



Chapter Title: America's Security Deficit

Book Title: America's Security Deficit

Book Subtitle: Addressing the Imbalance Between Strategy and Resources in a Turbulent World: Strategic Rethink

Book Author(s): David Ochmanek, Andrew R. Hoehn, James T. Quinlivan, Seth G. Jones and Edward L. Warner

Published by: RAND Corporation

Stable URL: <https://www.jstor.org/stable/10.7249/j.ctt180r1bt.5>

JSTOR is a not-for-profit service that helps scholars, researchers, and students discover, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase productivity and facilitate new forms of scholarship. For more information about JSTOR, please contact support@jstor.org.

Your use of the JSTOR archive indicates your acceptance of the Terms & Conditions of Use, available at <https://about.jstor.org/terms>



This content is licensed under a RAND Corporation License. To view a copy of this license, visit <https://www.rand.org/pubs/permissions.html>.



RAND Corporation is collaborating with JSTOR to digitize, preserve and extend access to *America's Security Deficit*

JSTOR



Every so often, states reach an inflection point in defining their national security and defense needs. For the United States, the end of the Cold War was one such point; the attacks of September 11, 2001, were another. In the past year, the United States may have experienced yet another, arising from the combined stress and risk of the advance of ISIS¹ and barbarism in Syria and Iraq; Russia's forcible annexation of Crimea, continued military aggression against Ukraine, and threats to NATO members in the Baltic region and elsewhere; China's continued military buildup in East Asia; the continued volatility exhibited by a nuclear-armed North Korea; and Iran's pursuit of revisionist goals in the Persian Gulf region and beyond.

Defining a new defense strategy in response to these developments will almost certainly be the work of the next administration. That the world has changed in ways that few had anticipated seems to be without question. The significance of these changes and the attendant choices that confront the United States are the subject of this report.

¹ The organization's name transliterates from Arabic as *al-Dawlah al-Islamiyah fi al-'Iraq wa al-Sham* (abbreviated as Da'ish or DAESH). In the West, it is commonly referred to as the Islamic State of Iraq and the Levant (ISIL), the Islamic State of Iraq and Syria, the Islamic State of Iraq and the Sham (both abbreviated as ISIS), or simply as the Islamic State (IS). Arguments abound as to which is the most accurate translation, but here we refer to the group as ISIS.

Changing Demands on Defense

With the end of the Cold War in the early 1990s, America's defense needs contracted significantly. The long-standing requirement to deter a large-scale nuclear attack against the United States and defend against a Soviet invasion of Western Europe, as well as threats elsewhere in the Middle East and East Asia, gave way to a new focus on regional threats—from Iraq or Iran in the Middle East and from North Korea in East Asia. Initial post-Cold War military planning contemplated a residual Soviet threat, though little was done to actually plan against this possibility. Rather, the focus was appropriately placed on securing and ultimately eliminating the nuclear weapons that were dispersed among several former Soviet states.

In 1991, the Gulf War gave further definition to the types of threats the country might see in the coming decade. The rapid defeat of Iraqi ground forces with precision air and ground power prompted discussions of a "revolution in military affairs," centering on the proposition that stealth and precision coupled with near-real-time reconnaissance capabilities would bring about a fundamentally different approach to warfare. Some of this excitement waned as U.S. military forces found themselves engaged in a set of policing actions, first in Somalia, then in Haiti and the Balkans. These missions were defined more by physical presence of ground forces than attacking from afar, though both interventions in the Balkans involved relatively brief but intensive air campaigns. U.S. forces were also policing from the sky for more than a decade in Iraq.

Along the way, the United States was accumulating new obligations and commitments, initially at little cost. The expansion of NATO brought several former Warsaw Pact members into the Alliance—first Poland, the Czech Republic, and Hungary, followed by the Baltic states, and by Slovakia, Slovenia, Romania, and Bulgaria. With these new obligations came yet-to-be-defined defense commitments.

China, too, began a military modernization effort that, at first, was seen by much of the defense community as a natural outgrowth of China's accumulating economic success. Some early observers urged caution, and concerns mounted as China's military modernization

efforts accelerated and showed signs of targeting specific vulnerabilities in U.S. power-projection capabilities.

Terrorist threats began mounting in the 1990s and were punctuated by the horrors of the 9/11 attacks. The United States was soon at war in Afghanistan, and small contingents of U.S. special operations forces, teamed with Afghan insurgents and precision air support, were able to defeat numerically superior Taliban and al Qaeda forces. The U.S. success in Afghanistan was followed in 2003 by the U.S.-led campaign to unseat Saddam Hussein and his Ba'athist party from power in Iraq. U.S. military forces were soon occupying both Iraq and Afghanistan, where they faced potent insurgencies. Troop numbers swelled in Iraq in 2007 and the country's internal security situation eventually stabilized—enough for U.S. forces to withdraw entirely in 2011. The United States conducted an analogous buildup in Afghanistan in 2010. Today, most U.S. forces have been withdrawn, with Afghan forces taking the lead in combatting the Taliban and other insurgents.

As the string of Arab uprisings spread to Syria in 2011, Sunni jihadist groups joined the rebellion against the Alawite-dominated Assad regime. By 2014, ISIS and other Sunni groups used their safe haven in Syria as a base from which to conduct large-scale operations in Iraq, occupying substantial portions of territory in the west and north. The brutality of these forces captured the world's attention and brought American forces back to Iraq—in relatively modest numbers—to shore up a faltering regime in Baghdad. At the same time, Russia intervened in Ukraine in early 2014, first by occupying and then annexing Crimea, then by supporting ethnic Russian separatists in eastern Ukraine, ultimately with active Russian military forces during the late summer of 2014. Russian forces continued to lead military operations in eastern Ukraine through the spring and summer of 2015.² All the while, China's military modernization continued without interruption,

² Philip Breedlove, "Department of Defense Press Briefing by General Breedlove in the Pentagon Briefing Room," news transcript, U.S. Department of Defense, April 30, 2015. See also Charles Maynes, "US: Russian Forces in Ukraine Are Thwarting Peaceful Solution," *Voice of America*, June 19, 2015.

and China's foreign policy in East Asia took on a much more assertive character, especially in the South China Sea.

Thus, the United States has found itself confronting serious security challenges in Europe, the Middle East, and East Asia. However, the American strategy and defense program, as put forward by the Obama administration in 2014, was predicated on the assumptions that Europe would be stable and at peace and that conditions in Iraq, Afghanistan, and the Middle East more broadly were sufficiently quiet that large-scale U.S. ground, air, and naval force commitments could continue being drawn down, transitioning to a posture that would support a series of small-scale counterterrorist efforts. These conditions, it was thought, would allow the United States to focus more attention and resources on shoring up U.S. influence in the dynamic Asia-Pacific region—what the administration has called the “pivot,” or “rebalance,” to the Pacific. As has been noted, these assumptions have been upended by Russia's military aggression against Ukraine and the collapse of Iraqi military forces in the face of ISIS attacks.

