social Security.

So, reform of entitlements is obviously, something that has to be done. The problem that we have, we find ourselves in now with the Budget Control Act, and the caps and sequester is that the law mandates that 50% of the cuts under the BCA should be born by the Department of Defense, despite that fact that it's only 15% of the federal budget.

And by the way, there's a terrific article in today's *Washington Post* by Robert Samuelson about precisely some of the issues that make our defense spending seem larger than it really is in effect. And one of the reasons why we can in good conscience say we actually need to spend more.

And I would add that it's also clear that this is a problem that requires both revenue and expenditure adjustments. It's not something that can be solved one way or the other. You're going

to have to have both elements of this involved in a solution that enables you to spend what we need. But, in the end of the day, the reason a lot of, well, some of my colleagues in the think tank world say, "You know, 4% of GDP, that's just arbitrary. It doesn't really tell you anything because what really matters is what you're buying."

Of course, that's true. But, what the 4% number means, and the reason we use it, by the way, 2% threshold with our allies is it's a surrogate for how much are we willing to tax ourselves as a society in order to defend ourselves? That's really what it's about. And so, I mean, I think this is all manageable. But, it requires political leadership. And it requires our Congress and the President and the OMB to step up and do the right thing.

ROUGHEAD: And I would say that that's another reason why it's important to open up the discussion on what some of these challenges are. So that the American people can better understand what it is that we're up against and what it could mean for the country in the long term?

And I would also say that even though we can look at the entitlements and how it pressurizes the defense budget, one of the things that we can't forget is that entitlements are pressurizing the defense budget from within. When you look at how the defense budget is constructed, and the cost of personnel and healthcare, what have you, that's a pressure on the budget.

And I think that a more sophisticated assessment, discussion and debate on what exactly are we buying? We talk a lot about top line, but it's important to talk about how much of that is part of the, what I would call the investment account. And we have to have, in my view, a much more sophisticated discussion about the fiscal health of the country, and what it costs to properly defend our interests globally.

BOWMAN: Very quickly just a few statistics to reinforce both the quantitative and the responses. The commission's report citing the CBO 2018 CBO data said that net interest payments on the debt are expected to surpass what we spend on defense in fiscal year 2022. Our nation will be spending more on interest on the debt than we do on defending ourselves in 2023.

So it's clearly a problem. And secondly, roughly speaking, we spend about 3.3% of our GDP on defense, roughly speaking as you said, and about 15.6% of the federal budget. Both of those statistics are at or near historical post-WWII lows.

Next question. Back in the back.

KHEEL: Hi, Rebecca Kheel from *The Hill*. So in addition to what the military has to do to carry out the NDS, it's now also been deployed to the Southern border. And there's a possibility of Trump declaring a national emergency to use some Pentagon funding. And what are your thoughts on whether the military can afford this, and how it might affect its ability to carry out the NDS?



EDELMAN: Well, I share the view of the outgoing chairman of the House Armed Services Committee, Mac Thornberry, now ranking member, that it would be inappropriate to declare a national emergency and use the defense budget as the piggy bank in which to fix the the immigration dispute between the President and the Congress.

BOWMAN: Next question. Yes, right here.

JEGISMA: Hi, thank you for a very interesting discussion. Valeria Jegisma from Voice of America Russian Service. I was wondering whether you could expand a little bit your recommendations for the National Defense Strategy in relation to Russia. And also you already touched on the INF Treaty, but I still was wanting to get your views on do you think the United States withdraws from the INF Treaty, given the fact the New START and can we expect new arms races? Thank you.

EDELMAN: In the report we make some recommendations about how to make the so called contact and blunt layers of the force more capable of actually deterring any kind of Russian adventurism along the border between the front line states of NATO. And that includes more long range fires, and a variety of other steps that are here.

The point though, I want to stress, all of this is essentially meant to strengthen our ability to deter conflict because that's really the nation's objective. Our objective is not to get into a war with China 30 years from now, or 20 years from now, or to have to fight with Russia. The point is to make it so unappetizing for either China or Russia to take steps that would be inimical to the US interests that they don't even think about doing that.

On INF and START, again, that was really outside the scope of what we were doing as a commission. It's possible that a US withdrawal from INF might have some repercussions. I mean, the Russians have certainly suggested that it might have some repercussions on their willingness to extend New START when it comes up for renewal in 2021.

My own view on that is that number one, the Russians themselves came to us in the Bush Administration and made clear their own unhappiness with the limitations of the INF Treaty. The INF Treaty bans two countries from having missiles in the 500 to 5500 kilometer range. Everybody else is free to build as many as they would like.

