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**BUILDING THE FLEET WE NEED: A LOOK
AT NAVY FORCE STRUCTURE**

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BEFORE THE

SUBCOMMITTEE ON SEAPOWER AND
PROJECTION FORCES

OF THE

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HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SUBCOMMITTEE ON SEAPOWER AND PROJECTION FORCES,
Washington, DC, Wednesday, April 13, 2016.

The subcommittee met, pursuant to call, at 3:30 p.m., in room 2118, 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. Well, I want to welcome all of our members to our hearing today. I am particularly pleased to have some of our Nation's foremost naval experts providing testimony before our subcommittee.

We have the Honorable John F. Lehman, former Secretary of the Navy, and Admiral Robert J. Natter, U.S. Navy, retired, former Commander, Fleet Forces Command. Gentlemen, thank you so much for all that you have done for our country and we are delighted to have you with us today.

When John Lehman stepped down as Secretary of the Navy in 1987, we had 594 ships. When Admiral Natter retired from the Navy in 2003, we had 297 ships. Today, we have 272 ships. The size of our fleet is only one metric for Navy strength, but it is an important one. And while I firmly believe that the United States Navy remains the most powerful and capable maritime force in the world, I am concerned about the future and the trend lines that we see in those three points.

We have heard from the Chief of Naval Operations [CNO] Admiral Richardson that we are returning to an era of great power competition in which our maritime superiority will be contested. We have heard the gaps in our aircraft carrier presence will continue to occur in the Middle East and the Pacific. We have heard from the Marine Corps that shortfalls in amphibious ships are driving them to consider deploying aboard foreign ships.

A few weeks ago, Admiral Harris, our commander in the Pacific, testified to Congress that the Navy can currently only fulfill 62 percent of his demand for submarines. We all thought that sounded pretty dire, but just last week I was informed by the Navy that across the board, the Navy will only be able to meet 42 percent of anticipated demand for forces in fiscal year 2017. So it turns out that Admiral Harris' situation may actually be above average, an alarming realization indeed.

The conclusion we should all be drawing from this data is that we need more ships, and more aircraft, and more investment in other elements and enablers of naval power. The administration points to a ship construction program that will meet the 380-ship Navy in the next few years. However, if one looks under the hood of this car, one sees some disturbing details. The administration continues to count ships that they intend to shrink wrap and tie to the pier. Once again, they are proposing to lay up half our cruisers and truncate the procurement of small surface combatants.

Now, in fiscal year 2017, they are asking for permission to deactivate an entire carrier air wing. These trend lines are, indeed, concerning and point to a clear need to provide additional investment in our Navy and in the other elements of our national defense. They are also evidence, I believe, of malaise and a lack of vision in thinking about American seapower.

While I believe that our uniformed leaders are fully capable of providing this vision and leadership, I believe the administration, and the next, must place a higher priority on national security and the strength of our Navy. Our witnesses today have fought these battles before and are a clear source of inspiration as we navigate these troubled waters and seek to rebuild our maritime strength. We are indebted to them for their service, and today we once again call on their wisdom and foresight. I look forward to hearing their thoughts.

But now I turn to my good friend and colleague, the ranking member of the subcommittee, Congressman Joe Courtney of Connecticut, for any comments he might have.

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

**STATEMENT OF HON. JOE COURTNEY, A REPRESENTATIVE
FROM CONNECTICUT, RANKING MEMBER, SUBCOMMITTEE
ON SEAPOWER AND PROJECTION FORCES**

Mr. COURTNEY. Great, thank you, Mr. Chairman, for holding today's hearing to hear the views of our two distinguished witnesses on the Navy's force structure. As the Chief of Naval Operations Admiral John Richardson shared with our committee last month, the Navy is undergoing a review of its Force Structure Assessment. Given the changing dynamics around the world, the growing demand for our ships, and the increasing strain on our naval fleet, I welcome this reassessment of our force structure requirements, which is the subject of today's hearing.

Our current fleet requirements stand at 308 ships which, thanks to the 84 ships under contract over the last several years, we expect to reach within the next 5 years. That is good news, but it is just a start because even under the Navy's plan, we will not sustain the levels needed to fully support the various components of that fleet.

While the 30-year shipbuilding plan for 2017 has still not been submitted to Congress, we expect it to reflect what we saw in the 2016 plan, that even when we meet the 308-ship goal, key shortfalls will remain.

For example, we will face shortages in small and large surface combatants as well as attack submarines over the next three dec-

ades. Additional shortfalls remain in the fighter aircraft and other capabilities that will be key to combating the challenges of the future.

Notably, one area that the CNO singled out for particular review in the Force Structure Assessment was our attack submarine force. The current requirement of 48 was set nearly a decade ago before undersea resurgence that we see now by China and Russia.

Retired Admiral Jim Stavridis told our panel that Russian submarine activity is probably 70 to 80 percent of what we saw during Cold War times. Admiral Harris told us of his concerns that the U.S. submarine force will dip to 41 at a time when China is increasing their fleet size and advancing their undersea capabilities. European Commander General Breedlove told us that the submarine shortfall leaves us playing zone defense in the North Atlantic. And above all, our combatant commanders have been clear to us that the current fleet of 54 attack submarines, let alone the future force of 41 or even 48, cannot adequately meet the demand of our undersea capabilities.

That is the kind of area that begs for reassessment and I look forward to the outcome of their review, not just for submarines, but across all aspects of our naval fleet. However, if we are ever going to reach the required fleet size, Congress and the Nation must grapple with the dual challenges of the Budget Control Act [BCA] and the critical need to recapitalize our sea-based strategic deterrent submarine fleet without depleting resources for other vital shipbuilding programs.