Constrained Resources

Less obvious but nearly as important is the fact that the administration's current defense program assumes that Congress will, over the next five years, appropriate the funds requested in the President's fiscal year (FY) 2015 budget submission. That submission calls for defense spending for the five-year period from FY 2015 through FY 2019 that totals \$115 billion more than would be allowed by the Budget Control Act (BCA). Yet the BCA remains law unless and until it is overturned. While Congress has shown some willingness to consider funding the Department of Defense (DoD) at levels somewhat above BCA ceilings, to date the additional funds have been appropriated in a piecemeal fashion, leaving the Pentagon's planners uncertain about future funding levels, and have been insufficient to address new and growing demands being placed on U.S. forces. Consider, for example, the following challenges:

- Russian forces, which have been modernizing at an accelerating rate, are being used to actively challenge the security and territorial integrity of nation-states on Russia's periphery.
- China's defense spending continues to grow at double-digit rates, allowing its armed forces to field an impressive array of modern weapons and to support a more assertive regional strategy.
- The spread of al Qaeda, ISIS, and their affiliates, as well as the persistence of the Taliban, is compelling U.S. air, ground, and naval forces to be engaged in Iraq, Afghanistan, and elsewhere in numbers that had not been anticipated even one year ago.

Taken together, these developments mean that U.S. defense strategy is out of alignment with the resources that the nation has been devoting to the defense program. This imbalance between requirements and resources is further exacerbated by the fact that Congress has been consistently reluctant to approve a range of proposals to reduce the costs of DoD administrative, overhead, infrastructure, and personnel accounts. Since 2011, DoD has submitted budget requests that have called for modest reductions in the rate of growth of military pay; increases in copayments for military family health care; cuts to the subsidies provided to military commissaries; closures of unneeded bases; and other measures. Most of these proposals have been rejected by Congress, forcing DoD to cover unanticipated costs amounting to billions of dollars each year.

The remainder of this section examines in greater depth these and other demands on U.S. armed forces as a basis for considering alternatives to currently planned levels of funding for DoD.

Europe

Nowhere is the gap between U.S. security commitments and regional posture more pronounced than in Europe. In September 2014, in a high-profile speech in Tallinn, Estonia, President Obama underscored the U.S. commitment to defend the territorial integrity of NATO allies with these words:

[W]e will defend the territorial integrity of every single [NATO] ally . . . Article 5 is crystal clear. An attack on one is an attack on all. So, if . . . you ever ask again, who'll come to help, you'll know the answer: the NATO alliance, including the armed forces of the United States of America . . . You lost your independence once before. With NATO, you will never lose it again.³

The President's speech was made the day before the NATO summit in Wales—a meeting that took place while Russian forces were actively prosecuting military operations against Ukraine. In response to that aggression, NATO's member states have taken steps and made plans to strengthen the alliance's defensive posture and shore up deterrence. Among those steps are

- periodic deployments of U.S. ground forces (generally company-sized entities) to the Baltics⁴
- reinforcement of NATO's tactical aviation assets in Poland and stepped-up levels of air policing activity in the Baltics⁵
- efforts to create a very high readiness joint task force—a brigade-sized, multinational unit that would be prepared to deploy within two days⁶
- pledges (so far, largely unfulfilled) to increase European defense spending and capabilities.

These and other measures should improve the military balance on the Alliance's eastern flanks. However, even if fully implemented, the resulting NATO posture in areas contiguous to Russia and Belarus

³ Barack Obama, "Remarks by President Obama to the People of Estonia," Washington, D.C.: The White House, Office of the Press Secretary, September 3, 2014.

⁴ Paul D. Shinkman, "U.S. Sends Airborne Infantry to Russian Front Door," *U.S. News & World Report*, April 22, 2014.

⁵ North Atlantic Treaty Organization, "Allies Enhance NATO Air-Policing Duties in Baltic States, Poland, Romania," NATO online, April 30, 2014.

⁶ This task force is supposed to be operational in 2016. See Brooks Tigner, "NATO Approves Interim Rapid Response Force for 2015," *IHS Jane's Defence Weekly*, December 1, 2014.

would not support a credible defense against a determined Russian attack. In the summer of 2014, as Vladimir Putin sought to coerce the leaders of Ukraine into accepting a de facto Russian-dominated state carved out of Ukraine's eastern provinces, he was able to muster a force of 90,000 troops—comprising armor, artillery, mechanized, and heliborne infantry, as well as special operations and tactical aviation forces—and employed a portion thereof to shield the Donbas rebels from military defeat.⁷ Given the geography and transportation networks in western Russia, forces of this magnitude can be deployed to border regions within days to at most weeks, whereas NATO today would need many months to deploy a comparable force to its eastern flanks.

The gold standard of deterrence and assurance is a defensive posture that confronts the adversary with the prospect of operational failure as the consequence of aggression. While in-depth analysis of potential scenarios involving Russian aggression against NATO's eastern flank has only recently begun, it is clear that in many plausible scenarios, NATO forces, as postured today, would be unable to prevent or even meaningfully impede a sizable combined arms invasion aimed at occupying the Baltic capitals. NATO air forces—flying from bases in Germany, the United Kingdom, and other allied nations, and quickly reinforced from outside the area—could bring significant firepower to bear against such an invasion. However, it would take time to suppress Russian air defenses protecting the attacking ground force. Without a strong NATO ground force to compel the attackers to slow their movement and concentrate their forces, airpower would be unlikely to have decisive effects.⁸

Ideally, therefore, NATO would position in the Baltic region three to four heavy brigades, totaling approximately 15,000 to 20,000 troops, along with layered air and missile defenses. This would likely

⁷ Igor Sutyagin, *Russian Forces in Ukraine*, London: Royal United Services Institute, March 2015, p. 2.

⁸ NATO could, of course, plan to subsequently retake the disputed areas—at considerable cost—but such a posture would do little to assure the NATO member states that felt threatened; furthermore, Russia might use or threaten to use nuclear weapons to defend its gains, hence underscoring the importance of preventing Russia from seizing allied territory in the first place.

be sufficient to deny Russia the prospect of a swift *coup de main* from an unalerted posture and, as such, would greatly strengthen deterrence and regional security.⁹ These forces, in conjunction with the forces employed in the baseline case and the other enhancements listed below, can impose substantial delays and attrition on attacking forces and allow NATO commanders to defend the Baltic states' capitals. These NATO forces may not need to be permanently stationed in the Baltic states, but their heavy equipment and consumables (e.g., ammunition, fuel, spare parts) and supporting elements (e.g., fire support, logistics, communications gear, ground-based air and missile defenses) should be prepositioned forward, with a continuous presence of battalion-sized rotational forces. Ready, follow-on NATO ground forces would be required to reinforce this initial defending force and to provide a stalwart defense against a mobilized Russian attack.

