

[H.A.S.C. No. 113-7]

**THE FUTURE OF SEAPOWER**

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HEARING

BEFORE THE

SUBCOMMITTEE ON SEAPOWER AND  
PROJECTION FORCES

OF THE

COMMITTEE ON ARMED SERVICES  
HOUSE OF REPRESENTATIVES

ONE HUNDRED THIRTEENTH CONGRESS

FIRST SESSION

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HEARING HELD  
FEBRUARY 26, 2013



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U.S. GOVERNMENT PRINTING OFFICE

79-949

WASHINGTON : 2013

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## THE FUTURE OF SEAPOWER

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HOUSE OF REPRESENTATIVES,  
COMMITTEE ON ARMED SERVICES,  
SUBCOMMITTEE ON SEAPOWER AND PROJECTION FORCES,  
*Washington, DC, Tuesday, February 26, 2013.*

The subcommittee met, pursuant to call, at 3:56 p.m., in room 2212, Rayburn House Office Building, Hon. J. Randy Forbes (chairman of the subcommittee) presiding.

### **OPENING STATEMENT OF HON. J. RANDY FORBES, A REPRESENTATIVE FROM VIRGINIA, CHAIRMAN, SUBCOMMITTEE ON SEAPOWER AND PROJECTION FORCES**

Mr. FORBES. I want to welcome all of our members and our distinguished panel of experts to today's hearing that will focus on the future of seapower in advance of receiving a budget request for fiscal year 2014.

In January, the Navy presented to Congress a goal of achieving a fleet of 306 ships, a reduction from the previous goal of 313 ships. The fiscal year 2013–2017 5-year shipbuilding plan contains a total of 41 ships, which is 16 ships less than the 57 ships projected for the same period in the fiscal year 2012 budget request. Of this 16-ship reduction, 9 ships were eliminated and 7 ships were deferred to a later time. It should be noted that at its current strength of 286 ships, under the 30-year shipbuilding plan submitted to Congress, the Navy will not achieve its goal of 306 ships until fiscal year 2039. And given our past record of meeting long-term goals, I seriously question the viability of the shipbuilding plans presented in the out-years of the 30-year plan.

Even worse, the Navy will experience shortfalls at various points in cruisers, destroyers, attack submarines, ballistic missile submarines, and amphibious ships. One would think the number of required ships would have increased instead of decreased with the Navy now bearing the brunt of missile defense missions and the announced rebalance to the Asia-Pacific.

Another area of concern is the cost of the plan. The Congressional Budget Office estimates that in the first 10 years of the 30-year shipbuilding plan that the cost will be 11 percent higher than the Navy's estimate. It is because of this issue of affordability that I agree with both Secretary Lehman and Admiral Roughead on the need for acquisition reform. While I think it is critical to provide an environment that provides industry some stability to achieve better pricing, I think it is equally important to pursue more effective acquisition strategies. I look forward to understanding what options our subcommittee could pursue to obtain this needed acquisition reform.

In addition to new construction of ships, I also have concerns on the sustainment of ships already in the fleet. After years of maintenance challenges the Navy has now been forced to cancel numerous ship maintenance availabilities in the third and fourth quarters of this fiscal year due to the budgetary constraints of sequestration and the continuing resolution. The Navy has been operating in a sustained surge since at least 2004. We have been burning out our ships more quickly because the demand has been high. Indeed, in the past 5 years roughly 25 percent of destroyer deployments have exceeded the standard deployment length.

A key tenet in the shipbuilding plan is an assumed ship service life for most ships of 35 years. If ships do not get the planned shipyard repairs, attaining this service life will be problematic and ships will be retired prematurely.

In fiscal year 2012, the existing force structure only satisfied 53 percent of the total combatant commander demand. It has been estimated that to fully support the combatant commander requirements would necessitate a fleet size in excess of 500 ships. Without an increase in force structure this trend would only get worse.

Finally, I think that our Navy needs to place more emphasis on undersea warfare and long-range power projection as part of a strategy to prevent potential adversaries from achieving the benefits offered by anti-access/aerial denial strategies. I am particularly interested to better understand what options the subcommittee should consider to achieve these goals and ensure the combatant commanders have the right tools to achieve our national strategy.

Today we are honored to have as our witnesses former Secretary of the Navy John Lehman and former Chief of Naval Operations Gary Roughead.

Gentlemen, we thank you all for being here. We especially thank you both for your service. But even more than that, we thank you for coming to our subcommittee and sharing your wealth of experience and analysis of these issues. This is going to be the launch of what we hope will be a revitalization of United States Navy, and that will be in large part because of your contributions.

And now I would like to recognize my friend, the ranking member, Mr. McIntyre, for any remarks he may have.

[The prepared statement of Mr. Forbes can be found in the Appendix on page 29.]

**STATEMENT OF HON. MIKE MCINTYRE, A REPRESENTATIVE FROM NORTH CAROLINA, RANKING MEMBER, SUBCOMMITTEE ON SEAPOWER AND PROJECTION FORCES**

Mr. MCINTYRE. Thank you. Thank you, Mr. Chairman.

And thanks to both you gentlemen for your service and commitment and being here today. I am looking forward to hearing what you have to say with regard to the Navy's role protecting our national interest and how the Navy is going to be poised to meet these responsibilities in the coming years.

In January, the Navy submitted a report to Congress stating that the Navy's new requirement for combatant vessels is 306 ships. Accompanying that report was a new force structure assessment further breaking down the 306 requirement by ship class. The Navy has confirmed that the new requirement and assessment

are based on the new strategic guidance released by the Department last year. But as I look at the new force structure assessment and compare that to the 30-year shipbuilding plan that was submitted last year, it appears to me that the two are not aligned, which is a concern. In the 30-year plan it shows the Navy will not meet the requirement of 306 ships until 2039.

I would like the witnesses to share with us whether or not they believe the Navy is being properly resourced to meet what is being required. Given the recently announced pivot that we have to the Pacific and the expected drawdown of our ground forces elsewhere, the question is, should the overall Department shift more resources to the Navy in order to help support this new strategy while simultaneously accelerating the fleet size towards the 306 goal?

As our witnesses know, I am sure, the Navy is currently operating at an operational tempo that is unsustainable. I would be interested to hear from our witnesses any suggestions that you have as to how one might mitigate the long-term impacts of a sustained surge that in recent years appears to become the norm.

Thank you again for your service. Thank you for your time today.

And thank you, Mr. Chairman.

Mr. FORBES. Thank you, Congressman McIntyre.

And, gentlemen, as we talked about before, we are not going to give you guys a timeframe because we appreciate you being here and what you have to offer. You are welcome to just to submit your written testimony for the record if you would like and then anything you would like to tell us we are anxious to hear.

So, Mr. Secretary, I believe you are going to start off for us and we give you the floor.

**STATEMENT OF HON. JOHN LEHMAN, FORMER SECRETARY OF THE NAVY**

Mr. LEHMAN. Well, thank you, Mr. Chairman. It is a real pleasure and an honor to be back in front of this historic committee. I must have spent 200 or 300 hours in my 6 years as SecNav [Secretary of the Navy] in this chair when Charlie Bennett was in your chair. And it was a real partnership, the 600-ship Navy was a genuine partnership between the Congress and the Administration in developing the strategy and implementing the programs.

I think that the most important historic accomplishment of any subcommittee or committee that I know of in Congress belongs to this committee when it was a full committee of Navy affairs under the legendary Carl Vinson. When he faced a situation very similar to the current situation in the early 1930s, after an administration that did not believe there was any need for a navy, the only administration in history that never built a single naval combatant—this is the Hoover administration—it was this committee that took on the challenge of educating the Congress and the American people about why there was a need for a strong navy as the United States grew in its presence and influence and dependence in the world. And over the entire decade of the 1930s this committee was where the action was, and they gradually brought the new Roosevelt administration along to begin to start to program for the kind of threats that were emerging in Europe and Japan, and it was this

committee that was the forum of the long-term strategic thinking, assisted very closely by the Navy.

But this was where the action was, this committee. And I would hope that this committee will again take up that long-view strategic role, because currently I don't think anyone else is in the U.S. Government. There are three priorities that I would suggest that the committee address over the coming years. This is not something that can be done in this session of this Congress.

But first you have to reestablish I think the intellectual framework, the commonsense framework for why we need a Navy and where we need it and what kind of a Navy to carry out the task. It was relatively easy for the Reagan administration with a bipolar world in the Cold War. The Soviet threat clarified the mind wonderfully and made our task relatively easy. Today you could argue that the world is a more dangerous place because it is so multipolar, there are now so many more potential disturbers of the peace all over the world, and yet we are more dependent ever in our history on the free flow of energy and of commerce through the Pacific, Indian Ocean, the Atlantic, Caribbean, and so forth.

We have to have the capability to maintain stability and freedom of the seas wherever our vital interests are involved. We should not be the world's policeman, but we must be able to give the rest of the world the confidence to know that we are able to maintain the free flow of a global community of commerce and freedom of travel, and that we don't have today. We don't need a 600-ship Navy, as we did when we faced the entire Soviet fleet, but we certainly need a good deal more than the 280 ships we have today. And I was part of the independent panel on the QDR [Quadrennial Defense Review] 2 years ago, and we were unanimous, Republicans and Democrats, that the minimum necessary was a 346-ship Navy just to maintain deterrence. This is not arming to deal with a potential threat from China or anywhere else. It was simply to be able to maintain stability and deter disturbers of the peace around the world. The threat has not gotten less since that report was given to Congress.

But also I think it is very important to understand that we shouldn't focus on the easily counted numbers of ships and airplanes and so forth. I would hope that this committee would concentrate on the larger picture of the global requirements and what makes up naval power. It is not just numbers. Certainly the shipbuilding program submitted by this Administration is way below what is going to be required in the future.