If not addressed, both of these issues will significantly impact our ability to build and sustain the fleet we need. I hope our witnesses will share their views on both subjects with us today. The shortfalls we will face are largely the result of decisions made in previous decades which we cannot undo in a single year. What we can do, though, is continue to work in a bipartisan way to address our current and future shipbuilding needs going forward.

I am proud that this panel has a record of doing so and I look forward to sustaining that record. The witnesses' input today is vital as we prepare to mark up the 2017 defense authorization bill and continue to build the fleet we need for the future. I yield back, Mr. Chairman.

Mr. FORBES. Thank you, Mr. Courtney. And without objection, Secretary Lehman and Admiral Natter's written testimony will be made a part of the record. No objection, so it will be so entered.

And with that, Mr. Secretary, we are delighted to have you here and we look forward to any opening remarks that you might have for us.

Secretary, you might want to push that.

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

Mr. LEHMAN. Sorry. It has been a long time since I have been before this distinguished committee and it really is distinguished.

I spent hundreds of hours before this committee and your predecessors. Charlie Bennett, I think I spent more time with Charlie when I was Secretary than I did with anybody else but my wife. And the history that this subcommittee, and its predecessor com-

mittee, has had in building and leading, helping to lead executive branches to form the kind of Navy that has prevented wars, and prevented us losing wars, stands out among all committees, in my judgment, in the history of the Congress. And you have been able to carry that tradition and are continuing to lead and show a vision of where a bipartisan naval strategy can be achieved. So thank you for that.

I am delighted to be back. It has been a long time. But as you know, just so everybody knows my prejudices, the naval tradition in my family is old. George Lehman was in the Revolutionary Navy. My great grandfather was in the Union Navy. My father was in World War II. I was a Reserve naval aviator for 25 years, and ended up touching virtually every trouble spot during that period. My son was a naval aviator with three tours on the *Teddy Roosevelt* in all of the combat areas. So I come with prejudices.

I was Secretary of the Navy for 6 years. The accomplishments of the Navy in those years, I think, was made possible because, particularly starting in 1977, 1978, 1979, your subcommittee and the Seapower Subcommittee on the Senate side, laid the groundwork, the intellectual groundwork at a time when the Nation was not fully conscious of what the dangers really were; that we were, in fact, losing the Cold War. And as a result of the groundwork and the foundation of strategic thinking that was laid by your subcommittee in those years leading up to 1981, the possibility of a bipartisan majority, starting in 1981, led on the Senate side by Scoop Jackson and others, and on the House side by Charlie Bennett, and with President Reagan adopting basically what your philosophy had laid down, intellectual foundations, we were able to reverse what was a very unpleasant result of the postwar, the post-Vietnam war letdown and disarmament that had undertaken.

I think that history will show that it was those years that really won the war, the Cold War at sea. It was the demonstration that we could build a Navy and maintain a Navy without breaking the bank and we could defeat the Soviet forces at sea. And I think that was a major contribution to the collapse of the Soviet Union.

Now, as I have said before, quoting my boss, my old boss, Henry Kissinger, "History doesn't repeat itself but it rhymes." And we are rhyming again now. Not only with the post-Vietnam period of disarmament, but we are rhyming more disturbingly with the 1930s and the reverse of what Teddy Roosevelt famously argued for, to speak softly but carry a big stick.

We are currently speaking loudly about Chinese incursions in the South China Sea, the Russian Navy incursions, and yet we are carrying an ever-smaller stick. And while the intentions and naval policy has always been bipartisan, but sometimes the reality of what is really happening compared to what the hope and intention of Congress is, are not the same.

The fact is, we have allowed inattention over 20 years to the structure, the practices, the bureaucracy of the Department of Defense that it has become so dysfunctional that we currently have, according to the GAO [Government Accountability Office], \$450 billion of cost overruns in current programs. Those are going to have to be paid. These are contractual obligations. They are not funded. That is about 6 years of the procurement budgets for ACAT [Acqui-

sition Category] I and II programs. And every year we are averaging about 20 percent cost overruns regardless of Nunn-McCurdy breaches, and so forth. That is what the real numbers are.

So we are disarming rapidly. We are spending today roughly the same in constant dollars as we did at the height of the Reagan administration. And we have an Army not of 20 divisions, as Reagan built, but 8. We have an Air Force of not 35 tactical fighter wings, as President Reagan built, but 15. We don't have 220 strategic bombers as Reagan had, we have 72. We don't have a 594-ship Navy, as Reagan built with that same amount of money, but we have 272. This is unilateral disarmament.

And I am just so really optimistic and delighted about what you did in this committee and working with the Senate to start really fundamental reform; not the kind of reform that everybody talks about every year, we are going to reform this and reform that. But what you all did in the NDAA [National Defense Authorization Act] that was signed earlier this year and what you are on the route of doing for the NDAA for this year, is truly historic and starts the process of dismantling this vast bureaucratic, amorphous entity that has strangled innovation, strangled cost control, strangled common sense.

We have got to do that if we are going to get back to the kind of effective procurement to rebuild a Navy that is sufficient in size and quality to deter as we deterred—the 600-ship Navy as an objective was not to win a war. It was to deter a war and it succeeded. It ended the Cold War without really firing a shot. And unfortunately, today, we are doing the opposite. We are getting weaker. The threat is getting more sophisticated and diverse in more places around the world than we had in the nice bipolar Cold War and so we have really got to reverse before it leads to unintended combat which we could well lose.