Other steps to enable effective defensive operations could include prepositioning modern air-delivered anti-armor munitions at bases in Europe, and ensuring that NATO air forces have improved capabilities and concepts for rapid suppression of the enemy's integrated air defenses and for cruise missile defense. NATO ground and air forces should be postured and equipped not only to maneuver against Russian artillery and rocket forces, but also to deliver effective counter-battery fires against them. NATO forces would also need a deployable headquarters to command multinational ground and air operations from a forward location.

East Asia

The growth of China's military power poses serious threats to the viability of the United States' role as the security partner of choice for Japan, South Korea, Australia, the Philippines, Taiwan, and others in the region. Chinese military writings are replete with discussions of how to fight a "local war under high-technology conditions" against a technologically superior foe, such as the United States. Chinese strate-

⁹ As noted, analysis of these scenarios is in an early phase and these estimates reflect preliminary findings only. However, we can say with confidence that moving toward a posture of this scale now would be an appropriate step toward a viable deterrent posture.

gists have carefully studied U.S. military operations since Operation Desert Storm to identify U.S. vulnerabilities and have devised strategies to exploit them. Such strategies include attacking air bases, ports, and aircraft carriers; information systems, such as sensors and communication nodes, including satellites; and logistics assets, including supply depots and naval replenishment ships.¹⁰ China's armed forces are rapidly acquiring the wherewithal to undertake such attacks.

Unlike in Europe, the problem with the U.S. defense posture in Asia is not primarily one of inadequate numbers of American forces deployed forward. Today, the United States deploys approximately 325,000 servicemen and women in U.S. Pacific Command, with forward-deployed forces that include a Navy carrier strike group home ported in Japan; eight Air Force and Marine Corps fighter squadrons; 12 attack submarines and one to two cruise missile submarines; one Marine Corps amphibious ready group; and periodic rotations of fighter, bomber, and tanker aircraft to regional bases on Guam and elsewhere.¹¹ In a crisis, these forces could be reinforced by rapidly deploying air and naval forces. The problem is that U.S. forces in the region—particularly land-based air forces, fixed infrastructure ashore, and naval surface vessels—are increasingly vulnerable to attack by Chinese precision long-range strike assets, principally cruise and ballistic missiles. In a crisis, this risks creating a situation in which U.S. efforts to strengthen deterrence and stabilize the situation by sending more forces to the region could actually have the opposite effect, provoking China's leaders into attacking lucrative targets pre-emptively as a means of gaining the initiative in a conflict.

If U.S., allied, and partner forces are to retain credible capabilities to deter and defeat an adversary with advanced military capabilities, new investments in platforms, weapons, infrastructure, and support

¹⁰ Roger Cliff, Mark Burles, Michael S. Chase, Derek Eaton, and Kevin L. Pollpeter, *Entering the Dragon's Lair: Chinese Antiaccess Strategies and Their Implications for the United States*, Santa Monica, Calif.: RAND Corporation, MG-524-AF, 2007, pp. xv–xvii.

¹¹ International Institute for Strategic Studies, "North America," *The Military Balance*, London: Routledge, 2014; Michael J. Green, Gregory Kiley, Nicholas Szechenyi, and David J. Berteau, *U.S. Force Posture Strategy in the Asia Pacific Region: An Independent Assessment*, Washington, D.C.: Center for Strategic and International Studies, 2013, p. 48.

systems are called for. But meeting the challenge will require more than simply buying and fielding new and better gear. The magnitude of the antiaccess/area denial (A2/AD) threat posed by Chinese long-range strike weapons and other supporting assets—such as dense, integrated air defenses; antisatellite weapons; electronic jamming systems; cyber weapons; and modern submarines—is such that new concepts for the conduct of power projection operations are needed. Money, time, and talent must therefore be allocated not only to the development and procurement of new equipment and infrastructure, but also to concept development, gaming and analysis, field experimentation, and exploratory joint force exercises.

Perhaps most urgent is the need for new approaches to basing and operating forward forces in the A2/AD environment. Meeting this challenge will involve a mix of approaches, including selective hardening of key facilities at bases and enhancing the ability of engineering teams at these locations to rapidly repair damaged infrastructure. Such steps must be complemented by efforts to ensure that U.S. air forces in the western Pacific are able to operate from dispersed bases, including austere facilities with little in the way of base infrastructure. U.S. forces should also prepare to operate in what might be called a “low-bandwidth” environment, in which much of their command and control, communications, and information management capacity is disrupted or destroyed.

Another key to defeating sophisticated A2/AD threats will be for U.S. and allied forces to develop better reconnaissance and strike capabilities of their own in order to be able to destroy the enemy's attacking forces early in a conflict. Over the past 25 years, U.S. forces have become accustomed to dominating all five domains of military operations—air, land, sea, space, and cyberspace—virtually from the outset of a large-scale operation. For this reason, U.S. forces have not, for the most part, invested in capabilities for reconnaissance and long-range strike in contested environments. Developing and deploying “stealthy” penetrating platforms and standoff weapons, such as cruise missiles, in wider varieties and larger numbers could help to change this.

These significant investments to enhance U.S. power projection capabilities in the face of growing A2/AD threats also have direct rel-

evance to U.S. posture in the greater Middle East. Today, DoD faces demands to shore up the military capabilities of key partner states in the region in anticipation of a deal with Iran over its nuclear program. One consequence of this deal will be the phased ending of the various financial and economic sanctions that have hobbled Iran's economy. This raises the prospect that Iran will gain access to more-advanced military systems and technology from Russia and China. The next administration may wish to maintain a robust military presence in the Persian Gulf region, with steadily modernizing capabilities.

Counterterrorist Operations in the Middle East and Beyond

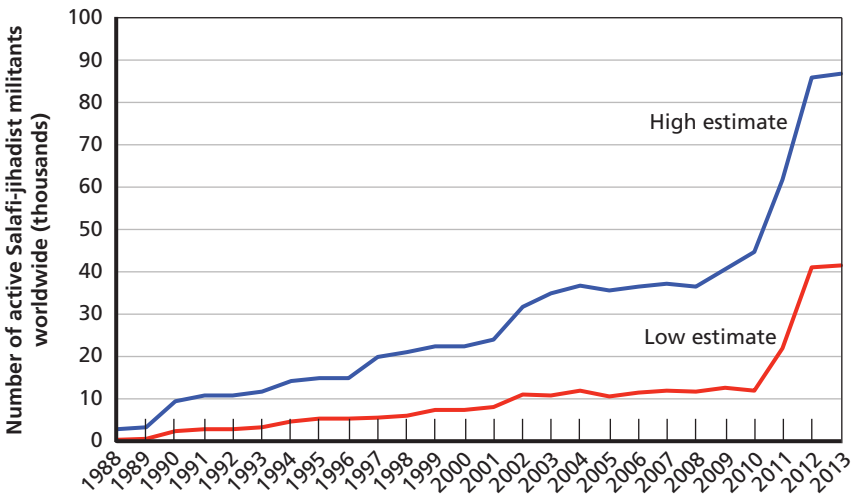
Since 9/11, the terrorist threat to the United States and its interests abroad has metastasized from the fairly hierarchical structure of Osama bin Laden's al Qaeda to an increasingly decentralized threat. It comprises core al Qaeda and its affiliates in Yemen, Somalia, North Africa, and Syria; ISIS and its affiliates in Africa, the Middle East, and Asia; a panoply of other Salafi-jihadist groups in such countries as Libya; and radicalized individuals and networks at home and abroad. In addition, the United States also faces a potential threat from Hezbollah, which remains active in the Middle East, Africa, and Latin America.