But even more disturbing is what is going on now in the overuse of the assets we have. It is very unfortunate that the institutional memory in the executive branch and in Congress is so short, because we have been down this road before. Both Admiral Roughead and I were in the Navy when we had the exact same situation in the 1970s, and we ran the fleet into the ground. We made deployments, added 50 percent to deployments time from 6 months to 9 months, just as the Administration has decided to do now. And we did not put—we, the U.S. Government—did not put the money into repairs and overhaul. And as a result the Navy dropped to the lowest readiness ever, where the former chief of naval operations testified to this committee that we would lose a war if we ended



up going into a conflict, and that was not an assessment lightly taken.

We had the lowest morale, the lowest retention, the lowest recruiting, because families couldn't live for very long with that kind of lifestyle. We were just asking them to do too much. Yes, in a crisis the Navy can do more with less, but for sustaining peace you cannot do more with less, you can do less with less. And so I think the current policy of extending deployments with the fleet we have, small as it is and certainly too small for the commitments that we are pledged to, we have got to stop that. And I applaud the Navy's decision to deal with the cuts of the budget, quite apart from sequester, by not deploying a Marine amphibious group and a carrier group as well. That is what they should do in this kind of a crisis, is just reducing operations and not using what we don't have.

And the last point I would make as an area that I would hope this committee will concentrate on is procurement. We have been for some considerable time now disarming unilaterally. In constant dollars the budget today, outside of the OCO [Overseas Contingency Operations] expenditures, is by some estimates 40 percent larger than the height of the Reagan administration, yet the fleet is less than half the size, the Air Force is less than half the size, the Army is about half the size. And so we are spending more and getting less in constant dollars, and that is because we have allowed the uncontrolled growth of overhead in the Department of Defense.

So while I know you have to deal with the current fiscal crisis and deal with sequester and so forth, but even if sequester doesn't happen you are still facing a major crisis because we are unilaterally disarming. And we have got to fix the procurement system. It is fixable. And this committee, I would hope, will take the leadership in taking it on. And I would be happy to answer your questions, Mr. Chairman, thank you.

[The prepared statement of Mr. Lehman can be found in the Appendix on page 31.]

Mr. FORBES. Thank you, Mr. Secretary.  
Admiral.

**STATEMENT OF ADM GARY ROUGHEAD, USN (RET.), FORMER  
CHIEF OF NAVAL OPERATIONS**

Admiral ROUGHEAD. Mr. Chairman, Mr. McIntyre, it is a pleasure and an honor to be back—

Mr. FORBES. Admiral, have you got the mike on? Thanks.

Admiral ROUGHEAD. I have already lost my touch.

It is a pleasure and an honor to be back before the committee, and also to be at the witness table with Secretary Lehman who did so much to build our Navy, rebuild our Navy, that has set the foundation for the Navy's capabilities today. Much of what I will say really echoes what Secretary Lehman said, that I believe our founders had it right when they said that it was the obligation, the responsibility of the Congress to provide and maintain a navy. Very different from what was said about raising and supporting armies, because I believe they realized the importance then as a maritime nation to have a navy that was in being, a navy that had the reach and the power to represent our interests around the globe. And

even in the early days, that field of view was in much closer than it is today.

And it is that Navy that has been built over the centuries and recent decades that has enabled the globalization, that has enabled the free flow of commerce on the world's oceans, and there is only one navy in the world that can do that, and that is the United States Navy. It is the only navy that can command it and control itself globally. It is the only navy that can logistically support itself globally. It is the only global navy. And I believe that the path that we are on right now may make some of those assumptions unfounded.

As we look at the world today, while it is generally conducive to our interests, it is still a messy place, with disorder and disruption in more areas than just 10 or 15 years ago. And as we look out over that world and as the only global navy, you do have to ask yourself what is the size, what is the capability that you want resident in the Navy that is to be provided and maintained by the Congress. And I applaud the committee for taking this on and looking at it in a strategic way and taking a long view of what will be necessary in the future.

I think it is important as we look at building and maintaining a navy that you can't decouple it from the industrial base of the Nation. And I think that all too often is overlooked. I think it is an assumption that these things just happen. And it is not just the shipbuilders and the airplane manufacturers, but I am most concerned today about the second- and third-tier suppliers, the small businesses that are in each and every one of your districts and all of your colleagues' districts all over the country. And I am concerned that the budgetary shocks, the fiscal shocks that we are experiencing will call into question the survivability of that base. And it is from so many of those small companies that our real capability, that new technology is introduced. And so that I believe has to be very much a part of a strategy as we look to the future, not only what size and type of Navy do we want, but what is the industrial base that produces that Navy?

The other aspect is manning the Navy. As the Secretary mentioned, we are of the vintage that I recall a down time in the Navy. I recall a time when we didn't have enough money to maintain ships in the way they needed to be maintained. I recall a time when we didn't have enough time between deployments to train the new sailors who had come aboard ships, and I questioned whether we could fulfill our missions. And I was particularly concerned about the safety of the young sailors that were on board those ships as we went out and did very dangerous and hazardous and stressful things. And I am fearful that we could return to that time again.

And it is also important as we look at fleet size and the obligations that we have, just how hard are you going to push the Navy. Again, going back to my early years, I recall knowing the date that I was to deploy. I didn't know the date I was coming home. And there is one thing that sailors don't like and that is uncertainty. You can tell them how long the job is, how hard the job is going to be, and they will sign up willingly. But the uncertainty injects

questions and doubt in the minds of those that we are asking to do the very hard work.

I think as we go forward, in addition to looking at fleet size—and I agree that as I look at the world the fleet size is somewhere, as I put in my prepared statement, probably between 325, 345, conservatively—because the messiness of the world is spreading. We have been able in recent years to essentially be absent in the Mediterranean. I believe the future is not going to give us that luxury. I think North Africa and the Arab awakening, the Levant, Israel, Syria, energy deposits that are expected to be found in the Eastern Mediterranean are going to inject some friction and potential conflict and a presence will be required there.

Even though we talk about a rebalanced Asia, we are not turning away from the Middle East and the Arabian Gulf and the importance that that geographic area has on the global economy. And in a few years the Arctic is going to open, and the Arctic is an ocean. I refer to it as the opening of the fifth ocean. And so what sort of a force do you need there, what are the numbers that you need there? And all of that needs to be taken into account.

And the question then becomes where do you want your Navy to be, what do you want it to be able to do, and then how do you build and sustain that Navy? And so, again, I applaud the work of the committee and the vision of the committee as you look to the future to add the strategic underpinning to what I believe are extraordinarily serious discussions and decisions that have to be made not just in Congress but in our country, and I look forward to your questions.

[The prepared statement of Admiral Roughead can be found in the Appendix on page 40.]

Mr. FORBES. Thank you, Admiral and Mr. Secretary. One of the things that you both encouraged us to do, let me assure you we are going to do, we are going to revitalize this Navy and we are going to try to lay a foundation for the Navy for decades to come. The good news we have in this subcommittee is it is probably the most bipartisan subcommittee, I would think, in Congress. Most of the people on this committee, we are personal friends, we have enormous respect for each other. We each bring parochial interest and areas of expertise, but we will rise above those and try to fight against our respective conferences, against the Administration, whoever we need to do, to make sure we are doing what is in the best interest of the United States Navy and the Marine Corps and the future of this country. And we appreciate you being here to help lay that footing for us.

And I am going to start with one question and then defer the rest of mine so that other members can ask theirs. But there has been a lot of discussion about the overall defense strategy and the one-third/one-third allocation between the services of funds that has traditionally accompanied the budget request. I am going to ask both of you if you can provide your assessment of the defense strategy, thoughts on allocations between the services that you might provide.

But there is one other thing. We constantly in this era of cuts to national defense hear this phrase “acceptable risk.” You know, if you wear a suit acceptable risk gets kind of waffled, but if you

are in a uniform it normally means how many people come back, you know. How do you interplay acceptable risk? Give us your handle on that when we are looking at these cuts that we are facing and what we have done and what we may be doing to national defense. And whichever one of you wants to have at that one, I would appreciate listening to your response.

Mr. LEHMAN. Well, acceptable risk is the judgment of the most experienced and best people that the country has elected or appointed to provide that judgment. You can't provide a metric: If you reach 307 ships you are over the risk factor. It is a judgment. And when you look at the judgment of virtually all naval experts today, there is no one, including in the Chinese Navy and the Iranian Navy, who believes that given the obligations we have and continue to support, that the size Navy we have today is adequate to deal with that.

And so acceptable risk of the cuts that are in the immediate prospect, I think a lot depends on where they are allocated. I think that there is a huge amount of overhead fat in the defense budget, but I don't see sequester providing the flexibility to remove and cut that overhead that is in both the uniform and the civilian sides of the Pentagon. And by the way, I think it is much more in the independent agencies and OSD [Office of the Secretary of Defense] than it is in any of the Services.

As to the allocation of a third, a third, a third, I just have never believed that looking at the output of defense capability as a function of the input of the budget level is an adequate or valid measure. The more money you put in, if the system is not functioning, means the less capability you get out. And the record of the last couple of decades from a macro standpoint demonstrates that.

So I think you need to start with a strategy, and there is not a coherent strategy coming from this Administration, and I must say from the last administration. This committee can provide the building, the forum to build that consensus of strategy, as we did have in past eras, and from that should be derived the requirements to meet that strategy. And it is very unlikely that it is going to come out a third, a third, a third. Whether we need the size standing Army we have today given the threats that we face around the world and the nature of what our overall role should be in the world, whether or not we can live with an Air Force with an average airplane age of something like 28 years, whether we need the size, whether we need a new bomber, those are all questions that you in the Congress have to logically decide. I doubt very much if it is going to come to a third, a third, a third. But first step is to begin to build the outlines of a strategy so you can make coherent judgments. Otherwise it will absolutely default to a third, a third, a third.

Admiral ROUGHEAD. I would say that as I look at acceptable risk it is important to look at where do we believe the Navy would be called into play, either to assure or deter or compel. And in looking at that, then you always want to make sure that you have your options preserved and that your probability of success is better than a potential adversary's probability of success.

And so that gets into what is the strategy, where are our interests globally? To simply say that we are pivoting to Asia almost im-

plies that you are excluding other areas of the world that are going to be important in the future. So how you look at the world, where the Navy would be, and then how you want to use that Navy with a higher probability of success than an adversary is the way that I look at it.