So I look forward to your questions and thank you for inviting me. It is a pleasure to be here.

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

Mr. FORBES. Mr. Secretary, thank you. Admiral Natter.

**STATEMENT OF ADM ROBERT J. NATTER, USN (RET.), FORMER
COMMANDER, U.S. FLEET FORCES COMMAND**

Admiral NATTER. Thank you, Mr. Chairman. Chairman Forbes, Ranking Member Courtney, ladies and gentlemen, I am honored to be here as an independent witness before your subcommittee, sitting next to Secretary Lehman, someone who the Navy certainly respects and admires for what he and the administration of President Reagan were able to accomplish.

I can say that my family doesn't have near the historical platitudes that Secretary Lehman talked about. Although I must admit, I have six brothers, six of whom were naval officers and one Air Force officer and we still love him.

And I have three daughters. All three served in the Navy. Two still are naval officers, and two sons-in-law are in the Navy. So I have a vested interest like so many of us in what happens to our military today, and especially what happens to our young men and women serving if we call on them to go to combat.

I am, quite honestly, worried today about the troubling reduction in the size of our Navy and the shrinking of our technology advantage. There is a dangerous myth out there espoused by some that our shrinking numbers, happily, can be offset by our technology; that our ships today are so much better than our ships of the past.

The uncomfortable little truth, though, is that although our ships are indeed better than they were in the past, our potential adversaries are not producing buggy whips and ships that sail either. And in fact, some, not most, but some of their technologies are, in fact, better than ours today. The truth is, numbers do count, and the truth is, we need more ships and aircraft in our Navy today.

Let me expand on that a bit. With respect to the Navy's force structure, the current number of that force structure is 308. But as a practical matter, that number is not achievable without top-line relief of the Navy's SCN [Shipbuilding and Conversion, Navy] account to accommodate the *Ohio* Replacement Program. Everyone knows that. There are solutions out there. There are critics of those solutions, for very valid, and very longstanding criticisms of those approaches. But the reality is that without an alternative, without a top-line increase or some other account to accommodate this national strategic requirement, the Navy's shipbuilding account is not worth the paper it is written on.

And given today's realities, what are those? A fast-growing Chinese military force structure and its actions in Asia waters that essentially are grabbing 600,000 square miles of ocean resources; with North Korea developing nuclear weapons and the means to deliver them—no one disagrees with that. We are watching it happen—with Russian naval deployments returning to Cold War levels—that is not a secret, everyone is aware of that—and with ongoing terrorism deployments on the part of our Navy.

My view is, given those realities that I just laid out, our minimum number of Navy combatant force structure ships has to be, today, given that threat, about 350 ships. I mean, all you have to do is look at the number of ships we had when I was commander of the 7th Fleet in Asia and the opposition that we faced in those days.

The problems today are much more serious and the numbers of those potential adversaries have—the numbers they have are much more serious than when I was there, and yet, the numbers of our ships and aircraft are smaller. We have got to have at least a 350-ship Navy to be able to confront the kinds of challenges that we face today, and those technologies that those challenges have, and the appropriate number of balanced aircraft to operate with them.

With that, I am going to hush, and then open it up to your questions. Thank you.

[The prepared statement of Admiral Natter can be found in the Appendix on page 37.]

Mr. FORBES. Admiral, thank you. I am going to defer my questions until the end to make sure all of our members can get theirs in. So with that, we recognize Mr. Courtney for any questions he may have.

Mr. COURTNEY. Thank you, Mr. Chairman. Again, thank you for your great testimony this morning, to both witnesses.

Secretary Lehman, again, you described the process that occurred in the late 1970s and early 1980s, in terms of, you know, trying to determine what a proper force structure number should be.

And could you elaborate a little bit more in terms of just, you know, where did that begin? Did it begin with just sort of an assessment of just, you know, what are the threats over, you know, out there, and then sort of build the number from that; or you know, the industrial base, or you know, what was sort of the origination of that process?

Mr. LEHMAN. That is an excellent question because, you know, the history you don't know, you are bound to repeat. So one of the reasons that the 600-ship Navy, which was truly a bipartisan naval rebuilding program, never really changed from the first time it was proposed in detail with budgets and was in the supplemental in 1980. Never changed until the end of the Bush administration and the fall of the Soviet Union, was because it wasn't just pulled out of thin air. It wasn't just political theater. It was derived from a careful analysis by multiple sources including CNA [Center for Naval Analyses], the Sea Plan 2000 study, the Naval War College, about where our true vital interests were in the world and what the threat was in each of those areas, mainly from the Soviet Union and its allies.

And then what force structure was needed to effectively deny the Soviet Union any thoughts that they could prevail and close off chokepoints or interdict the sea lines of communication between NATO [North Atlantic Treaty Organization] and North America. Every single one of these vital areas, vital to the security of the United States, was carefully analyzed. And from that, the force structure needed to protect those vital areas was derived.

And that is basically how we came up with 600 ships and 15 carrier battle groups and 100 nuclear attack submarines, quite apart from the strategic equation. There was a logic to it. There was a discipline and a rigor to it. And it held up because it was not esoteric. It was not based on complex algorithms of force exchanges and so forth.

And that is what we need and lack today, I think—a bipartisan acceptance of what our national strategy really is. And with that national strategy, we can derive the force structure, the minimum that we have to have, accepting the fact that we, as we did then, had fully integrated B-52s, and Air Force assets into the naval strategy, the capabilities and force structures of our allies, and we do that today.