Sunni extremist groups like al Qaeda and ISIS will likely pose the most acute threat. Current trends are worrisome, as jihadist battlefields in countries such as Syria and Iraq may continue to serve as training grounds for foreign fighters, including some Americans and other Westerners.

Figure 1 provides a rough estimate of the number of Salafi-jihadist fighters between 1988 and 2013. Calculating the number of Salafi jihadists is difficult, in part because groups do not provide public estimates of their numbers, which can vary considerably over the course of a group's life. Consequently, Figure 1 depicts high and low estimates for the number of Salafi jihadists by year. The sharp increase in the number of fighters after 2010 is mostly attributable to the fighting in Syria, which has escalated since the outbreak of the civil conflict there and, more recently, in Iraq.

Figure 2 depicts the number of attacks by core al Qaeda and its affiliates for 2007–2013. The data show that violence levels are high-

Figure 1
Estimated Number of Salafi Jihadists, 1988–2013



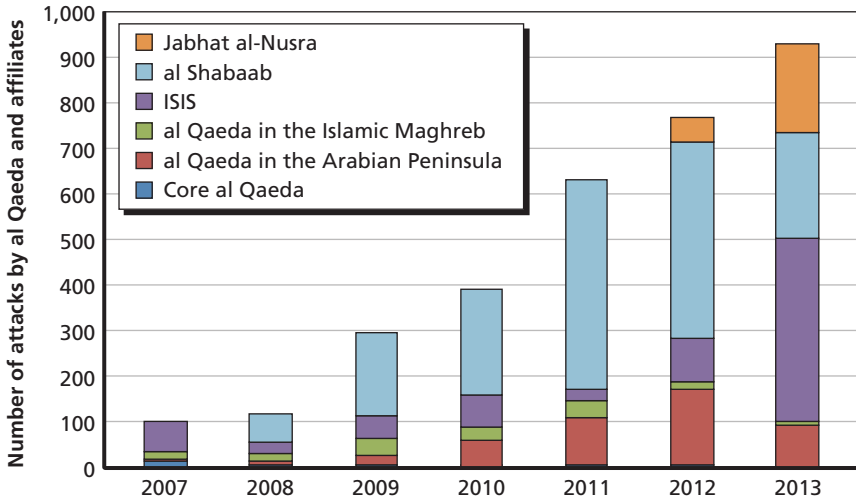
SOURCE: Seth G. Jones, *A Persistent Threat: The Evolution of al Qaeda and Other Salafi Jihadists*, Santa Monica, Calif.: RAND Corporation, RR-637-OSD, 2014, p. 27.

RAND RR1223-1

est in Yemen (from al Qaeda in the Arabian Peninsula), Somalia (from al Shabaab), Iraq (from ISIS), and Syria (from Jabhat al-Nusrah and ISIS). Approximately 98 percent of al Qaeda and affiliated attacks over that seven-year span were against “near enemy” targets (opponents in the country or region where the group is headquartered) and only 2 percent were against “far enemy” targets (opponents outside of the group’s home region, primarily in Europe or the United States). The trends in numbers of casualties and fatalities inflicted by these groups are similar.

The persistence of terrorist threats is attributable to two major factors in the international system: the weakness of governments across Africa and the Middle East, which creates opportunities for terrorist groups to gestate and operate, and the transnational spread of militant networks. Operatives who spend time training or fighting in such countries as Iraq, Afghanistan, and Pakistan have been able to move into North Africa and the Levant, and in some cases to return with Western passports to Brussels and Paris, bringing with them skills and

Figure 2
Number of Attacks by al Qaeda and Affiliates, 2007–2013



SOURCE: Jones, 2014, p. 35.

RAND RR1223-2

tactics that they have learned. Further, as mastery over more-destructive technologies continues to devolve to lower levels of human organization, from nation-states to subnational groups to individuals, terrorist groups will become more potent over time. The January 2015 attack against the French satirical magazine *Charlie Hebdo* in Paris also shows that terrorist groups can execute attacks with weapons as simple as assault rifles. Al Qaeda in the Arabian Peninsula provided training to two of the operatives involved in the shootings.

All of this means that the United States, along with its allies, will need to conduct a continuous campaign against Salafi-jihadist groups for the indefinite future, both overseas and at home. With the movement of foreign fighters to and from the West, there is a growing need to stop the flow with improved intelligence collection and sharing, border interdiction efforts, and legal measures. The specific loci of that campaign will shift over the years, with counterterrorism (CT) forces deploying to combat the most acute threats. U.S. CT forces will engage in two broad types of operations: indirect approaches, in which U.S.

forces work to help build the capacity of partner security forces, providing training, advice, and assistance; and direct action, in which U.S. forces conduct precision attacks on terrorist groups and their financial, logistical, and political support networks.

Since 2008, the number of U.S. special operations forces (SOF), including military and civilian personnel, has grown from 54,200 to approximately 70,000. DoD should plan to sustain at least this level of SOF indefinitely. It may also want to increase funding for SOF training and equipment. Top priorities for enhanced training include basic and advanced special operations skills and increased foreign language proficiency, particularly in Middle Eastern and North African languages. Priorities for new equipment include intelligence sensors and platforms (both manned and unmanned), tactical airlift (both fixed-wing and rotary-wing), specialized precision munitions, and improved communications gear. Other assets outside of Special Operations Command, notably including military and civilian intelligence assets, mobile logistics, transportation, and base operating support capabilities, also provide critical support to CT operations. The bulk of the U.S. Air Force's unmanned aerial vehicle (UAV) fleet, for example, is devoted to supporting CT operations.

Nuclear Forces

The United States has long fielded nuclear forces to deter the use, or threat of use, of nuclear weapons by Russia or China against the United States, its forces, and its allies and partners through threats of limited or large-scale U.S. nuclear retaliation. More broadly, by maintaining a U.S. capability for limited use of nuclear weapons at the theater/non-strategic and central strategic levels, the United States seeks to induce caution into the actions of decisionmakers in both countries through the possibility of unwanted escalation to the nuclear threshold or across it.