And when you do that, and particularly as you look at some of the trends that are taking place in the world today, the increased sensitivities with regard to sovereignty, of reluctance of countries to openly accept large numbers of ground forces, the space that has been reduced by leaders around the world because of the way information moves, where they can privately agree to certain things and then publicly have a different position, I think we are seeing that that margin is really compressing down.

So the idea that sovereignty is going to be a much more sensitive issue to me argues that there are going to be more offshore options that will be in play, that the likelihood of selecting a course of action is going to be light footprint ashore for a minimum amount of time, but having that presence offshore, having that power offshore. I would say whether we like it or not we are going to be involved in counterterrorism operation. Offshore staging areas or ships give you the opportunity to respond more quickly, more effectively and potentially more lethally than having to come across great land masses where you have to get not only the assurance of basing in the country where you may want to operate, but all of the overflight rights. Navies allow you to you come from the sea and not to have to do that.

So the strategy and the way that we are looking at the future collectively as a nation with rebalancing to Asia, the reluctance of any administration of any party in the foreseeable future to avoid large ground campaigns, I believe argues for the Navy. When you do that, that immediately walks you away from an equitable share among the Services, and much the same as when we were involved in the campaigns of recent years, that biased the budget share differently.

I think one of the challenges that is faced, not only whether it is sequestration or continuing resolution, is locking in place the size of personnel, the number of personnel in the military, as not being able to be touched really hamstringing the ability to adjust a budget that is tailored to a strategy, that is tailored to outcomes, that is tailored to capabilities. So I think that as we look to the future, the money must be apportioned in the way we believe the military will be called into action.

Mr. FORBES. Thank you both.

Mr. Courtney is recognized for 5 minutes.

Mr. COURTNEY. Thank you, Mr. Chairman. And thank you to the witnesses for being here today.

I want to echo the chair's comments about the fact that this is a team on this subcommittee. In fact, I think, Mr. Secretary, you can just go back a couple years ago, this subcommittee actually led the way to force advanced procurement in the *Virginia* class [attack submarine] program, which again the prior administration resisted, but thank God we did it. And the program is I think performing better than even its proponents expected at the time. The last defense authorization bill that was passed in December al-

lowed for incremental funding for both DDG-51s [*Arleigh Burke* class guided missile destroyers] and the *Virginia* class to avoid any dips. We have obviously got to get an omnibus done to make that a reality, but again I think you are really talking to people here who are ready to accomplish the goals and missions that are our predecessors did so well. And thank you for the little history perspective, that was quite interesting.

Admiral, you talked about the fact that, you know, we have got to obviously keep our eye on the industrial base, Mr. Secretary, you talked about the need for procurement reform. During your tenure, I mean, I actually give you pretty high marks about the fact that the system of doing block grant, block contracts with fixed price, you know, that is firm has really I think changed behavior within industry and even with LCS [Littoral Combat Ship] and some of the programs that we struggled with. And so I guess the question I am trying to understand is, is that in terms of shipbuilding this model I think, A, has shown real results in terms of moderating and eliminating cost overruns, but also protecting the fragile shipyard, you know, network that we still are barely hanging onto in this country. So if you had to say what procurement reform and how that fits in with where we are at and maybe you could just expand on that a little bit, Mr. Secretary.

Mr. LEHMAN. Thank you. The reforms I think are simple reforms. It is returning to the tried and true traditions of line management and accountability and have a clear chain of command over programs once they are approved and started. And this should be centered in the Services with the oversight of OSD, but with the line accountability and authority in the Services. That is where Title 10 places the reins of chief executive authority. And going back to that tradition where a project manager, for instance, has to stay for 4 years, and if they don't succeed they are held accountable. A Secretary of the Navy is given the authority to ensure the proper running of the programs in the Navy and held accountable if they run off the rails.

That has been really lost over the recent decades because the power has been drawn up into OSD and the independent agencies and into the joint requirements offices, the COCOMs [Combatant Commands]. There are now currently 40-some committees, not human beings that you could praise or condemn, but committees who have authority over procurement programs, which means nobody is in charge, which has been the curse of all of the Services' procurement.

The Navy, despite the bad headlines of some periods, has a tradition of that line accountability. A captain is responsible for his ship, a program manager is responsible for his program, and if it goes on the rocks there are consequences. That is not now the norm in the Department of Defense. Part of the problem has been the constant growth, and I have to say the House and the Senate have aided and abetted that process of every time there is a scandal or a problem, the only answer that Congress seems to be able to come up with is add more people, we need a new cost accounting program, we need new contract auditors. You passed a bill 2 years ago to add 20,000 people to the defense procurement, civilians to defense procurement. The whole Pentagon only holds 25,000 and you

at the snap of a finger added 20,000. There are 970,000 civilian employees in the Pentagon today, almost double what they were when the fleet and the Army and Air Force were double the size they are today. So we keep growing the bureaucracy and overhead and shrinking the force, and shrinking the numbers of products and weapons that we get for the dollars we spend.

So it is not that complex an issue. We have to return to lean management line accountability and we have got to bring competition back in, as has been. The Navy has tried very hard. I think today we have got some outstanding people in key positions in Navy procurement, but it is like swimming in treacle because you have all this oversight of all of these other nonaccountable bureaucracies that make it so difficult to do.

You can't have competition if you don't have firm grip over requirements. And a huge mistake made by Congress in passing the Goldwater-Nichols Act some 30 years ago was to take the Chief of Naval Operations and the service chiefs of all the Services out of procurement responsibility. That is really crazy. And it was done because they wanted to empower the bureaucracy, jointness. And the result has been very predictable. Nobody is in charge of programs, everybody is in charge.

And everything has reverted back to the normal bureaucratic norm of sole source, cost-plus for the most part. They call competitions what are really beauty contests to award 50-year monopolies. That is not competition. Competition requires dual sources at least, with real production competition. You have got to protect the contractors from the constant gold plating and change order culture that this bureaucratic system we have produces. How can you have a fixed price if there are 75 change orders a week, as the LCS had for a long period in the first ship? You can't.

Mr. FORBES. The gentleman's time has expired.

Mr. Wittman is recognized for 5 minutes.

Mr. WITTMAN. Thank you, Mr. Chairman.

Secretary Lehman, Admiral Roughead, thank you so much for joining us today.

Admiral Roughead, I want to begin with you. You spoke a lot about acquisition. I want to kind of get your perspective. Admiral Burke recently at the Surface Navy Association spoke about the costs of the lifecycle of a ship, and he said about 38 percent of that cost is in procurement, the other is in essentially lifecycle cost operation. Let me get from your perspective, how do we in looking at using the limited resources we are going to have in the future, how do we make sure that we address those long-term costs, those lifecycle costs up front in the procurement process, especially in light of where we are with LCS and some of the things that we are currently experiencing with that? Kind you give me your perspective on how do we address that, and not only now but in the long term to make sure we don't keep circling back to those situations.

Admiral ROUGHEAD. Well, thank you for the question. And I agree that one of the things that has not been done is to look at what will something cost for the 30, 35 years that you are going to use it. And you have to take into account your manpower costs, energy costs, and maintainability. And that to me should be one of the upfront factors that is taken into account, because what we are

essentially doing, particularly as we pursue some of the more exotic technology, is that 20, 30 years from now we are delivering a bill that will be unsustainable by our successors down the road.

And so I would submit that that comparison, that analysis has to be part of whether you go forward or not. Right now it is essentially how much do we pay for a unit and then that is where the decision is made. And as I came into my last position in the Navy and looked at the cost of operating what we were buying, it was one of the most sobering afternoons of my indoctrination. And so I think that has to be something that is fleshed out, and quite frankly our experience in being able to do that is not very good.

If I could, I would also just like to reinforce what the Secretary said in accountability. Accountability is so important. And I really do believe that it is at the service chief level where you set a requirement and then that service chief is responsible for giving the up or the down on changes that need to take place, because things can take off and these are well-meaning people with good reasons of doing what they did. But even in our private purchases we always have to make a decision about what is it that we are willing to pay for, some things we are, some things we are not.

I also think that we have to take a look at those who are in the management of our acquisition system, and particularly in the programs, and rationalize our personnel system with it. The Secretary mentioned keeping people in place for 4 years. But I really believe that we should structure the career patterns for those in acquisition to really be driven by the attainment of milestones. In other words, when a program reaches a particular milestone then that individual can move on to another assignment, because that only adds to this lack of accountability. When something doesn't happen on time whose problem is it, the guy that started it or the guy that is holding the bag now? And so I think we have to take a look at that.

And it really gets down to accountability. And since retirement I have relocated out to Silicon Valley where I spend most of my time and there is a very, very different view on accountability on delivering product within a certain amount of time. We have endless, what seem to be endless time limits in developing capability, and quite frankly it gets there late to need and costs us more than we anticipated. So I think we have to take a look at that.

And failure in test is not failure of a program. You know, we need to be able to not add more requirements because something didn't quite work the way we anticipated it. That is how you develop, that is how you move forward. And we need to change the culture that recognizes that making progress sometimes involves having a failure or two along the way.

Mr. WITTMAN. Want to get you to answer real quickly on this, I am on limited in time. You spoke very eloquently about your experience and you have seen times of drawdowns, you have seen hollowing of the force. Let me ask you this: In going forward in today's situation, and the chairman spoke very much about acceptable risk, how do we look at the current situation and make sure that we are able to maintain a ready, capable, and trained fleet in light of the current situations, in knowing, too, that if we don't make the right decisions, as the chairman said, we are going to be



facing that risk scenario and then having to really face the difficult question of what is acceptable risk?

Admiral ROUGHEAD. I think one of the things that needs to be done is to look at these very sophisticated machines that we operate and are we providing the appropriate maintenance to get them back online again or are we taking shortcuts. Are we not installing upgrades that give our people the edge against a potential adversary. And are we investing in the training that our people need to operate this very complex stuff.

And so I think a lot of it is getting into the, as in so many things, the devil is in the details. Are the upgrades being made, is the maintenance being performed on time? Because if it is not, things are going to start to break. And that only induces more strain on the force, as you have to pull somebody who wasn't ready to go, it is now their turn to go. And so I believe that is the point where we are.