So I think using that same discipline, that same rigor, and that same logic, that the minimum figure is the one that I would fully endorse with Admiral Natter, which is roughly 350 ships. The number of aircraft carriers—don't forget aircraft carriers are the one absolute that any naval formation or any naval activity has to have. They provide the disk. It is the carrier that provides the disk 600 miles across of total air superiority that protects every other ship whether it is an Army transport, or a fast deployment ship, or reefers, or the small boys in a battle group.

There, my number would be 15. And I think that can be achieved if the reforms that this committee has pushed and proposed on fun-

damentally streamlining and reducing that vast, choking bureaucracy in the Department of Defense to get back to fixed pricing and get back to the disciplines of no change orders once production is approved.

We are not going to get there right away. But in the meantime, we have to show intent because in 1981 we had fewer than 500 ships. We had 13 aircraft carriers and we had terrible morale. You will recall, those of you from the Tidewater area, that in 1979 there were four ships that could not deploy because they didn't have the sailors. I mean, retention was terrible. We are heading right down that road again. We are succumbing to that same siren song that we heard in the 1930s and we heard in the 1970s, we will do more with less.

But yet, we can't do more with less. We have to do less with less. But the temptation to do more is there and so we found in the 1970s we ended up with 11-month deployments, some of them as long as 12-month deployments, when history has proven that if you keep sailors at sea away from their families for more than 6 months over time, they will do it in a surge or a war, but otherwise, you are going to destroy the infrastructure of your Navy in skilled people, in morale, in readiness, the up rates of aircraft on carriers, the ship systems, and so forth.

So we are headed down that road. We are doing it. We are, regardless of what people say, the deployments, as you all know, are now, many of them, well beyond 6 months. And we are starting to see the same impact on retention of our skilled technicians and leaders in both the commissioned and noncommissioned ranks. So we have got to turn it around.

Mr. COURTNEY. And so Admiral, right around the time you left the Navy was about the last time we did do a Force Structure Assessment, which as the chairman says, is 308 ships. Could you talk a little bit about, you know, what the world looked like then as you were, again, finishing a distinguished career and what it looks like today and why that assessment, reassessment is needed?

Admiral NATTER. Well, I retired about 10 years ago. We had just done a very successful set of operations over in the Middle East going after Al Qaeda. The Russians really were no longer confrontational. It was not the Russia of the Cold War days. They were rebuilding, trying to internally. China was just coming out of its cocoon. When I was commander of the 7th Fleet about 5 years before that, I made port visits to China. I was the first Admiral to go into Hong Kong after reversion. The Chinese were much more cooperative than they are today. They were not grabbing islands and claiming territorial seas that truly don't exist. We have got a different environment today. We have much graver threats.

The idea that there is going to be a confrontation in the Spratlys, or more seriously in my view, the Senkakus with Japan, is going to directly affect every American. And if we were to go to combat with the forces we have today, we would not be as effective and I would question our ability to succeed against a China that was serious about going on the offensive against us in that theater.

I just can't state enough that we do not have sufficient forces out there to take them on, or for that matter, North Korea, who as we

all know, is developing a nuclear weapon and the means to deliver it.

The idea that we are just going to develop a defensive capability against nuclear weapons that are lobbed against our bases in Japan, against our ground forces in South Korea, is insanity. Without a strong military, we may as well just withdraw and admit that we are going to be isolationists because that is the direction we are headed. I am very concerned about it.

As I mentioned, I have daughters and sons-in-law who are on active duty who have been in harm's way, and I don't want to lose them without a committed nation behind them.

Mr. FORBES. The distinguished gentleman from Alabama, Mr. Byrne, is recognized for 5 minutes.

Mr. BYRNE. Thank you. Thank you, gentlemen, and both of you have good, strong long-time connections to the State of Alabama. Secretary Lehman is from my hometown in Mobile, and Admiral, you are a son of the State of Alabama. We appreciate both of you and thank you for your service.

Two weeks ago I was in China at a conference, and one of the days in conference we spent talking about the military situation there. We had a representative from the United States side, and a representative from the Chinese side. And the Chinese representative was remarkably candid and very worrisome. I would like to read a portion, just a few sentences of what he had to say, and ask you to react to it. To some extent, I think, Admiral, you have already addressed it, but I would like for you to be a little more specific about what we would do in response to this. But, listen to what he said. You know, this is the Chinese speaking:

"As is well known, security frictions between China and the U.S. for a long time have occurred mainly within the first island chain. Chinese efforts to secure reunification across the Taiwanese Strait and to safeguard its territory, sovereignty, and maritime rights and interests in the East China Sea and the South China Sea, face incessant U.S. interference and intervention." And here is the key sentence. "The development of a new balance of power will be marked by China's enhanced capacity to safeguard its territory and sovereignty and maritime rights and interests and a weakened U.S. capability to intervene." That is the Chinese perspective on us.

So if we are going to reverse that, specifically, what do we need to do?

Admiral NATTER. Well, those are very strong words. Because they are said, does not make them truth. There are legitimate disagreements as to who those atolls and reefs really belong to, if anyone, because they are atolls and reefs. And international law and maritime practice has a definition about those.

The idea that the Chinese are claiming an additional 645,000 square miles of ocean resources, fisheries, mineral rights on the sea bed, and potentially waters to restrict maritime commerce and the passage of naval ships out of the Straits of Malacca, up to Japan, up to our Southeast Asian friends, is absolute insanity. Saying it does not make it true, any more than Putin claiming that Ukraine is part of Russia makes it true. The reality is, the longer we allow this to happen, the more difficult it is going to become to reverse it or to stop it.