U.S. defense strategy recognizes that both China and Russia have the ability to overcome the limited air and ballistic missile defenses that protect the U.S. homeland. Successive administrations have therefore chosen to accept a condition of vulnerability to Russian and Chinese retaliatory strikes with strategic nuclear weapons (while not publicly acknowledging our vulnerability to Chinese nuclear attack on our

homeland). U.S. deterrent strategy vis-à-vis these states is predicated on the belief that deterrence will hold if the United States can convey that U.S. nuclear forces could credibly hold at risk a broad array of highly valued military, political, and economic targets, even if the adversary first unleashed a full-scale attack on U.S. nuclear forces.

U.S. nuclear forces also underwrite extended deterrence relationships with American allies, helping to provide assurance against threats posed by regional adversaries. In the case of North Korea and potentially Iran, U.S. nuclear weapons undergird American efforts to thwart proliferation and are relied on to deter and, if deterrence fails, to prevent or substantially reduce the effects of their use of nuclear weapons against American forces, allies, or partners. The United States has not been prepared to accept a situation of mutual vulnerability with these nuclear-armed regional adversaries (NARAs).¹²

To operationalize American guarantees of extended deterrence to U.S. allies and partners threatened by NARAs, U.S. forces need to be able to limit damage both by defending against small-scale nuclear-armed missile attacks and by conducting effective counterforce attacks against the NARAs' strike capabilities. This calls for warfighting capabilities that combine active ballistic missile defenses and conventional and nuclear strike systems.

U.S. strategic nuclear weapons are deployed on silo-based intercontinental ballistic missiles (ICBMs), nuclear-powered ballistic missile submarines (SSBNs), and long-range B-52 and B-2 bombers.¹³ This "triad" of nuclear delivery means has provided the basis for a highly survivable force that—supported by multiple types of surveillance sensors, dedicated command and control and communications assets, and high levels of training and readiness among their operating units—ensured that no adversary could meaningfully limit damage to his nation by conducting a disarming first strike against the United States.

¹² For an analysis of the distinctive challenges posed by such states, see David Ochmanek and Lowell Schwartz, *The Challenge of Nuclear-Armed Regional Adversaries*, Santa Monica, Calif.: RAND Corporation, MG-671-AF, 2008.

¹³ In addition, the United States has a force of theater-range, dual-capable fighter-bomber aircraft (DCA), which can carry nuclear gravity bombs.

Going forward, it may be prudent to retain the triad in some form. It also seems highly likely that U.S. leaders will want the overall size of the U.S. strategic force to be, at a minimum, roughly comparable to that of the Russian Federation, whether the two nations' forces are constrained by mutual agreement or not. The strategic and political importance of this requirement has been greatly magnified by the emergence of Russia as an overtly revisionist power.

With the exception of the bomber fleet, all major elements of the triad—ICBMs, SSBNs, and air-launched nuclear-armed cruise missiles—are nearing the end of their service lives and will have to be retired or replaced. Ships in the current fleet of *Trident* SSBNs, for example, will reach the end of their service lives beginning in 2027, and replacing them will be expensive. Estimates vary, but the overall program cost for 12 new SSBNs could exceed \$100 billion, with an average cost per ship on the order of \$7 billion. High up-front costs notwithstanding, the submarine-based force has been and will remain the most survivable element of the U.S. triad, making it the cornerstone of the United States' deterrent force. To date, DoD's long-term plans have not identified funds to pay for production of replacement ships for the *Ohio* class. Replacing or refurbishing the Minuteman ICBM force will be less costly, especially if the silos used to house and launch the missiles are retained.

The primary reason to build a new long-range strike bomber is to improve U.S. conventional power-projection capabilities. Because of the A2/AD challenges outlined above, U.S. forces need enhanced capabilities to engage and attack a wide range of targets from bases at greater distance from the enemy's territory and must be able to overcome sophisticated air defenses, such as those China possesses. The long-range strike bomber (LRS-B) is being designed to meet these requirements. The marginal cost of also equipping a portion of these new bombers so that they can deliver nuclear weapons would be relatively modest. The Air Force is also developing a new, nuclear-armed standoff cruise missile, owing to the obsolescence of its current air-launched cruise missile, which has been in service since the early 1980s. Because bombers and fighter aircraft can deliver nuclear weapons of varying yields and do so without having to overfly Russian territory en

route to their targets, these aircraft are the most useful elements of the U.S. nuclear force for addressing threats posed by NARAs.

The Congressional Budget Office (CBO) has examined the currently proposed nuclear force modernization programs and their associated development costs and produced an estimate of total expenditures over the period 2014–2023.¹⁴ These figures include estimates for the *Ohio*-class replacement, the new ICBM, and the new bomber, as well as the new cruise missile and other expenditures for nuclear weapons. Table 1 provides a summary of CBO's estimates. Further spending on each of these programs will be required in the years beyond 2023.

Counterinsurgency and Stability Operations

The current defense plan assumes that the United States is unlikely to conduct protracted counterinsurgency stability operations on the scale of those mounted in Afghanistan, Iraq, or perhaps even the Balkans. As a result, the Army is being cut by nearly 100,000 personnel from its wartime peak of 547,000 active-duty personnel. The U.S. Marines Corps is also losing 20,000 personnel. This decision was premised less on any analysis of possible future needs, and more on the view that such manpower-intensive operations, or at least those of the past decade, have not produced positive strategic results commensurate with their costs. Some degree of frustration with past stability operations is understandable: It is certainly true that violent extremist groups continue to operate in both Iraq and Afghanistan, although not in Bosnia or Kosovo. On the other hand, the absence of stabilization efforts can produce destabilizing results, as evidenced in Syria, Libya, and Iraq. As a result, the United States has sent limited forces back to Iraq with a focus on providing air power and intelligence, surveillance, and reconnaissance, and the Obama administration may reconsider its stated intention to withdraw U.S. troops from Afghanistan completely before leaving office. American boots on the ground may or may not be necessary to end the civil war in Syria. Should the North Korean Kim regime collapse, U.S. forces may be called on to assist those of South

¹⁴ Congressional Budget Office, *Projected Costs of U.S. Nuclear Forces, 2014 to 2023*, Washington, D.C., December 2013.

Table 1
CBO Estimates of Expenditures on Nuclear Systems, 2014–2023 (billions of calendar-year dollars)

Type of Expenditure	SSBNs	ICBMs	Bombers ^a	Other	Total
Department of Defense					
Procurement	33 ^b	2	5		40
Research, design, test, and evaluation	14	7	12	3	36
Department of Energy					
Weapons activities	6	4	10		20
Naval reactors	4				4
Total	57	13	27	3	100

SOURCE: CBO, 2013.