Mr. WITTMAN. Thank you, Mr. Chairman. I yield back.

Mr. FORBES. Mr. Langevin is recognized for 5 minutes.

Mr. LANGEVIN. Thank you, Mr. Chairman.

I would like to thank you both, Mr. Secretary and Admiral Roughead, for joining us today and of course for your extraordinary service to the Nation. You both can look back on amazing careers and know that you made have extraordinary contributions to the Nation, for which we are very grateful. We certainly appreciate the benefit of your insight as we grapple with the complex challenges of the future and how best to posture our naval capabilities to meet them.

Admiral Roughead, if I could start with you since I have had the pleasure of working with you most directly over the years. The current Navy shipbuilding plan allows the existing fleet of dedicated SSGNs [cruise missile submarines], *Ohio* class submarines converted to carry cruise missiles, to retire. In its place the plan relies on the *Virginia* Payload Module, which would insert a hull section into the Block V *Virginia* class submarines that would have the ability to carry a variety of assets, including cruise missiles. Admiral, can you speak to the value of maintaining this type of capability for the future?

Admiral ROUGHEAD. I think that what we were able to achieve when we converted the SSBNs [ballistic missile submarines] to SSGNs gave us an incredible capability, not only in the area of strike but also in support for special operations forces. Clearly, recapitalization of SSGN, in my view, is extraordinarily costly and I would submit too costly as we look to the future. But moreover, putting aside the cost, by being able to put in the *Virginia* class, the payload modules, gives you more of that capability to spread globally. And I talked earlier about the disorder that was likely going to exist around the world in many different places, and again it gets into a question of numbers. And I would tell you that I would rather have many *Virginia* class submarines with that capability, maybe not as many tubes as an SSGN, but it gives me more options of where to put them and bring that capability to bear, whether it is strike or whether it is special operations forces.

So I think the plan to move forward with that in the *Virginia* class is important, and I also believe it sets up the *Virginia* class

to be the “mother ship,” if you will, for what I believe is an extraordinary potential in unmanned systems in the undersea that will prove to be more dramatic than what we are seeing in unmanned systems in the air.

Mr. LANGEVIN. I hope to be able to get back to talk about the UAVs [Unmanned Aerial Vehicles] in just a minute if time permits. But to the panel—and thank you for that answer, Admiral—to the panel, to both of you—Mr. Secretary, perhaps we could start with you—staying on the theme of the submarines, I am deeply concerned about the possible effects of the current budgetary uncertainty of the procurement of nuclear submarines, and as we are at a critical moment now as *Virginia* class procurement hits its design rate of two boats per year and with those boats coming in early and under budget. Additionally, the *Ohio* Replacement development program is at an inflection point in preparation for the procurement of the first boat in 2018.

To both of you, can you speak to the value of those platforms in the future and what they mean to America’s deterrent and ability to project power? In particular, can you speak to the downstream operational costs of any delay in procurement of the submarines?

Mr. LEHMAN. Well, first, I think the submarine program has been one of the best managed of any procurement program in the Pentagon over the last couple of decades. There are other approaches that could have been taken, but I think this is a model for the current era. But to delay it could really lose a significant proportion of the benefits that have been gained and the wisdom that has been gained coming down the learning curve with both ships, or with both contractors on that ship, on that boat. And it would be a shame because you lose key welders, particularly with the kind of steels that are involved in submarine construction, welders and shipfitters and pipefitters. You can’t just get them on the street, you can’t go get a headhunter and hire 20 when the budget comes back on. When you lose them they are gone, they are gone particularly with the new sources of energy and the growing gas oil businesses. So that would be a tragedy, to see the current procurement program delayed.

As to their utility and necessity for deterrence in the future, it is not just what they can do as SSNs for projecting power ashore or defending the fleet, but they make possible all the commerce, all of the container ships, all of the tankers. It is those *Virginia* class that are going to have to bear the burden of preventing any of the more than 140 active and effective quiet diesel electric subs around the world, many of them in the hands of disturbers of the peace, from being able to close off the Straits of Hormuz or the Malacca Straits or from actually sinking a tanker and bringing the flow of oil to a halt for however length of time. So they are essential to any naval operations around the world, and so I think this committee should take great care to see that they are protected.

Mr. FORBES. The gentleman’s time has expired.

The gentleman from Texas, Mr. Conaway, is recognized for 5 minutes.

Mr. CONAWAY. Thank you, Mr. Chairman.

Gentlemen, thank you for being here.

Admiral Roughead, the Navy recently announced that they are going to delay the refueling or the major overhaul of the *Lincoln* [USS *Abraham Lincoln* supercarrier], which daisy chains the defueling of the *Enterprise* [USS *Enterprise* aircraft carrier] and then refueling the *Washington* [USS *George Washington* supercarrier]. Can you speak just how is the Navy going to mitigate this delay in the refueling of these nuclear carriers and keep us on track?

Admiral ROUGHEAD. Well, I am not in a position to speak for the Navy, but I would say that my sense is that we are going to have to pay later for what is being done, because this has a ripple effect throughout the entire carrier force. And by delaying the refueling, by disrupting the flow within the industrial base, because particularly when we get into ship maintenance and especially our very complex nuclear maintenance, the schedules of maintenance and operations are very carefully synchronized. And what we are in the process of doing, for good reason because of the fact that the Navy's leadership has to be good stewards and accountable for the funds that they have, we are now in the process of disrupting that pattern, that synchronization, the workloading of shipyards in a way that will take some time to recover.

There is a word that I see in strategy and I see it in the press, it is called "reversibility." And reversibility flows off everybody's tongue really easy and it is a nice catchy word. But I believe that we have to be very, very careful of reversibility within the industrial base, whether it is new construction or maintenance because, as the Secretary pointed out, some of those skills that we depend on are going to migrate out of the shipbuilding business, they have to because they want to feed their families, they want to keep their companies alive.

And so I am very pessimistic that once we get into the shift of work away from our shipyards and the subcontractors that support our shipbuilding and our aviation maintenance and building, that it is going to be hard to get it back, that that depth is no longer existent in the industrial base.

Mr. CONAWAY. Manning the Navy in Littoral Combat Ship, there are some reports out there that the Navy may move to a dedicated significant group of folks who only serve, I guess their whole career, on LCSs. Can you speak to us about what your perspective is on that as well as the Blue crew/Gold crew concept of keeping the boat in place, but just move the crew on and off, is the Navy seeing good results in that? And then the overall issue of dedicating a career to just LCSs.

Admiral ROUGHEAD. Well, thank you very much. And I would say that I believe that the crew design that the Navy has for LCS is a good one, because, particularly when you are in the Pacific making those long transits, that is just lost time on station. And having served in small ships before, they can be quite fatiguing. So I think the crew concept is good, as long as the resources are provided to train the off crews when they are ashore, that we don't simply load more work on them because we have cut in other areas and they are a labor pool that is not on a ship, so we use them. The whole thing can unravel if that is allowed to happen.

With regard to serving on LCSs for a career, I think that for many people that will be just fine. We have sailors today who serve their whole life on destroyers because they like destroyers, sailors who routinely go back to aircraft carriers, and of course our submarine fleet force is pretty unique. I do think that we will always want to bleed off some of those sailors to go serve in other areas because of that cross-pollination that you get, and the different perspectives and different ideas I think are very helpful. But I would have no problem with a young man or woman who likes that duty, stays in that duty. They will know that ship better than anybody else.

Mr. CONAWAY. Thank you, Mr. Chairman. Yield back.

Mr. FORBES. Ms. Hanabusa is recognized for 5 minutes.

Ms. HANABUSA. Thank you, Mr. Chair.

Thank you, Mr. Secretary.

Thank you, Admiral.

Both of you have come very close to the number that you believe the ships should be. Admiral, you are between 325 and 345, and Mr. Secretary's adopted the review panel's 346. But what I don't know is what makes up the 325 to the 345 or what makes up the 346. In fact, the review panel has 11 aircraft carriers and 10 carrier air wings, 55 attack submarines and 4 guided submarines and the total of 346, and that kind of doesn't add up.

So can you both tell me that as we sit here and we make these decisions, what should we be looking at in your 325 to 345 or in your 346? Is there some sort of criteria as we look at what we want to see the Navy of the future actually begin to look like?

Mr. LEHMAN. That is a very, very good question, because too often the commentary in the media focuses on those numbers as if somebody just came up with them and then we will decide how we will allocate them and where we will use them.

The 600-ship Navy in the Reagan administration and the 346-ship Navy of the independent panel was derived first from a strategy. And in the Reagan administration there was a very clear strategy that the President had very thoroughly vetted and had approved with the National Security Council. From that were derived the force packages that were needed to be in place both for deterrence, and then in the event of conflict in any area, to be able to reinforce. And when you have a force package, you have to have submarines, you have to have air superiority, you have to have re-supply ships, you have to have mine-sweeping capability, and of course you have to have submarines to keep the area clear of enemy submarines.

And from that, you get force packages made up of those numbers of ships. And the sum total, in the case of the Reagan strategy, given the areas we had to be in the world, came to 15 deployable battle groups, with 5 of them forward deployed all the time on a 1-in-3 cycle, and that came to 600. That is how it came from. It wasn't the reverse, you pick a number and then figure out how you are going to use them.

Similarly, the 346 made assumptions, because the strategy paper in the Administration's QDR was a fairly reasonable and clear allocation. And the minimum that all of us, Republicans and Democrats and very experienced people, uniform and civilian, came up

with minimum for force package to meet what the Administration said it had to do was 346. That included allocating submarines, reefers [refrigerated cargo ships], aircraft carriers, et cetera.

So I think that is the way the committee should go about evaluating the Administration's proposal and other recommendations from people like us. That is why I emphasize that the committee needs to start by building a clear, simple, commonsense strategy, and from that making their decisions and judgments on individual programs.

Ms. HANABUSA. Thank you.

Admiral.