The fact that they are putting very capable weapon systems on these sand bars and we are watching it happen, in my view, is a mistake. Having said that, I would be the first to say if, in fact, we are going to contest it, if we are going to challenge it with our neighbors in Southeast Asia and in East Asia, we need to do it with more capable forces than the United States has deployed there today.

Mr. BYRNE. Mr. Secretary.

Mr. LEHMAN. Yes, I would echo that. I have made two official visits, not official as far as I was concerned, but as far as the Chinese were concerned, since I left the government. Both times at the invitation of very senior people in the Defense Ministry, Liu Huaqing who was the head of the Navy and so forth. I find that statement totally consistent with the stated intentions in both of those visits.

My first visit, which was around 1992, they were more in sorrow than in anger. "Why are you disarming? You are abandoning. You are creating a vacuum here in the Western Pacific. And you are going to create all sorts of instability because your Navy is not here anymore. We used to—every time we looked out the window in a Hong Kong hotel, we saw a carrier, and its escorts there." And this provided a stability that relieved us of the worry that control of the strategic straits which are obsessive with the Chinese, the Straits of Sunda, and Malacca. They are not going to let that happen. And they told us that. And they said, well, we are going to bring—we are going to build aircraft carriers because we don't have base rights in those areas. But we are going to not allow the vacuum that you are creating to persist.

And so I find the Chinese, other than some of their more belligerent junior military officers, junior, you know, one- and two-stars which seem to have a franchise of making outrageous statements, but I find the official statements of their military very consistent and not necessarily pointed hostilely at the U.S. I don't believe that they intend to invade the U.S. or seize the Hawaiian Islands, but I do believe they are, they view us now, but you know, the Taiwan problem is a separate set of issues which we could spend all day talking about.

But the fact is that they really are dependent on virtually all of their oil to be imported and imported through straits that are potentially not secure. And so they are building, they told us, they are building a 600-ship Navy, and if you try to interfere, you would do so at your peril. And that at least we can understand what their intentions are, which they do not have the equivalent confidence—they don't know what our strategy is. And I think one reason is because we have no strategy.

Mr. BYRNE. My time is up. I really appreciate your comments. Thank you.

Mr. FORBES. The gentleman from Rhode Island, Mr. Langevin, is recognized for 5 minutes.

Mr. LANGEVIN. Thank you, Mr. Chairman. Secretary Lehman and Admiral Natter, thank you both for your service to our country and for your testimony here today.

For both of you, I don't disagree with anything you have said in terms of strength, in terms of where we were, and where we are. The challenge, of course, that we have and the circumstances were

different back when you were there and where we are now, is the significant national debt that—the annual budget deficits and a crushing national debt that we have to contend with, which in itself, is a threat to U.S. national security—both short-term rate and long term.

So given those circumstances, you know, what is your guidance and advice to how we now balance those realities with the priorities that we have in being able to defend the country and have the size force that we actually need given the, you know, the budget realities that we are in?

Admiral NATTER. Well, I am not here to testify as the former Office of Management and Budget. Having said that, I fully agree, that is a huge threat to the security of this Nation. And there has to be a handle on our budget deficit. I think there is bipartisan concern, appropriately, for that. And I think there is recognition in a bipartisan way for the problems of the deficit.

Having said that, the security of this Nation, I think, is first and foremost. I think George Washington would have believed that and I think he lived that reality. So I think the idea of a 350-ship Navy and a balanced military is a priority and that, I think, that it is affordable. I think the Nation is going to have to get a handle on how it is paid for and how other costs impacts, of the national budget, and the deficit, have to be gotten under control. But I am not here to testify about that, sir.

Mr. LEHMAN. Congressman, I think that, as I mentioned earlier, Teddy Roosevelt's famous dictum to speak softly but carry a big stick is very important today because we have allowed our defenses, for whatever the sound reasons, and I don't disagree with anything you said on the budgetary issues that we face.

Nevertheless, we have, in the hopes that after the fall of the Soviet Union and the end of the Cold War, that we would have a relatively peaceful era ahead that did not require the kinds of sacrifices that we had to do in the Cold War. That has not proved to be the case. Our hopes have proved false. And we now have nuclear hostile powers even, like North Korea and others emerging. We have got the unique problems of Islamist terrorism, and we have allowed our deterrence to really erode. I mean, seriously erode. And by deterrence, that means are you persuading the potential enemies you have, the potential bad actors that they would suffer more than they could possibly gain if they took actions against American interests?

Our deterrence is failing. It is failing to deter the Chinese from building its bases in the South China Sea. And it is failing in deterring the Russians from reestablishing a hegemony that they feel they have lost in their near abroad. And it is failing to deter a lot of other potential actors down the road.

So what do we do about this? Well, I totally agree with the Admiral. We can afford it. We are only spending 3 percent of the GDP [gross domestic product] on defense today. In the Kennedy and Eisenhower years it was 8 to 9 percent. In President Reagan's years it was about 3.5 to 3.75 percent, so you are not talking of a vast change to reestablish deterrence. But it is going to take some time.

And the dangerous thing about doing what we are doing as we did in the 1930s, and that is speak loudly and make bold declara-

tions about getting the Chinese out of the South China Sea, as we continue to erode our naval and other services' capabilities is the worst of all possible dangerous situations because that leads—historically, has led to miscalculations. You know, in the 1930s, we spoke boldly and we imposed embargoes, a steel embargo, the scrap embargo, the oil embargoes on Japan, as we disarmed, as we adhered to the Washington Naval [Treaty] agreements and built no capital ships until this subcommittee, which was then a full committee, passed the 1936 initiative to start building capital ships. Up to that time, we had adhered to the Washington Naval agreements, and the Japanese did not. They withdrew from the Washington Treaties, and so they grew and we shrank. And I think that was a major cause of World War II in the Pacific.