NOTES: For SSBNs and ICBMs, the table reflects all of the costs expended on the programs during the period. Considerable additional costs will be incurred in the years beyond 2023.

^a In estimating the costs associated with the bomber leg, all of the costs of nuclear weapons or systems, such as the Long Range Standoff Weapon (LRSO), are included, but for the bomber aircraft themselves a special rule is applied: "CBO included in its cost estimates 25 percent of the total anticipated budgets for the B-52 and the LRS-B because that is the fraction of B-52H aircraft that concentrate on the nuclear mission at a given time, in CBO's estimation; in contrast, CBO included 100 percent of the cost of the B-2 and the LRSO" (CBO, 2013, p. 15).

^b Funds to pay for the procurement of the new fleet of SSBNs have not been identified.

Korea in securing weapons of mass destruction and stabilizing the situation in the North. Given these and any number of other unforeseeable contingencies, the next American administration may wish to place higher priority on preparing for such missions.

Readiness

A final area of major concern with the currently envisaged defense program is the time it will take to return U.S. forces to a high level of readiness. Readiness, in this sense, refers to the ability of a given unit

to execute its full range of assigned tasks. A unit's readiness is a function of the extent to which its personnel are capable and appropriately trained, the maintenance status of its equipment, stocks of consumables (e.g., fuel, munitions), and the availability of spare parts.

As we have seen, the defense strategy calls on U.S. forces during peacetime to be actively engaged in multiple regions simultaneously and to be able to defeat aggression by two regional adversary states at once if necessary. This element of strategy—often discussed in shorthand as the “two-war” requirement—remains fundamental to the U.S. standing in the world and a critical element of U.S. credibility, one that no future president will want to abandon. To support the two-war requirement, U.S. forces must, among other responsibilities, provide a credible forward presence to deter aggression and assure allies and partners on the Korean peninsula and in the Persian Gulf, Europe, and the western Pacific; keep ISIS, the al Qaeda network, and other Salafi-jihadist groups under constant pressure through both direct and indirect operations; and be prepared to deploy quickly in response to challenges if deterrence fails. Meeting these commitments requires that a substantial portion of the active component force (80 percent in the case of the Air Force's fighter and bomber squadrons, and two-thirds of the Army's combat formations) be trained and ready to deploy in a matter of days.¹⁵

The demands for U.S. forces in Europe differ substantially from those in the Middle East and North Africa, which, in turn, differ from the demands in East Asia. To be effective, U.S. forces will need to adapt to the theater-specific circumstances. Commitments in Europe will be more ground and air intensive. Commitments in the Middle East and North Africa will focus on special forces and advisory efforts, supported by extensive air, intelligence, and surveillance activities. Commitments in East Asia will rely heavily on air and naval forces, though demands on the Korean peninsula would still require substan-

¹⁵ See Jeff Schogol, “Welsh Fears 15% Cut in Flying Hours,” *Air Force Times*, November 14, 2013, and Michelle Tan, “Vice Chief: Army Readiness Has a Long Way to Go,” *Army Times*, May 12, 2015.

tial ground commitments. All of this will require trained and ready forces.

Unfortunately, the readiness of U.S. forces today is rather poor. The National Defense Panel, which was commissioned by Congress to conduct an independent assessment of the 2014 Quadrennial Defense Review and its findings, assessed that DoD today faces “major readiness shortfalls that will, absent a decisive reversal of course, create the possibility of a hollow force that loses its best people.”¹⁶ The reason for this is twofold: More than 12 years of unremitting conflict in Afghanistan and Iraq have placed heavy wear and tear on people and equipment and resulted in large backlogs of equipment that requires depot-level maintenance and repair or replacement. The demands of these conflicts have also meant that many elements of the force have received little or no training for missions other than counterinsurgency and stability operations. This means that if forces were needed today for combat in, say, Europe or Korea, the President would have to choose between sending troops that are ill-prepared for large-scale maneuver operations or wait months for them to receive the appropriate training.

These problems were exacerbated by the imposition of sequestration on DoD spending in April 2013. At that point, which was halfway through the fiscal year, DoD was compelled to cut \$37 billion from its spending for the remainder of the year. The only practical way to reduce spending that quickly was to cut funds that had been budgeted for training, maintenance, and procurement. The effects were unprecedented and severe: The Air Force, for example, grounded 13 combat air squadrons for several months and sharply reduced flying training for seven additional squadrons; other services experienced similar disruptions in their maintenance and training activities.¹⁷ By the fall of 2013, only two of the Army's 43 active component brigade combat teams were judged to be fully ready and available to execute a major

¹⁶ William J. Perry and John P. Abizaid, *Ensuring a Strong U.S. Defense for the Future: The National Defense Panel Review of the 2014 Quadrennial Defense Review*, Washington, D.C.: United States Institute of Peace, July 2014, p. 36.

¹⁷ Mark A. Welsh, “The Impact of Sequestration on National Defense,” statement before the Senate Armed Services Committee, November 7, 2013.

combat operation. Despite subsequent increases in funding for readiness, U.S. forces by and large still have not recovered from the cumulative effects of these stresses.¹⁸ In early 2015, fewer than 50 percent of the Air Force's combat aviation squadrons were rated fully combat capable.¹⁹ By mid-year of 2015, 31 percent of the Army's formations were considered trained and ready.²⁰

Enhancing Allied Defenses

Countering the threats posed by adversary states is not solely a problem for the United States. In fact, it would be both unwise and infeasible for the United States to attempt to unilaterally address the sorts of challenges outlined above. Allies and partners, particularly those directly or indirectly threatened by adversary activities or in the same region, have a strong interest in ensuring that their forces can impose a high price on an aggressor and contribute effectively to combined regional operations that may be led by the United States.

With these goals in mind, the proliferation of systems and technologies that are causing U.S. planners such concerns can be turned to their advantage. If allies and partners invest wisely, they can impose smaller-scale A2/AD challenges on the states that are wielding these capabilities against them.²¹ Taiwan, for example, has both the economic means and the technical and operational savvy to develop, deploy, and operate systems such as short-range UAVs and antiship cruise missiles, shallow water mines, rocket artillery, mobile short-range air defenses, and communications jamming gear, all of which, properly employed,

¹⁸ Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, *United States Department of Defense Fiscal Year 2015 Budget Request Overview*, Washington, D.C.: U.S. Department of Defense, March 2014, p. 3-2.

¹⁹ Jeff Schogol, "Less than Half of Combat Squadrons Fully Ready for Combat," *Air Force Times*, March 4, 2015.

²⁰ Tan, 2015.