Admiral ROUGHEAD. If I could just add on to that. You know, I have a band of numbers in mind, and I think that it is not just a question of where you want to be, but it is what the mix is, what the Secretary was referring to, and sometimes if you come down in one area, you might have to have a few more ships of a different type. But balance is very important. You know, we could drive to a high number if we just built a bunch of LCSs, but that is not going to meet the Nation's need. And so I think you have that.

The other factor that needs to be taken into account, and this is where strategy comes into play, what are your assumptions and what are your dependencies on allies and partners? What capabilities will they bring? Can you be reasonably sure that that is going to be there when you need it, because every nation is going to have competing interests and considerations?

And then there is also the question of where do you base it, where do you operate from? You know, we gain greatly by being able to have ships in Hawaii, farther to the west in the Pacific. We gain greatly by the accommodations that are made to have forward deployed forces in Japan. We are recently moving some ships to Spain.

So all of that goes into the mix, and that is why I avoid shooting at one particular number, because there are factors that can come into play. But this comes back to this idea of the committee's view and the committee's strategy, the committee's assumptions about what kind of a Navy does the Nation need and how do you see it being used.

Ms. HANABUSA. Thank you very much, Mr. Chair.

Mr. FORBES. Gentleman from Mississippi, Mr. Palazzo, is recognized for 5 minutes.

Mr. PALAZZO. Thank you, Mr. Chairman.

I want to thank the witnesses for their testimony and thank you for appearing in front of this committee and for your faithful and dedicated service to our Nation. So I really appreciate that.

Of course, you know, traveling through my district, we are starting to hear a little bit more about that awful word, sequestration. I have been trying to explain it for the past year to anybody who would listen. I think just the sound of it just made people bored, but now that they actually realize that, you know, these are going to be some serious cuts to our national security, undermining our national security, and it is going to affect our industrial base and hollow out our military, people seem to be paying a little more attention.

And so just kind of jumping straight to it, I know with the continuing resolutions, one after another, the fear of sequestration and all these things, that the Navy has most definitely been deferring maintenance on their ships and now there is talk of deferring procurement on the ships. And you just got finished talking about what you would like to see the desired ship numbers be in somewhat of a range.

So my question would be to you, based on your experience, if they do defer ship procurement, what is going to be deferred? Is it going to be aircraft carriers, is it going to be submarines, is it going to be amphibious assault ships, is it going to be destroyers? Just in your opinion, I would like to know what you think would be the first—LCS's—what would be the first to go or to be pushed out further to the right?

Mr. LEHMAN. Well, I think that you are going to have the major say in that here in Congress, as you have in the past. I would say what should be. First of all, maintenance is the worst of all places to go for deferment, because it has an immediate impact on morale of the sailors, things don't work, it is very frustrating, they get unhappy. And then when you defer it, when you go finally to fix it, it costs more. It is more difficult. What you might have been able to repair has to be chucked over the side and replaced with new. And so it is one of the worst places to go.

If you defer procurement, then you have got to look at the workforce. Is there enough work, for instance, in Pascagoula to slip one destroyer without really hitting the workforce as hard as it would be if you slipped an amphib somewhere else? So it is a management issue. When you have to allocate pain, it is just like allocating additional money.

And that gets back, I am sorry, to my hobby horse, which is the key people that should be making those decisions are not able to make them independently. The CNO [Chief of Naval Operations] is out of the procurement chain now by the wisdom of—the unwisdom of Goldwater-Nichols. Even the people, the project managers have so many kibitzers that can stop them from doing things in so many offices and the bureaucracy of 960,000 civilians that the chances, if you don't take control of where those cuts are going to be made, they are not likely to be made with all rationality alone.

Admiral ROUGHEAD. And I would just add that the complexity of your question is significant, because there are so many factors that the Navy will have to take into account. The Secretary touched on workforce, touched on schedule, touched on replacement for other ships. But then as you look at some of the pending procurements that are taking place, they are predicated on bids that the shipbuilders have gotten from second- and third-tier suppliers. How long will those bids be good? And so do you make the decision of we can't defer this because the whole deal may fall apart, so maybe we have to do that one first instead of the other.

So it is extraordinarily complex, but I believe those are the types of questions that the committee needs to address, not just on the state and the size of the Navy, but also what impact it has on the industrial base beyond the major shipbuilding companies, but down into the second and third tier. Is it going to be survivable with

some of these procurement decisions that are going to be made? And that is really going to be very, very hard.

Mr. PALAZZO. I appreciate you all's comments. I guess my time is up. Thank you again. And I definitely agree with the Secretary that our procurement system needs to be looked at really hard, and I am also extremely concerned about our third- and fourth-tier subs. I mean, they are already pressed up against the wall and hurting. Thank you.

Mr. FORBES. Mr. Cook is recognized for 5 minutes.

Mr. COOK. Thank you very much, Mr. Chairman.

Thank you, Admiral.

Thank you, Mr. Secretary. It is been a long time since I served under you. I think I was a captain or Marine Corps captain or maybe I was a major. As I said, it was a long time ago.

But I appreciate some of the things that you were talking about. And quite frankly, it is very, very scary, and I think you are right. And one of the battles that we used to have personally was this phrase, "the tempo of ops [operations]." It seems as though it never goes away. And these commitments with a force that is diminishing, and now you have the extra problems with your procurement process and the inefficiencies, and we just don't have that luxury anymore. It is going to be a come-as-you-are party when war breaks out. We are going to have to go with what we have. And I am deeply worried about maintenance, obviously, and training.

One of my colleagues, there were several, we went out to the *Truman* [USS *Harry S. Truman* supercarrier] a few weeks ago and we saw the carrier ops, including night ops. And I will tell you, that is such a fine skill that if you lose that training, bad things are going to happen; even in training environments, if we lose that time.

So, you know, I am saying to myself, now that I am here and I am certainly not young, but I am not in the infantry, a company commander anymore at Camp Lejeune or going down the ropes of the *Francis Marion* [USS *Francis Marion* attack transport ship], which no one ever heard of, because that was in a dinosaur Navy.

And what I am looking for is, I agree with you on this force, that we have this huge bureaucracy, I am actually looking for hard, concrete suggestions in terms of proposed legislation, because if we had the courage to change things, we could actually do it, because, Admiral, I think you are right, the culture has changed. And if we are not getting those forces and what have you down to the fleet and down to the troops, down to the sailors, you know, we are not doing our job.

So, obviously, I should have been retired 100 years ago, but now I am in a position where maybe I can change that. So you, gentlemen, I think you kind of beg the question or the proposal. I am looking for actual suggestions which would be a major policy initiative to improve the efficiency of the procurement forces, change it so that readiness is much better, and save it in a time where budget crisis is going to be after budget crisis, money is always going to be a problem, where we can have better efficiency to protect our Navy and make sure that they are combat ready for anything that comes down the pike. If you could comment on it.

Mr. LEHMAN. I would just say one thing. I hate to say anything particularly in praise of the current Administration's defense policy, but one of the best things that they have produced is the Pentagon's report done by the Defense Business Board on how to get at the bureaucracy and the overhead. They have put for the first time in my time in Washington the real hard numbers, finally made them accessible as to how many people there really are in the bureaucracy and which bureaucracies. And what surprised everybody, including the Secretary of Defense, is how many of our uniform people never deploy, but have become part of the civilian bureaucracy, and the 250 joint task forces that have grown from seven with no particular visible requirement, but it provides the billets necessary under Goldwater-Nichols.

So I would use as one of your primary sources for ideas as to where to go to get the cuts the Pentagon's own study, which was completed 2 years ago and is, I believe, being updated. So there is plenty, plenty of places to go to find reductions that do not cut into muscle and bone, but really get the fat that is marbled through the entire process.

Admiral ROUGHEAD. If I could, sir, what I would also add is that we seem—and I will be honest. I can't recall any time during my time as CNO when I testified either before the House or the Senate that I was ever pressed on how quickly we were getting something to the fleet. It was all about price, capability, things like that.

And I really do believe that focusing on getting the equipment out quickly is important. And I just keep looking back on some, particularly in some of the communication systems and information technology systems, that I saw billions of dollars invested in and nothing to show for it, and yet I look commercially, and it is not an apples-and-apples comparison, but I look at the introduction of the iPod, the iPhone, and the iPad in a very short period of time, because I believe they were driven by when do they have to get it to the market.

And for us, with the systems that we field, there is a market, and that market is to get those systems into the hands of our young people so that they can beat an adversary. And I think we have lost sight of that and we allow some of these programs to just go on and on and on, and there is no pressure to deliver on time and an examination as to what is holding it up. So I would offer that.

Mr. COOK. Thank you.

Mr. FORBES. Thank the gentleman for his questions.

And Admiral and Secretary, we just have three more questions. I deferred mine till the end so I could get them on the record for you, if you don't mind.

Admiral, after you released the 2007 Cooperative Strategy for the 21st Century's Sea Power, your staff, as I understand it, undertook a force study that would size the Navy suggested by that strategy. What was the size of the Navy that the study suggested and how was that reflected in the 2010 QDR?

Admiral ROUGHEAD. My recollection is obviously we really stuck a number onto the 313-ship Navy. Some of the subsequent work that we did took it up into the 324, 325. But I would also add that that was before the Arab awakening, that was before some of the



science that is now coming out of the changes in the Arctic, that is before increased tensions that we are seeing in the East China Sea and the South China Sea. So, you know, we were at 313, which was a number that I maintained throughout my time, but the world is changing, and to look at a number that won't be realized until 2039, I think that the committee needs to look differently about how we look at fleet size and how we drive to that number. And I would submit that getting out to 2039 is interesting, but it is almost irrelevant.

Mr. FORBES. And for both of you, we look at that 2039 figure and we hear testimony and we hear speeches made. It is kind of as if we have those ships right now, you know. But we all know that during that period of time, not only is it a long time, but there are certain gaps in there where we take rather substantial risks. We have gaps for our cruisers and destroyers, our attack submarines, and you know the gaps are there.

Where would you pinpoint the greatest risk during that period of time, if you had to look at it, when we are stretching it out to 2039? What do you think is the greatest risk we are looking at, what period?