So we have got to maintain deterrence. We don't have a choice. And people have to start articulating this because the American people will support it, if their leaders on both sides of the aisle, and I might just as an aside to perhaps upset some of my revered Republican colleagues. I know the chairman knows his history better than I do, but the fact is, there are only three Presidents in the history of the United States that never built a single capital ship for the U.S. Navy and those were all Republicans, ending up with Hoover. And that is a history we don't want to repeat for sure.

So I just, I think we, my last point would be, let's be careful. As Reagan proved, you don't have to have achieved a 600-ship Navy to have 90 percent of the deterrence. You have to make it clear that you are heading there. You are rebuilding. There is strong bipartisan support to maintain deterrence. Once you have achieved that, because it is a game of perceptions, but perceptions based on people who are smart and they read our mail. And they know what the reality is of our capabilities and our weaknesses. And so whereas if we had the full deterrent, we might take actions, not necessarily violent actions right away, but we might begin to put the pressure on the Chinese and force them out of those militarized islands. But today, we do risk a conflict by miscalculation. And that far away with as small of a force as we have today, it might not end well for us.

Mr. LANGEVIN. All right. I appreciate both of your insights, your testimony here today. I know my time has expired, but I take your words to heart and I thank you for what you have imparted to the committee today.

Thank you, Mr. Chairman. I yield back.

Mr. FORBES. The chairman of the Readiness Committee, Mr. Wittman from Virginia.

Mr. WITTMAN. Thank you, Mr. Chairman. Gentlemen, thank you so much for joining us. Thanks for your service.

I wanted to talk about two issues I believe we see of the Navy force structure. One is amphibious lift. I think we are doing more to address that this year. I want to thank the chairman for all of his efforts and a continuing effort to address what I believe is a shortcoming in amphibious lift.

But I do want to get your perspective on where we are with our submarine force. A couple of different tracks, you see China continuing to grow their fleet moving eastward through the South China Sea into the Pacific, more presence there. Secondly, with the

Russians, the fifth-generation submarine, the *Yasen*-class, the Severodvinsk very, very capable attack submarine. We see those forces going in that direction. We see our forces going in the opposite direction. The 30-year shipbuilding plan shows us going down to a 41-boat force in our attack submarines. We see, too, a gap between *Ohio*-class retirements, *Ohio*-class replacement availability. We see back and forth about a national sea-based deterrence fund to make sure that we can fund *Ohio*-class replacement.

Give me your perspective on what we need to do overall with our submarine force, which I believe is truly going to be the most tactically and strategically important element of our Navy, and not to discount the others, but to have that as part of that, part of the nuclear triad, but also the ability to keep up with pretty advanced submarines with the Russians and the numbers of Chinese submarines that we will see out there.

Give me your perspective on what we need to do both in our attack class, in our *Ohio* class, to make sure that we counter what we see going on with the other, we will call them, near peers?

Mr. LEHMAN. Well, I strongly support the idea of a strategic funding approach to rebuilding our strategic deterrence, because while this is one of the proudest of Navy roles and missions, nevertheless, it is only very indirectly related to maintaining command of the seas. And if the Navy is forced to fund the entire replacement of the *Ohio* class, there will, under almost any feasible funding scenario, not be enough money to even maintain the fleet we have.

So as an approach, I think that is the right approach. But our submarine force, just to go back to command of the seas, to protect our vital interests and restore deterrence, is the idea that we are going to end up with 41 or even 48 nuclear attack subs is insufficient, because the biggest vulnerability we have today and in my judgment it is severe, is in antisubmarine warfare. We have allowed a lot of our antisubmarine systems, not just the ones on ships and submarines, but overall, to deteriorate significantly. And we have got to rebuild that. And we have, to me, it is unbelievable how a succession of CNOs let this happen.

But we have no frigates in the fleet. This is unbelievable. And the idea—I am a strong supporter of the LCS [Littoral Combat Ship] and have been from the beginning. I think both of the versions of it are good ships for certain roles, but they will never be frigates. I don't care how much—how big a plug you put in and how much fuel you stuff in, they will never be frigates. They were never designed to be frigates.

Frigates are one of the most essential parts of protecting a naval force at sea, a Marine amphibious group, an Army resupply flotilla, or a carrier battle group, you have got the threats. The submarine threat is so much greater today, not only the Russian and Chinese, the Russian subs are the equal or better of our best submarines from the Cold War. But you have got over 100 very, very quiet diesel electrics or closed-propulsion circuit modern submarines that are really quiet. And that is a huge threat because we have really, because of higher priorities, we have let that dimension of our protection of surface ships really deteriorate.

So you know, this always gives, always gave all of my nuke friends heart attacks when I would suggest it. And I am not suggesting that we don't build a nuclear attack submarine fleet up above 60, at least, but I believe we need a high-low mix. I think the modern, particularly German technology in closed-propulsion conventional submarines which cost a quarter or less than a nuclear submarine, a high-low mix is probably what we ought to have in the future. And I guess I am not going to be invited to the Army-Navy game this year, but that is what I think.

Admiral NATTER. You can take my ticket.

Mr. FORBES. The gentleman's time has expired. Ms. Gabbard from Hawaii is recognized for 5 minutes.