²¹ See David C. Gompert and Terrence K. Kelly, "Escalation Clause: How the Pentagon's New Strategy Could Trigger War with China," *Foreign Policy*, August 2, 2013.

could contribute mightily to an effective defense against invasion.²² Countries of the Gulf Cooperation Council concerned about aggression from Iran likewise could invest in hardened airbases, mine-sweeping craft, missile defenses, UAVs, and other capabilities useful in countering conventional and unconventional threats. NATO member states, particularly those in northern and central Europe, should contribute to multinational efforts to strengthen deterrence on the alliance's eastern flank, as, for example, Poland is seeking to do with a far-reaching modernization program that includes air and missile defenses, anti-submarine warfare capabilities, UAVs, and other systems. Finally, in all regions, regular combined forces exercises and planning and more interoperable communications networks can help the United States, its allies, and partners make the whole of their capabilities as great as the sum of their parts.

Choices for Sizing the Defense Budget

In this section, we offer four alternative levels of defense spending and indicate the types of forces and capabilities that the United States could sustain at each of these different budget levels, described in terms of the ability of each force to address the challenges described in the preceding sections. Table 2 portrays the capabilities that could be sustained under the terms of the Budget Control Act (Force I) or the President's FY 2015 budget submission (Force II), and those that could be fielded with substantial and sustained increases in DoD funding above these levels (Forces III and IV). For context, Figure 3 shows how U.S. defense spending has risen and fallen over the past 40 years, along with rough projections of spending that would be associated with Forces I–IV.

Absent unforeseen further demands on U.S. forces, funding at the level requested by the current administration (Force II) would allow U.S. forces to reach historically normal levels of readiness ("fully

²² See Roger Cliff, Phillip C. Saunders, and Scott Warren Harold, eds., *New Opportunities and Challenges for Taiwan's Security*, Santa Monica, Calif.: RAND Corporation, CF-279-OSD, 2011, pp. 7–10.

ready”) by 2019, though somewhat later for the Air Force. This funding level could also sustain the current level of capacity and activities for SOF. However, we note that DoD has not identified funds in the Future Years Defense Program to pay for construction of the new SSBN. This reality, coupled with the likelihood that DoD will not find it possible to reverse decades-long trends in the growth of operations and maintenance costs and the procurement of new platforms, leads us to conclude that, before long and without a significant increase in DoD’s topline, decisionmakers will be confronted with painful choices among the aggregate capacity of the general purpose forces, their readiness, and their modernization. The resulting force would be at risk of falling behind the capabilities of its most modern counterparts or undermining deterrence in one or more regions due to insufficient forward forces and posture.

Not surprisingly, the situation is considerably worse under the BCA caps. As shown in Force I, investments in CT capabilities are sustained, but readiness continues to lag and the SSBN funding problem is not solved. In addition to these risks, we project DoD leaders having to reduce force structure further *and* cut into critical modernization programs, such that U.S. forces would be falling behind the capabilities of our most advanced potential adversaries—China and Russia.

To put it plainly, the United States’ credibility and influence internationally, the safety and security of its nuclear arsenal, and the viability of its all-volunteer force could all erode if defense spending is held to the levels posited in Forces I or II. In 2024, funding for both Forces I and II is projected to be equal and would constitute approximately 2.3 percent of GDP.²³

Force III posits an average real increase in DoD funding of approximately \$50 billion per year (in constant FY 2015 dollars) sustained for nine years over the period 2015–2023, as compared with the levels permitted by the BCA. Under this scenario, DoD spending

²³ Dinah Walker, *Trends in U.S. Military Spending*, Washington, D.C.: Council on Foreign Relations, July 15, 2014.

Table 2
Illustrative Consequences of Alternative DoD Funding Scenarios

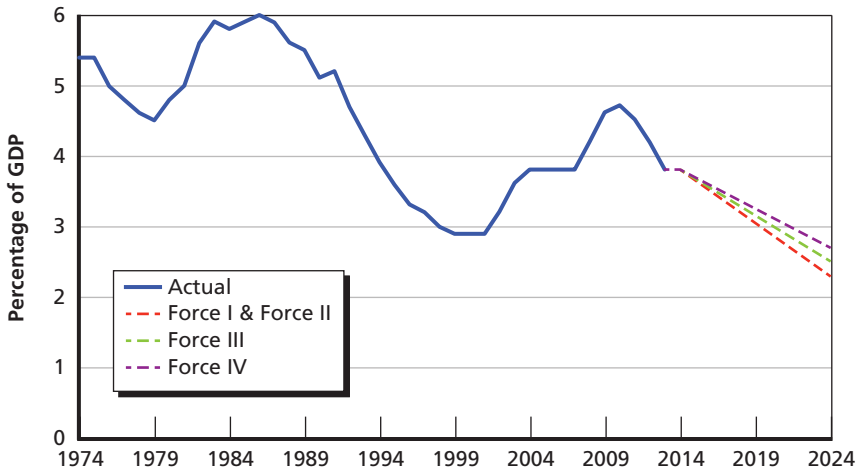
	Budget Level (FYs 2016–2024)			
	Force I Budget Control Act (\$499 billion in FY2016)	Force II President's Budget ^a (BCA + \$115 billion through FY2024)	Force III President's Budget Plus (BCA + \$450 billion through FY2024)	Force IV National Defense Panel (BCA + \$810 billion through FY2024)
Readiness	Partially ready by 2019	Fully ready by 2019	Fully ready by 2017	Fully ready by 2017
Strategic nuclear forces	SSBN procurement not funded	SSBN procurement not funded	Comprehensive modernization	Comprehensive modernization
Counterterrorism/ Special Operations Forces	70,000	70,000	70,000	75,000+
Deter/defeat regional adversaries	"2 war minus" posture	"2 war" posture?	"2 war" posture	"2 war" posture + stability operations capacity
Deter/defeat A2/AD	Deteriorating military balance	Selective modernization	Gradual modernization	Accelerated modernization
Percentage of GDP in 2024^b	2.3	2.3	2.5	2.7

NOTE: All figures are in FY 2016 dollars.

^a Provisions of Force II assume early and full implementation of changes to compensation and health care, base realignment and closure, force structure reductions, and other program cuts proposed in FY 2015 budget submission.

^b Figures are based on data in Office of Management and Budget, *Fiscal Year 2015 Budget of the U.S. Government*, Washington, D.C., U.S. Government Printing Office, 2014, pp. 172–174.

Figure 3
U.S. Defense Spending as a Percentage of GDP, 1974–2024



SOURCES: Office of Management and Budget, “Historical Tables: Table 8.4—Outlays by Budget Enforcement Act Category as Percentages of GDP: 1962–2020,” spreadsheet, Washington, D.C.: The White House, undated; Office of Management and Budget, *Fiscal Year 2015 Budget of the United States Government*, Washington, D.C.: U.S. Government Printing Office, 2014, pp. 172–173; and RAND analysis.