Mr. LEHMAN. Well, I would not pick a specific risk, because I think when you have to stretch as thin as we are now already stretched, when we can't meet deployments that everyone, every combatant commander believes is minimally necessary, that we can't protect all of our ships, commercial ships in the Indian Ocean, for instance, the first time in history that the U.S. Navy has told ships they have to stay 600 miles away from the east coast of Africa because we can't protect you.

So the danger is when you are stretched that thin, an incident happens, and because you have the number of submarines deploying with a Marine amphibious group, that some North Korean submarine happens to get a shot off the way they did to the South Koreans and sinks an entire aircraft carrier of marines and equipment, that is catastrophic. What that would do to world markets, to our economy, we would be in the tank overnight, and who knows once you loose the dogs of that kind of incident. And nobody sleeps well if they are depending on the North Koreans or the Iranians not doing anything irresponsible.

We are there now, so I wouldn't say that you could pick a time where it gets worse. Obviously the fewer we have and the thinning out that we have to do more of, which we are absolutely going to have to do, makes us more vulnerable to those unforeseen events. And they happen. As any student of history knows, they will happen.

Admiral ROUGHEAD. Mr. Chairman, I would say that, very similar to what the Secretary said, I think the greatest risk is having a Navy that is not sized or ready to respond to the unexpected, because it is going to happen. I mean, we can go back in history, and no one had perfect vision even 5 years, 10 years ahead. And so I think that that element of risk needs to be accounted for.

But I would also say that the great risk to achieving a Navy that meets the needs of the Nation is the erosion of the budget from within. And we have touched on that with the inefficient acquisition and the increasing cost of personnel. And being able to get in

and reform that, I think, gives the Nation much more running room with regard to building and maintaining the fleet that it needs.

If that is not arrested, if that is not controlled—and I am not saying take things away from people, I am saying we have to come up with a different way of attracting, recruiting, retaining, and compensating those who serve—but if we can't do that, the risk of providing and maintaining the Navy, I think, is pretty significant.

Mr. FORBES. And my last question is really two parts, and I would love to hear both of you respond to this, if you don't mind. General Pace testified before the full committee several months ago, and he said at some point in time there is this tipping point where we are continually making cuts, and some of our potential adversaries see that tipping point and start trying to challenge our national security, where they would not otherwise have it.

I know it is hard to pick an exact figure, but both of you have talked about the need to have substantially north of 313 ships, whether it is 342, whether it is 346, or whether it is 400 ships, something much higher than we have today. We are heading in the other direction.

Where would you say, if you had to peg, that tipping point might be where we start seeing some of our potential adversaries start saying, my gosh, maybe we can catch them, one. And then the second thing that we hear over and over again, Mr. Secretary, you referred to our COCOM requirements that we have, we are not meeting those now. Give us your take on our COCOM request. You know, sometime when we are concerned about that as a committee, we kind of get witnesses that pooh-pooh those requests, act like the COCOMs are just coming up with everything under the sun. You guys have seen that. You have assessed it. Give us your take on those requests and, if you would, the tipping point and what your opinion is about how our COCOM make their requests and how valid you believe they are.

Mr. LEHMAN. Both very good points. The first one, the tipping point, I think we clearly are already there. I saw in this morning's paper a book just out giving Lee Kuan Yew's assessment of the world balance, and his assessment is already there. This is very recent. And, you know, I met with Lee Kuan Yew. He is one of the, I think, wisest global viewers of this century, or last century as well. And he says the U.S. is declining and that people in his neighborhood do not believe they can rely on the U.S. as they have in the past, although he then says that the nature of the American spirit is such that he believes the United States will come back. But the perception in his neighborhood is we are disappearing fast as a make weight in the balance. And that is what begets the temptation of disturbers of the peace like North Korea to go beyond prudent risk.

So we are already there. It is a question of when it can be reversed, if it can be reversed. And I believe it can. It certainly can be reversed.

The second question about the COCOMs' requirements, their responsibility is to assess worst case, and not worst-case Armageddon and all-out nuclear war, but in the kinds of things that they see in their theater as possible to happen, what would they need to

win. And they don't just say, sure, what do you want, what do you want, what do you want, throw it all in the pot. It is very, very heavily staffed. And so what comes out is their assessment of their theater in kind of a worst case of possible things. And so obviously if you tried to fill them all, we would—and, Admiral, you know this far better than me—but when I was in the building, if you added up the COCOM carrier demands, as the minimum, it was 22 carriers. And so, you know, you have to do a bit of optimizing, obviously, and you can't meet all the minimum demands of all of the COCOMs.

Admiral ROUGHEAD. I would agree with the Secretary. And I would say that, particularly if sequestration takes place and is not amended in some way and we go into a year-long continuing resolution, I think we are on a very, very rapid downturn that will challenge reversibility. And I already commented earlier on reversibility. And I think we put too much weight on that word.

If sequestration takes place, the CR is in place for a year, you are fundamentally going to have a different Navy than the Nation has had since the end of World War II, in my opinion. So I think that we are there.

With regard to COCOM demands, the Secretary has it just right, but I believe that that is where the broader strategy that the committee is thinking through allows you to weigh that risk and why it is so important to have this global view for a global Navy for our global interests. And I applaud the committee for taking that on.

Mr. LEHMAN. Mr. Chairman, just one codicil to that. I agree totally with Admiral Roughead, but I hope that this committee will not take the view that if they are able to stop sequester, which I hope you are able to, that that will solve the problem. It won't. Sequestration is simply a symptom and it is a step along a path that even before sequestration puts the Navy on the decline. Without sequestration, it gives maybe another 6 months' breathing room. So solving sequestration does not solve the problem that the Admiral and I are talking about.

Mr. FORBES. And we wholeheartedly agree with you. We have got really the perfect storm. We have these cuts that have already been taken, which have been extraordinary, I believe, and I think in many of the situations the budget has been driving our strategy instead of the strategy driving the budget. We have the continuing resolution, Admiral, that you addressed that has been a killer. And then the third thing is sequestration. But the fourth thing is the lack of kind of a long-term planning so that we can get on the right course. This committee is going to try to deal with all of that, you know, as we look. And along that way, we will probably call you back in and try to pick your brain through the process.

So thank you both for again your service to our country and thanks for being here and sharing with us today. And we are adjourned.

[Whereupon, at 5:25 p.m., the subcommittee was adjourned.]



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**A P P E N D I X**

FEBRUARY 26, 2013

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**PREPARED STATEMENTS SUBMITTED FOR THE RECORD**

FEBRUARY 26, 2013

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**Statement of Hon. J. Randy Forbes**  
**Chairman, House Subcommittee on Seapower and**  
**Projection Forces**  
**Hearing on**  
**The Future of Seapower**  
**February 26, 2013**

I want to welcome all of our members and our distinguished panel of experts to today's hearing, that will focus on the future of seapower in advance of receiving a budget request for fiscal year 2014.

In January, the Navy presented to Congress a goal of achieving a fleet of 306 ships, a reduction from the previous goal of 313 ships. The fiscal year 2013–2017 5-year shipbuilding plan contains a total of 41 ships, which is 16 ships less than the 57 ships projected for the same period in the fiscal year 2012 budget request. Of this 16-ship reduction, 9 ships were eliminated and 7 ships were deferred to a later time.

It should be noted that at its current strength of 286 ships, under the 30-year shipbuilding plan submitted to Congress, the Navy will not achieve its goal of 306 ships until fiscal year 2039. And given our past record of meeting long-term goals, I seriously question the viability of the shipbuilding plans presented in the out-years of the 30-year plan. Even worse, the Navy will experience shortfalls at various points in cruisers-destroyers, attack submarines, ballistic missile submarines, and amphibious ships. One would think the number of required ships would have increased instead of decreased with the Navy now bearing the brunt of missile defense missions and the announced "rebalance" to the Asia-Pacific.

Another area of concern is the cost of the plan. The Congressional Budget Office estimates that in the first 10 years of the 30-year shipbuilding plan, that the costs will be 11% higher than the Navy's estimate. It is because of this issue of affordability that I agree with both Secretary Lehman and Admiral Roughead on the need for acquisition reform. While I think it is critical to provide an environment that provides industry some stability to achieve better pricing, I think it is equally important to pursue more effective acquisition strategies. I look forward to understanding what options our Subcommittee could pursue to obtain this needed acquisition reform.

In addition to new construction of ships, I also have concerns on the sustainment of ships already in the fleet. After years of maintenance challenges, the Navy has now been forced to cancel numerous ship maintenance availabilities in the third and fourth quar-

ters of this fiscal year due to the budgetary constraints of sequestration and the continuing resolution.

The Navy has been operating in a sustained surge since at least 2004. We have been burning out our ships more quickly because the demand has been high. Indeed, in the past 5 years roughly 25% of destroyer deployments have exceeded the standard deployment length. A key tenet in the shipbuilding plan is an assumed ship service life for most ships of 35 years. If ships do not get the planned shipyard repairs, attaining this service life will be problematic and ships will be retired prematurely.

In fiscal year 2012, the existing force structure only satisfied 53% of the total combatant commander demand. It has been estimated that to fully support the combatant commander requirements would necessitate a fleet size in excess of 500 ships. Without an increase in force structure, this trend will only get worse.

Finally, I think that our Navy needs to place more emphasis on undersea warfare and long-range power projection as part of a strategy to prevent potential adversaries from achieving the benefits offered by anti-access/aerial denial strategies. I am particularly interested to better understand what options the subcommittee should consider to achieve these goals and ensure the combatant commanders have the right tools to achieve our national strategy.

Today we are honored to have as our witnesses, former Secretary of the Navy John Lehman and former Chief of Naval Operations Gary Roughead. Gentlemen, thank you all for being here.

Testimony before the House Seapower and Projection Forces  
Subcommittee by John Lehman, February 26<sup>th</sup>, 2013

Mr. Chairman it is a special honor for me to appear today before this historic committee of Congress. In my six years as SecNav I spent hundreds of hours testifying and consulting with Chairman Charlie Bennet and the bi-partisan membership. They were truly equal partners with the Reagan Administration in building the 600 ship Navy and a rejuvenated Marine Corps.