Ms. GABBARD. Thank you, Mr. Chairman. Thank you, gentlemen. A follow-up to Mr. Wittman's question, that was kind of what I wanted to talk about as you spoke broadly about the nuclear threat coming from North Korea to places like Japan and South Korea. Representing Hawaii, this is something that as North Korea beats its drums and makes its threats, Hawaii falls within range of their ICBM [intercontinental ballistic missile] capabilities and now the miniaturized nuclear capabilities that they are talking about.

And so this question of our submarines, the projected reduction and the need for us to be able to maintain that is something that is critical. But really, also, the entire ballistic missile defense capability that we are looking at is of paramount importance.

I am wondering if you could talk a little bit more about that ballistic missile defense and where you see that falls into this need for what you talk about a bipartisan strategy, a national security strategy.

Admiral NATTER. Well, with respect to ballistic missile defense, as you well know, we have a sea capability as well as a land-based capability. But getting back to our own submarine question, the only way you are going to really protect yourself and defeat that threat is to go on the offensive and knock out their sites before they launch, or after they start launching. Because if you remain on the defensive, you will never, ever be able to gain 100 percent reliability in knocking everything down. That is the beauty of a submarine. It is a very offensive weapon system.

Our purpose in being as a Navy is to destroy the opposition. And if you can't go on the offensive, remain on the offensive and attack until that threat is destroyed, you are never going to be batting 100 percent against the threat coming toward you. BMD [ballistic missile defense], land-based and sea-based, is awfully important, very important. And it is pretty well funded.

But the sea-based threat to that, getting back to the Secretary's commentary on antisubmarine warfare, we need to improve that because the Chinese are developing a significant submarine-based threat and the Russians are, as I mentioned in my opening remarks, deploying in ways that they have not done since the Cold War.

That is why the Navy is looking at basing antisubmarine warfare capabilities back in Keflavik, Iceland. It is not because we enjoy cold weather. It is because that is where the Russians operate. And we need to work with our allies to go after that threat both offen-

sively and defensively. So ballistic missile defense, I am in. I am all in.

Ms. GABBARD. Thank you.

Mr. LEHMAN. The ballistic missile defense based on the Aegis has a long history, and while I will not indulge my tendency in my anecdotage to tell you too much about it, one of the first battles as a new kid working for Henry Kissinger that I was engaged in, was the attempt by the Arms Control and Disarmament Agency to block the Aegis cruiser because they alleged—and frankly, they were right—the Aegis missile system, the phased-array radar, did violate the ABM [anti-ballistic missile] agreement in SALT I [Strategic Arms Limitations Talks/Treaty]. It had the kind of power aperture that clearly was capable of ballistic missile defense. And of course, now it is. It is now part of our ballistic missile defense. That was a long, long time ago, well before you were born. And here we are.

Now, the Navy got the mission, and now just as, you know, the Navy fought a huge battle in 1947 in this room to get a role in the nuclear deterrence and then after some severe battles, they won that role and they were in the SIOP, the single integrated operational plan. But then they suddenly found, hey, wait, being in the SIOP with the nukes meant that they were tied to launch points and no longer could the fleet move. It had to stay where it is. And the Aegis ballistic missile defense ships are finding the same thing.

So while they count in the 300-ship Navy or the 272-ship Navy, they are of limited use in a conventional war because then you will be in DEFCON 3 [Defense Readiness Condition], or wherever, and you are going to be tied to a specific point.

So I am not arguing for canceling the ABM capability in the Aegis cruiser, but it severely limits the strategic capability—I mean, the conventional capabilities of deterrence in the fleet.

So I believe we need ballistic missile defense. We shouldn't try to delude ourselves. You know, again, the reality is that our pursuit of Star Wars helped to end the Cold War because the Russians believed that we could do it because we showed them we could do so much else. And it was really so far out in terms of cost and capability that it was not an option any of us were really comfortable with putting all of the money that would be necessary to get it going.

But it sure paid off because the Russians, it helped to paint a picture that gave Gorbachev what he needed between the 600-ship Navy kicking him around in the annual exercises and the idea of Star Wars, which his military were telling him “oh, yeah, it is going to work. So we have got to have our own. You have got to give us three times the budget.” That is what ended the Cold War.

So we do need to stay up on the capability, the technology. We need to deploy it particularly in the land, against Iranian threats and Russian threats now against their near abroad, and North Koreans, who God knows what they will do. So we should have that capability. But let's not go overboard and tie every Aegis ship to a launch point where they are no longer part of the Navy.

Mr. FORBES. The gentlelady's time has expired. The gentlelady from Missouri, Mrs. Hartzler, is recognized for 5 minutes.

Mrs. HARTZLER. Thank you, Mr. Chairman, and thank you both for your service. My goodness, all the way back to the Revolutionary War. I mean—

Mr. LEHMAN. No, not me.

Mrs. HARTZLER. You don't look that old. But I mean, your family history of serving in the Navy is just admirable. And Admiral, certainly, you have so much to be proud of too. I can't imagine your whole family involved in the Navy and one son still serving in another capacity. But thank you for your service.

I wanted to talk a little bit about unmanned capabilities as it relates to the aircraft carriers. And so can you speak to the value of unmanned aviation to an aircraft carrier air wing?

Mr. LEHMAN. Well, let me start. But the fact is that—

Mrs. HARTZLER. I don't think your microphone is on.

Mr. LEHMAN. Oh, I am sorry. If I left it on all the time, you would hear our side comments, which you don't want to do.

There is an absolutely important role for unmanned aircraft as part of the carrier air wing. But don't think it is going to solve a lot of manpower or cost problems. It takes more people to operate in a squadron, to maintain and operate a squadron of UAVs [unmanned aerial vehicles] today with today's technology than it does manned aircraft.