RAND RR1223-3

by 2024 would constitute approximately 2.5 percent of GDP.²⁴ At this level of funding, we portray a force that reaches historical (full) readiness levels two years earlier than Force II and, like both Forces I and II, sustains present levels of SOF and CT activities. However, Force III also pays for the construction of the initial ships of the modernized SSBN fleet. Force III also invests in the most important initiatives needed for addressing the A2/AD challenge, and would provide the wherewithal to substantially strengthen NATO’s deterrent posture on its eastern flank. More specifically, funding DoD at the Force III level would support the following investments and modernization efforts that would likely have to be postponed or foregone at the Force II level or below:

²⁴ Sums added to DoD spending for Forces III and IV are assumed to be in DoD’s base budget and sustained irrespective of changes in spending for overseas contingency operations.

- *For countering A2/AD threats in general:* Expanded purchases of key precision weapons, stocks of which are far short of the inventories needed, including the joint air-to-surface missile–extended range (JASSM-ER), the advanced medium-range air-to-air missile (AMRAAM), the long-range anti-ship missile (LRASM), and the miniature air-launched decoy (MALD); accelerated development of a new generation antiradiation missile for suppressing long-range surface-to-air missiles; procurement of *Virginia* Payload Modules (VPM) to increase the missile and other mission payloads of new U.S. attack submarines.
- *For countering new threats in Europe:* Construction of facilities in the Baltic countries to house equipment and supplies for three U.S. armored brigade combat teams and funds to move and maintain that equipment; larger-scale exercises by rotational ground force units with allies in eastern Europe; forward deployment of a U.S. Army fires brigade to Poland; creation of a corps-level Army headquarters in central Europe; development and fielding of ground-based active defenses against guided rockets, artillery, mortars, and missiles; procurement and forward deployment of greatly increased stocks of advanced air-delivered anti-armor munitions (e.g., sensor-fuzed weapons).
- *For countering A2/AD threats in the Western Pacific:* Construction projects and expanded airfield damage repair assets to reduce the vulnerability of key “hub” bases, such as those on Guam; a stepped-up program of deployment exercises to austere bases along with improvements to selected bases.

While it will remain essential to garner efficiencies within DoD's infrastructure and personnel accounts, funding DoD at this level would allow more time to enact these politically sensitive reforms.

Finally, Force IV, funded at the level called for by the National Defense Panel (\$90 billion per year above the BCA ceilings, sustained for nine years), offers all of the features and investments associated with Force III, but adds capabilities in three areas: It increases the size of SOF, allowing an expanded level of activity against terrorist groups abroad; it adds capacity, primarily in the land forces, to support a larger

forward posture in Europe and to support potential future stability operations; and it allows for faster and broader modernization of forces and support facilities called for by the A2/AD threat. Other examples of Force IV investments above those assumed in Force III could include

- development and fielding of a range of measures to enhance the resiliency of key space-based assets
- full and rapid fielding of the Army's new, mobile air defense missile system (IFPC2) for defense against cruise missiles, UAVs, and air attacks
- additional manpower in the Air Force to support dispersed operations
- accelerated development of the Air Force's new long-range strike bomber and upgrades to the existing bomber fleet
- development and fielding of an unmanned aerial vehicle for carrier operations that is survivable in contested airspace
- development and fielding of unmanned underwater vehicles
- fielding a more robust theater communications network that is less reliant on satellite links
- accelerated development of new, more cost-effective approaches to ballistic missile defense
- increased manning and equipment for selected intelligence, surveillance, and reconnaissance systems and associated analytical capacity for countering terrorist threats.

At this funding level, the DoD budget would constitute approximately 2.7 percent of GDP by 2024. Assuming economic growth at the level projected by CBO, all of these levels of spending would fall below even the "peace dividend" level of spending of the mid-1990s (see Figure 3).

How Much Is Enough?

The United States has placed a wide range of demands on its military forces in the decades since the end of the Cold War, which brought significant cuts in overall spending and force levels, though paired with an accumulating set of commitments in Europe, the Middle East, and

beyond. Historians might look back on this period as one in which the United States pursued an expansive overall strategy that came at relatively little cost.

The shock of 9/11 brought substantial growth in both commitments and spending, including two long and costly wars of occupation in Afghanistan and Iraq. U.S. ground forces grew to meet these demands, but key long-term investments to modernize equipment and infrastructure were put on hold. Pay and benefits also grew to maintain the viability of the volunteer force. Retention never became an issue, in the ways that some worried, but the costs to recruit and retain the force grew substantially. Spending for military personnel alone has grown at an average annual rate of 3.2 percent from 2000 through 2012.²⁵

By 2008 the country had tired of conducting large-scale counterinsurgency operations, which were yielding unsatisfying strategic results. The appeal of “nation-building at home” has struck a resonant chord. The Obama administration made good on its promise to end the war in Iraq and substantially reduce troop levels in Afghanistan. It joined the effort to topple the Qaddafi regime in Libya but did not put in place a stabilization force. It called for the ouster of the Assad regime in Syria but was unwilling to commit U.S. forces or the needed materiel support to the Syrian rebellion attempting to bring this about, in part due to fears of what might follow the fall of the regime. It generally supported the popular uprisings that came to be known as the Arab Spring, but eschewed any direct involvement.

In January 2012, the Obama administration produced a new strategy that it characterized as a “rebalance to the Pacific.” It was premised, as noted earlier, on the assumption that Europe would be stable and at peace, that large-scale operations in the Middle East could be substantially reduced, and that the United States could focus more on East Asia. To a war-weary country, the new strategy was a welcome change and the rebalance was viewed with cautious optimism at the time.²⁶

²⁵ CBO, *Costs of Military Pay and Benefits in the Defense Budget*, Washington, D.C., November 2012.

²⁶ For example, see Joseph S. Nye, “Obama’s Pacific Pivot,” *Project Syndicate*, December 6, 2011; Margaret Talev and Michael Forsythe, “Obama’s Asia Pivot Puts U.S. Approach to China on New Path,” *Bloomberg Business*, November 19, 2011.

What was not expected then, but seems so clear now, is that Europe is neither stable nor at peace; that Iraq and Syria are not capable of defending against the threats posed by ISIS; that terrorist recruitment continues to grow at an alarming pace; that Iran remains a potent and disruptive force throughout the Middle East and could yet acquire nuclear weapons; and that the new Afghan government remains highly vulnerable to Taliban threats. What was clear then and remains true today is that China's military modernization continues apace and that North Korea remains a volatile and potentially dangerous nuclear-armed state.

Fielding military capabilities sufficient, in conjunction with those of our allies and partners, to deal with these disparate challenges will require substantial and sustained investments in a wide range of programs and initiatives well beyond what would be feasible under the terms of the Budget Control Act. Without such investments, America's credibility and influence internationally, the safety and security of its nuclear arsenal, and the viability of its all-volunteer force could erode. We have attempted here to outline a set of strategy guidelines, activities, and investments that would better position the United States to defend and advance its interests in this more dangerous world.