And we've witnessed a very large Chinese build up opposite Taiwan of missiles precisely in that range. We've watched other countries develop missiles in that range, Brad mentioned Iran. Russia is not unaware of this, or immune of it, and those missiles are closer to them than they are to us. But, for their own reasons they prefer that we would be the ones to leave the treaty rather than they be the ones to leave the treaty.

That being said, it's hard for me to understand how anyone can make an argument that the treaty that bans two countries from a certain category of weapons, which only one country is abiding by should continue to be the policy of the sole remaining party of the treaty. It just doesn't make much sense.

On New START, my own personal view is, I hope that we renew New START. Despite the fact that I testified against it in the Senate Foreign Relations Committee when the treaty was up for ratification. And I say that because right now, Russia has a new road mobile ICBM in production. They have a new heavy ICBM in production. They are experimenting with a new rail mobile ICBM, although they haven't made a decision about whether they're going to deploy it or not.

And right now, we still are in the viewgraph stage of developing our own modernized ICBMs. So I think it's actually disadvantageous to us at this point in time to get out of the treaty unless we make a much more significant investment in strategic modernization than even what we're recommending.

BOWMAN: Okay. Just a quick interjection. Russia's been in violation of INF Treaty at least since 2014. And of course, they're trying to pretend that the US is starting an arms race. They've already started an arms race I would argue. It's a matter of whether we're going to respond or not, and how we're going to respond.

Next question. Right here.

MEIER: Lauren Meier with *Washington Times*. Until someone else has confirmed, or if he is confirmed, do you have any hesitation for Acting Secretary Patrick Shanahan as a leader of the defense department without prior military experience to implement the NDS and consider your conclusions?

ROUGHEAD: I don't have any reservations. In fact, the engagements that we've had, I've found him to be extremely involved, quick study on the issues. And I would say that particularly as we looked towards some of the new technology, the increased focus that the department has, the sense that I think that there is more rigor and structure behind moving some of those technologies ahead more quickly.

I think it's largely driven by him. And I also think that the 10 technologies that have been highlighted by the department are spot on. I would also endorse Mike Griffin who is also probably as good as you're going to get in that space. I think that it's a pretty good combination from my standpoint.

With the focus on space that the Administration has put forth, and that I think recently, I think Secretary Shanahan designated Mike Griffin to stand up the Space Developmental Agency, or whatever the acronym stands for, is appropriate. I think that we had taken our eye off of space. We had assumed that it's always going to be there. It is, that's a bad assumption.

And so I would say from what I have seen from the focus that's being applied on particularly looking to the future, and running a more efficient department, I'm very comfortable with that. And I apologize for going on so long. But –

EDELMAN: I would just add one thing. I do hope that the President nominates a full time Secretary of Defense because the problem of vacancies, in the Department of Defense, to go

back to the point that Admiral Roughead discussed earlier that we address and report the imbalance in civil military debate and discussion inside the Pentagon has been exacerbated for a long time by the persistent problem of vacancies on the civilian side.

As Admiral Roughead likes to point out, going back to Goldwater-Nichols we started to construct very large, very capable military staffs that are permanently in place while the civilian side has been subjected to an awful amount of at the Presidential appointee level churn, because of difficulties in confirmation and vetting and whatnot. And we just have to get to the point where we can fill all those positions.

I know when I was Under Secretary of Defense, we chronically had about a 25% vacancy rate. And that's just not acceptable.

ROUGHEAD: I think this also come back around and plays into something that's been brought up. We touched on nuclear INF, New START, and what have you. That the lack of the civilian voice, the gaps that exist, if you're a young professional policy person that really is engaged by things like nuclear strategy, or the role of technology, and how does technology get applied. When you don't have a stable predictable future, you're not going to draw the best and brightest into work on some of these hard problems.

And these are not easy problems. And so, in a way, it all kind of knits together. And that's why I think when we looked at the security strategy and the defense strategy, you really need to begin to think about how does all this stuff work? What are the concepts? And you have to be able to have the right type of people working these issues.

And I think this is an area that needs work so that we can draw the best and brightest not just for the problems that we face today, but who will be the future leaders of the department 15, 20, 25 years from now? And a lot of them are the young folks that are sitting in this audience right here. But, they have to believe that they're going to make a difference.

BOWMAN: Thank you. Next question.