Perhaps the greatest among its many accomplishments was the role of the Committee ( then a full committee titled The Naval Affairs Committee) and its legendary chairman, Carl Vinson, in first persuading and then partnering with President Franklin Roosevelt in urgently rebuilding the US Navy through the shipbuilding acts of 1934, 1936, 1938, and 1940. Those bills authorized every new capital ship that fought to victory in WWII. Without that Robust leadership of this committee, we could not have won the war.

It is with that historic perspective that the Committee should approach its current task.

The current administration has called for a 300-ship Navy, up from the current 286. It is their belief that such a number at half the size of the Reagan Navy, is sufficient for our security on the grounds that newer ships are better than the ones they replace.

While that is true in some cases, such as submarines, it is not true for other ships such as the new LCS (littoral combat ship), which does not have the capability of the older frigates that they replace. Moreover, our potential adversaries, from North Korea to the Iranian Navy, have improved their technology as well.

But most important, numbers still count: The seas are great and our Navy is small. The administrations position that "the United States Navy will be everywhere in the world that it has been, and it will be as much [present] as the 600-ship navy" is not persuasive.

The size of the Navy in the Reagan administration (it reached 594 ships in 1987) reflected a strategy to deter the Soviet Union's world-wide naval force. Today we face no such powerful naval adversary, but the world is just as large, and there is now greater American dependence on global trade and many more disturbers of the peace.

While we do not need 600 ships today, no naval experts believe a 300-ship Navy is large enough to guarantee freedom of the seas for American and allied trade, for supporting threatened allies, for deterring rogue states like Iran from closing vital straits, and for maintaining stability in areas like the western Pacific. For example, the bipartisan Quadrennial Defense Review Independent Panel led by Stephen Hadley and William Perry last year concluded that the Navy should have at least 346 vessels.

The more troubling problem is that the administration goal of 300 is counting ships that won't be built at all. Last year, the president's budget called for cuts of \$487 billion over the next decade. The President's proposal for the sequester would mean an additional half-trillion dollars in mandatory defense reductions over the next decade.

Naval readiness is already highly fragile. In order to meet current operational requirements, the shrunken fleet stays deployed longer and gets repaired less. There is now a serious shortage of Navy combat aircraft, and for the first time since World War II there are essentially no combat attrition reserves. But the biggest effects of budget cuts will be on drastically curtailing naval operations now and naval shipbuilding for the future.

The Navy has cancelled the deployment of one carrier strike group, halving our deterrence in the Mid-East, and the CNO has testified that even more drastic cuts to deployments will immediately result when sequester takes effect. This is the correct policy by Navy leadership. The Navy cannot do more with less, they can only do less with less.

Currently the Navy has 286 ships. In order to pay for even drastically reduced current operations, the Administration will be retiring a score or more of modern combat ships (cruisers and amphibious vessels and

frigates) well before their useful life. In order to reach a 350-ship fleet in our lifetime, we would need to increase shipbuilding to an average of 15 ships every year. The latest budget the administration has advanced proposes buying just 41 ships over five years. It is anything but certain that the administration's budgets will sustain even that rate of only eight ships per year, but even if they do, the United States is headed for a Navy of 240-250 ships at best.

So how is the Obama administration getting to a 300-ship Navy? It projects a huge increase in naval shipbuilding beginning years down the road, most of which would come after a second Obama term. In other words, the administration is radically cutting the size and strength of the Navy now, while trying to avoid accountability by assuming that a future president will find the means to fix the problem in the future.

This compromises our national security. The Navy is the foundation of America's economic and political presence in the world. Other nations, like China, Russia, North Korea and Iran, are watching what we do—and on the basis of the evidence, they are undoubtedly concluding that America is declining in power and resolution. Russia and China have each embarked on ambitious and enormously expensive naval buildups with weapons designed specifically against American carriers and submarines.

#### WHAT SHOULD THE COMMITTEE DO?

I urge the committee to step up to the challenge of the current crisis just as its former leader Carl Vinson did. That does not just mean adding money and ships to the Administration's request. It means instead providing a new framework of debate based on a sound and simple strategy just as Vinson did. It means focusing the Debate on those key issues where legislation can be determinant.

The current fiscal crisis should be harnessed as a catalyst to enable the undertaking of deep changes.

The two highest priorities for the Committee should be fundamentally changing the disastrous systemic dysfunction of the DoD procurement process, and completely re-setting the military compensation system.

#### PROCUREMENT

The Department of Defense acquisition process is seriously broken. Under the current system, it takes decades, not years, to develop and field weapons systems. Even worse, an increasing number of acquisition programs are plagued by cost over runs, schedule slips and failures to perform. The many horror stories like the F-35, the Air Force tanker scandal, the Navy shipbuilding failures and the Army armor disasters are only the visible tip of an iceberg. The major cause has been unbridled bureaucratic bloat (e.g. 690,000 DoD civilians, 250 uniformed Joint task forces) resulting in complete loss of line authority and accountability. As the House Armed Services Committee formally concluded:

*“Simply put, the Department of Defense acquisition process is broken. The ability of the Department to conduct the large scale acquisitions required to ensure our future national security is a concern of the committee. The rising costs and lengthening schedules of major defense acquisition programs lead to more expensive platforms fielded with fewer numbers.*

That is, of course, an understatement. We are really engaged in a form of unilateral disarmament through runaway costs. Unless the acquisition system is fixed it will soon be impossible to maintain a military of sufficient size and sophistication with which to secure our liberties and protect the national interest. The solution is clear and achievable.

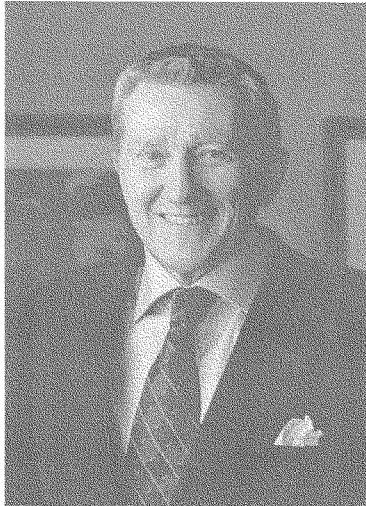
#### MILITARY COMPENSATION

Just as entitlements are steadily squeezing out discretionary spending in the Federal budget, personnel costs in the Pentagon are squeezing out operations and modernization. There has not been a comprehensive overhaul of military compensation, retirement, and medical care since the original Gates Commission during the Nixon Administration. It is long overdue. Over the last several years the Pentagon has done the difficult

work through the Defense Business Board to establish the hard facts necessary to undertake such an effort. The Independent QDR panel two years ago recommended the establishment of a bi-partisan commission to undertake the task and report to Congress and the President. Now is the time to act on that recommendation.

#### SUMMARY

This committee has an historic constitutional responsibility, and in the present fiscal crisis a unique opportunity to put our Navy back on the proper course to secure our future security. The Committee can't do everything and must concentrate its efforts on the highest priorities where its unique power can be decisive. I urge you to do so.



John Lehman is Chairman of J.F. Lehman & Company, a private equity investment firm. He is a director of Ball Corporation, Verisk, Inc and EnerSys Corporation. Dr. Lehman was formerly an investment banker with PaineWebber Inc. Prior to joining PaineWebber, he served for six years as Secretary of the Navy. He was President of Abington Corporation between 1977 and 1981. He served 25 years in the naval reserve.

He has served as staff member to Dr. Henry Kissinger on the National Security Council, as delegate to the Force Reductions Negotiations in Vienna and as Deputy Director of the U.S. Arms Control and Disarmament Agency.

Dr. Lehman served as a member of the 9/11 Commission, and the National Defense Commission.

Dr. Lehman holds a B.S. from St. Joseph's University, a B.A. and M.A. from Cambridge University and a Ph.D. from the University of Pennsylvania. He is currently a Fellow of Gonville and Caius College, Cambridge University.

Dr. Lehman has written numerous books, including *On Seas of Glory*, *Command of the Seas* and *Making War*.

He is Chairman of the Princess Grace Foundation USA and is a member of the Board of Overseers of the School of Engineering at the University of Pennsylvania.



**DISCLOSURE FORM FOR WITNESSES  
CONCERNING FEDERAL CONTRACT AND GRANT INFORMATION**

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**Witness name:** The Honorable John Lehman

**Capacity in which appearing:** (check one)

Individual

Representative

**If appearing in a representative capacity, name of the company, association or other entity being represented:**

**FISCAL YEAR 2013**

federal grant(s)/ contracts	federal agency	dollar value	subject(s) of contract or grant
<i>None</i>			

**FISCAL YEAR 2012**

federal grant(s)/ contracts	federal agency	dollar value	subject(s) of contract or grant
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Current fiscal year (2013): *None* ;  
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Statement of Admiral Gary Roughead, USN (Ret.)  
HASC Seapower Subcommittee 26 February 2013

Chairman Forbes, Congressman McIntyre I am pleased to appear before this committee to offer my perspectives on the future challenges, internal and external, to our naval forces.

I am not prone to hyperbole and do not consider our time to be the most dangerous, most critical or most challenging time for our nation and its armed forces. Our nation has faced more daunting times before - world wars, ideological struggle and the existential threat of nuclear annihilation. In fact, the international order is more conducive to our interests than is generally appreciated. I believe it is such because of the role our Navy has played in past decades. There is no other naval force that can command and control and sustain itself globally or be present in so many regions with such credible and versatile power. We are the only global maritime power and our Navy's presence has made and continues to make a difference. That presence and its influence on events have become expected by our fellow citizens and friends and foes the world over. That expectation is on the verge of becoming unfounded.

We have reduced defense budgets before, but this time is different. In contrast to earlier defense reductions this time the industrial base is smaller, more brittle and unsure. Unlike previous periods of defense growth, the spending of the past eleven years was not directed toward increasing the inventory of major capital assets that enable and sustain our global presence. Accordingly, there is not excess inventory

that can absorb a procurement holiday or assets which we can rapidly jettison and still support our global interests. The increasing costs of the All Volunteer Force are distorting distributions of spending within the Department of Defense and crowding out procurement and operations. Excessive procurement requirements, redundant layers of oversight and the time it takes to introduce new capabilities and capacity add more cost and further erode purchasing power.