KARLIK: Hi, good afternoon. Evan Karlik, US Navy, here on my own personal capacity. Thank you Ambassador and Admiral for your remarks. I have a short question and a longer question. The first is that, well, coming from Congress's support, and it's also important to think about how the department can operate more efficiently. I noticed the report didn't mention Base Realignment and Closure. So do you feel like BRAC has a part to play as you move forward to do things better?

I know it's a scary topic for Congress as a whole. The longer question, your report talks about the need for innovative operational concepts, but it does criticize Dynamic Force Employment, which is one of Secretary Mattis's new operational concepts he was trying to introduce. I don't quite follow what the report, how it described it. It said, "DFE appears preferred to creating efficiencies within the force, and decreasing the need to expand force structure by having a single asset perform multiple missions in different theaters on a near simultaneous basis."

The way I interpreted it, it was more driven in terms of operational unpredictability, and having forces move away from their well worn deployment cycles. I think the best case study for the Navy was the Truman Strike Group, or it did last year. Going to launching aircraft from the Adriatic to the Baltic, going back to the States for a month, and then going up to the Arctic Circle, which threw the Russians off.

So, what exactly do you find lacking in Dynamic Force Employment and why don't you think it's an appropriate concept? Thank you.

ROUGHEAD: Okay. So it's a Navy guy and a Navy question, I'll take it. How's that?

KARLIK: There you go.

EDELMAN: I'll do BRAC if you want.

ROUGHEAD: I was going to do BRAC too. BRAC is absolutely required, I think, and I know it's politically hard. There's a lot of infrastructure that's not used and I would also submit there's a lot of redundant infrastructure. But, it is important that we think about BRAC also in the creating some of these new training venues that we have. We have to also look at more than a base, we have to look at air space, sea space.

And so I think it's important again, strategically look at what it is we're trying to do. But, we're carrying too much brick and mortar. With regard to Dynamic Force Employment, and the example that you sighted. It's an example.

And the point that we were driving at when we probed into Dynamic Force Employment, when we were interested on okay, what are the impacts on readiness? How does that potentially affect maintenance? What does that do to the logistics infrastructure that you're going to need to more flexibly do this as a matter of routine and not a one off?

The second and third order questions just didn't seem to be very, the responses didn't seem to be very fulfilling. It's all well and good to have that anecdote, but how many anecdotes can you string together and what's the effect on the force? What other infrastructure do you need? What are the costs of doing it?

So we were not very satisfied with the answers that we got there.

EDELMAN: And just on the general question of department efficiency. I mean, we do address that in the report. And it's obviously very important. If you're going to ask the taxpayers to sit still while the Congress appropriates additional dollars for defense, they have to have some level of confidence that it's being spent appropriately and wisely.

And so, we endorse a number of reform efforts that have been underway for some time to make sure that the department is auditable. That we can account for the money. The problem is that all too frequently people think well, whatever the problem is we can just wring it out of waste, fraud, and abuse at the Pentagon and that'll make up for the bogie that we're in.

And that's just not the case. I mean, even the most optimistic assessments that we've heard of what might be gained from reform and efficiency in the department is about 150 billion over 10 years. It's not even close to filling the gap that we're talking about over the next decade really.

So I think that's important. On BRAC, I would just say, obviously, we need to rationalize how the department uses its facilities. And there's unused capacity, everybody who works in the department knows that. I think the Congress has got some concerns about it because if we labor under the fact that the BRAC that was I think in 2004, I think it was 2004 or '05. We promised the Congress efficiencies that really didn't come about as a result of the BRAC.

So there is some suspicion on the Hill, that we are not really going to realize the efficiencies and that we may be taking down capacity that we may need later for instance, if we increase in strength and services, etc. So, the Congress has their point of view, I understand it. I still I think I agree with Gary, we probably do need a BRAC. And we need to certainly let the department show the Congress it needs a BRAC, which was for a while something the Congress would not let the department do.

ROUGHEAD: And it's also possible if you do it strategically and look at what the requirements are going to be going in the future, you may actually end up wanting to go out and acquire more areas to do some of the things that I mentioned, for example training. And create environments that are conducive to the type of combat environments we're going to see in the future.

BOWMAN: Unfortunately, we've run out of time. Thanks to those who joined us here today. And thanks to those who have tuned in online, or via C-SPAN. A special thanks to Ambassador Edelman, Admiral Roughead for being here. Join me in a round of applause for them please. We employ the work of both of you in the future, and in the coming weeks and months. Stay up to date on the work of FDD Center on Military and Political Power. I encourage you to follow us on @FDD\_CMPP and enter our website to subscribe to our updates. Thank you again. This concludes our event today. Have a great afternoon. Thank you.