I served long enough to have experienced the consequences of previous reductions in defense budgets. I recall, as a young officer, deploying on a ship that did not have the benefit of adequate time at sea to train new Sailors. I was concerned we were not ready for the missions assigned and remember being uneasy with regard to the safety of my Sailors as they went about their demanding and often hazardous work without the training time to prepare adequately. I recall ships remaining in foreign ports for extended periods of time because they were unable to get underway because of equipment problems or lack of money to steam. None of us wish to return to those days, our Sailors and Marines deserve better.

I recognize we face daunting budgetary challenges and that defense will not be immune from reductions. But how that is done will determine the reach and effectiveness of the Fleet. It is regrettable and unfortunate that we are in the eleventh hour of such important budgetary decisions and only now are the consequences of such reductions being made known to the American people – we

have not had the benefit of a public debate on the challenges and consequences to our nation's Navy.

Sequestration, at its current level and method, will be devastating and is irresponsible. We are already seeing a decrease in our global presence due to cancelled deployments. Training needed to prepare for future deployments is being curtailed harkening back to past times of budget reductions. Even before implementation, cash flows are already being disrupted with significant consequences for small business and the skilled men and women employed there. I am quite sure each of you has better examples of their uncertainties than I. My great concern is that much of our capability comes from such business across our country that may not be able to survive the consequences of sequestration. Under sequestration, I believe Fleet size will likely plunge to around 220 ships and operational and tactical competence will erode quickly. Sequestration, as currently enacted, must be avoided.

What must be done to provide and maintain a Navy appropriate to the security environment and likely demands of the future? I recommend steering the debate away from chasing topline budget numbers and engaging in an informed debate about where do we want our Navy to be and what do we want it to be able to do. To affirm a smaller, more ready Navy can be in the many regions of the world where we have vital or important national interests is a false promise. Our Fleet is hard pressed now at 286 ships. Anything less will strain our Navy more and jeopardize

the industrial base that produces and maintains our Fleet. I believe a Fleet between 325 to 345 ships, with diverse capabilities, to be right for the future.

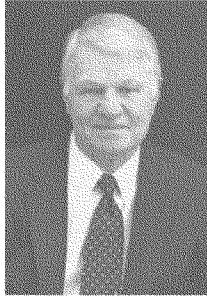
The strategy of rebalancing to Asia, with which I completely agree, does not mean we will be able to turn away from the Middle East or neglect events in the Maghreb or Levant. Naval forces will still be in demand there, as sensitivities to boots on the ground will bias response to the Navy and Marine Corps. Our counter-terrorism forces will remain active for the foreseeable future and being able to come from the sea will make them more agile, effective and lethal. The number and mix of ships will likely matter more in the future than they do today. As we contemplate a precipitous drop in Fleet size, we must be mindful of the decade of 2020. That must be a factor in considering Fleet size as the number of ships added each year during the Reagan build-up of the 1980s will presumably retire at the same rate in the 2020s, and we will begin the retirements of NIMITZ Class aircraft carriers. The opening of the Arctic Ocean and demands for ships there will exacerbate the problem.

In addition to thoughtfully addressing Fleet size and composition, maintaining the viability of the defense industrial base, controlling spiraling aggregate personnel costs, and enhancing the effectiveness and efficiency of our procurement system must be addressed and resolved. Each is intellectually and politically hard and addressing all simultaneously is harder. But dealing now with these systemic issues is imperative if we are to redress the mismatch between requirements and

resources and if we are serious about having a more sound and essential way to engage a constrained budget environment that will likely exist for more than a decade. I believe the two most critical areas are addressing unsustainable personnel costs and rationalizing our procurement process. Changes to personnel compensation and benefits must not be viewed as breaking faith with those who serve or who have served, but rather a necessity in preserving the great All Volunteer Force we witness today. Rationalizing the procurement process should focus on streamlining and not on adding more oversight and cost as is currently and illogically being done by adding more people to the acquisition force at a time when we will likely be buying less.

At this very consequential and different time there is much that must be done. The founders were very explicit in the need for a Navy and the obligation of Congress to provide and maintain a Navy. Circumstances have changed, technology has changed, but our nation's maritime imperative remains. This Committee, throughout its history in equally challenging times, has understood that imperative and led in providing and maintaining a Navy without peer. That time has come again.





Admiral Gary Roughead (USN Ret.), the Annenberg Distinguished Visiting Fellow at the Hoover Institution, graduated from the US Naval Academy in 1973. In September 2007, Admiral Roughead became the twenty-ninth chief of naval operations after holding six operational commands and is one of only two officers in the navy's history to have commanded both the Atlantic and Pacific Fleets.

Ashore he served as the commandant at the US Naval Academy, during which time he led the strategic planning effort that underpinned that institution's first capital campaign. He was also the navy's chief of legislative affairs, responsible for the Department of the Navy's interaction with Congress, and the deputy commander of the US Pacific Command during the massive relief effort following the 2004 tsunami in Southeast Asia and the Indian Ocean.

As chief of naval operations, Admiral Roughead successfully guided the navy through a challenging period of transition in fiscal, security, and personnel matters. He stabilized and accelerated ship and aircraft procurement plans, accelerated the navy's capability and capacity in ballistic missile defense and unmanned air and underwater systems, and directed the service's investigation of climate change and alternative energy. He reestablished the Fourth and Tenth Fleets to better focus on the Western Hemisphere and cyber operations, respectively. Admiral Roughead introduced bold programs to prepare for the primacy of information in warfare and the use of social media within the navy. He also led the navy through changes in law and personnel policy to draw more inclusively than ever on the navy's greatest strength, its sailors.

Admiral Roughead is the recipient of the Defense Distinguished Service Medal, Navy Distinguished Service Medal, Defense Superior Service Medal, Legion of Merit, Meritorious Service Medal, Navy Commendation Medal, Navy Achievement Medal, and various unit and service awards. He has also received awards from several foreign governments.

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**Witness name:** Admiral Gary Roughead, USN (Ret.)

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Representative

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List of subjects of federal grants(s) (for example, materials research, sociological study, software design, etc.):

Current fiscal year (2013): \_\_\_\_\_ N/A \_\_\_\_\_ ;  
Fiscal year 2012: \_\_\_\_\_ N/A \_\_\_\_\_ ;  
Fiscal year 2011: \_\_\_\_\_ N/A \_\_\_\_\_ .

Aggregate dollar value of federal grants held:

Current fiscal year (2013): \_\_\_\_\_ N/A \_\_\_\_\_ ;  
Fiscal year 2012: \_\_\_\_\_ N/A \_\_\_\_\_ ;  
Fiscal year 2011: \_\_\_\_\_ N/A \_\_\_\_\_ .

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**QUESTIONS SUBMITTED BY MEMBERS POST HEARING**

FEBRUARY 26, 2013

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### QUESTIONS SUBMITTED BY MR. LANGEVIN

Mr. LANGEVIN. 1) Future threat environments are likely to be exceedingly complex, as threat actors acquire significant capabilities in the realms of UAVs, cruise missiles, and swarming attacks. I have been pleased to note the Navy's increasing investment in the technologies that I feel will be needed in these environments, especially in fields like directed energy and railguns that promise the ability to create diverse effects with minimal magazine requirements, thereby greatly increasing time-on-station and combat capability for surface combatants in a future conflict. However, such capabilities are not without costs in terms of power requirements, cooling capabilities, and other factors highly relevant to our discussion of future force mixes. Can you speak to the need for such technologies, and in your view is the Navy adequately factoring the needs of future high-energy systems into its future shipbuilding plans?

Mr. LEHMAN. Along with maneuvering ballistic warheads, and sophisticated homing torpedoes, these are the principal threats to our Navy. None are game-changing and all can be countered, but defensive technologies must stay ahead of these evolving threats. R&D accounts must be adequate to fund them. It is important however that ships not be developed concurrently with new parameter changing systems. The power, dimensional and other requirements of these systems should be integrated into ships in an evolutionary way. The new destroyer and new carrier efforts are sad examples of trying to do too much development of new technologies concurrently with ship designs. The record of LHA/LHD, DDG-51, and *Nimitz* class are examples of the proper management of evolutionary design integration.

Mr. LANGEVIN. 2) I have been following with great interest the development of semiautonomous and autonomous UUVs and USVs designed for roles ranging from environmental monitoring to mine-hunting. Can you please elaborate on the growing roles of such platforms, and assess how well the Navy is leveraging them as it attempts to do more with less?

Mr. LEHMAN. These underwater systems, UUVs and USVs can be relatively more useful in undersea warfare even than their airborne counterparts are to surface and air forces. Remotely piloted versions have long been essential to mine-hunting and underwater exploration. While the Navy recognizes the promise of these technologies, at a time of shrinking budgets, new technologies without existing bureaucratic and industry supporters tend to suffer disproportionate cuts and cancellations compared to programs with political and bureaucratic constituencies. They must be actively protected by Congress.

Mr. LANGEVIN. 3) Future threat environments are likely to be exceedingly complex, as threat actors acquire significant capabilities in the realms of UAVs, cruise missiles, and swarming attacks. I have been pleased to note the Navy's increasing investment in the technologies that I feel will be needed in these environments, especially in fields like directed energy and railguns that promise the ability to create diverse effects with minimal magazine requirements, thereby greatly increasing time-on-station and combat capability for surface combatants in a future conflict. However, such capabilities are not without costs in terms of power requirements, cooling capabilities, and other factors highly relevant to our discussion of future force mixes. Can you speak to the need for such technologies, and in your view is the Navy adequately factoring the needs of future high-energy systems into its future shipbuilding plans?

Admiral ROUGHEAD. [The information was not available at the time of printing.]

Mr. LANGEVIN. 4) I have been following with great interest the development of semiautonomous and autonomous UUVs and USVs designed for roles ranging from environmental monitoring to mine-hunting. Can you please elaborate on the growing roles of such platforms, and assess how well the Navy is leveraging them as it attempts to do more with less?

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