I am a strong supporter of UCAS [Unmanned Combat Air System]. I think it should have a strike capability, but we shouldn't try to make it all things to all possible missions. Because you just—that is what we tried to do with the F-35 and look what happened to that. And so what we should do is move in a measured way. To me, you know, as a former carrier aviator, the most important thing for me right now, if I were in that planning phase, would be an unmanned tanker as part of the carrier air wing because our strike aircraft today are less capable in terms of range and payload than they were 30 years ago. So we need to get more range and more payload and that means you need more tankering.

And the reconnaissance intelligence gathering and so forth, these are important functions that UCAS can do. Strike versions as well. What we shouldn't do is try to cram all these different missions into one airframe and one system, and it should be done in a measured way.

Stealth, I am very much a skeptic on stealth. It has its role in certain places, but the price and the compromise is in other capabilities that you have to make to be truly stealthy are not worth it in my judgment, particularly on a carrier. I don't think that even the F-35 will get more than one truly stealthy flight.

Because anybody that has ever spent time, as you all have, on an aircraft carrier and sees what goes on down on the deck and pitching seas and salt spray, and particularly towards the end of a deployment, the grease all over the deck and airplanes starting to slide, and people running with chains and knocking dents into the—nobody who has spent time operationally on a carrier believes that stealth can survive on a ship.

As it is, the Air Force's stealth aircraft have to go into a clean room after every flight to get their full stealth restored. So it doesn't have to be stealthy. It is nice to have perhaps for some missions, particularly ISR [intelligence, surveillance, and reconnais-

sance] missions, but we have got to be careful what we are going to give up to get that stealth, particularly in a strike version. It has got a role. There are going to be more of them in the future, but to try to rush into it and put too many requirements on it would be a big mistake.

Mrs. HARTZLER. I represent Whiteman Air Force Base that has B-2 bombers, stealth bombers, so a little bit familiar with that. I understand what you are saying.

Admiral, do you have anything to add in 26 seconds?

Admiral NATTER. Yes. Thank you. I certainly agree with the Secretary on this. The real value of having unmanned aircraft is to augment the air wing and the capabilities of our F-18s and F-35s.

I see, in addition to an air refueler, which makes a lot of sense to me, the ability to put another ISR node up in the air so that you have not only the F-35 and the E-2 working through NIFC-CA [Naval Integrated Fire Control-Counter Air] to the Aegis cruisers and destroyers, you also have an unmanned node up there so that you can spread your ability to attack and defend the battle group and to attack either land targets or other naval targets.

As the Secretary of Defense has testified in open hearing, the Navy has already conducted a significant range attack on the surface target as well as an air target, utilizing this. And so unmanned aircraft would fit very well into that approach, but I don't foresee in my lifetime an unmanned air wing operating from a carrier. I just don't see that happening.

Mr. LEHMAN. Well, I will believe in it when I get on and fly in the first unmanned United airliner.

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

The gentlelady from Florida, Ms. Graham, is recognized for 5 minutes.

Ms. GRAHAM. Thank you, Mr. Chairman.

Thank you so much, gentlemen. I wish I would have been here at the beginning. I found this to be so informative. Really appreciate all you bring to this discussion.

You mentioned, Mr. Secretary, the Littoral Combat Ship. I am interested in talking a little bit more about that. Since I have sat down, you have said that the frigate, you don't want to have the LCS and the different roles it can play, you think the frigate would be a better ship for some purposes. You have also said that a ship can't be all things for all possibilities. If I have quoted you wrong, please correct me.

How do you see the LCS, its current role, what it is expected to do? Can it meet those challenges? And, Admiral, you as well. I think the current budget from the President has decreased the number of LCSes that we are going to be purchasing. Do we need to maintain the number or even increase them? And just how do you see this fitting into our Navy operations today? Thank you.

Mr. LEHMAN. Well, first of all, I have always been a fan of the LCSes. They do have a role in littoral combat. The modular idea was one of these ideas that, you know, it is a great idea but actually implementing it is going to cost more than it was worth.

But frankly, in their current versions, I think we have enough of them with what the administration has been asking for. But we have built up in two shipyards a tremendous capability. I mean, I

have owned some shipyards. And building a workforce that really knows what it is doing and knows how to take care of supply chain management and learning curve production, it takes years. And we have built that kind of capability in Marinette, and we have built it in Mobile. And so whatever we do next, we should do everything possible to keep that organic capability alive by participating in shipbuilding.

Right now, building the same Littoral Combat Ship, more of them than has been asked for, I don't see the need for them. Trying to make them, either of those two hull forms, which each, in their way, is a tremendous really technological achievement, but trying to make them into a frigate—a frigate has to be that multi-role ship. It has to have, first and foremost, antisubmarine warfare capability. It has got to be able to tow a passive tail, so for passive sonar. It has got to have an active sonar. It has got to be able to defend itself against cruise missiles. It has got to be able to attack other ships and shore.

The *Perry* class, which we have now retired the last one of them, we called them FFG-7s, they had a little bit of capability in each area, a lot of capability in the antisubmarine area. But they were great ships. We were able to compete them where there were three yards building them. The price came down and down and down because we had that annual competition.

And they could deploy—they had ranges of over 8,000 miles. So they could deploy with any—people criticized them because they only had a top speed of 28 knots, but they actually could go faster than that. They could keep up with the carriers 98 percent of the time and they were great ships. And they were very cost effective.

You cannot take an LCS of either design and get any—you know, they called the F-18—the Super Hornet F-18 was just supposed to be—it was really to get through you guys. It was just an F-18. It was just a Hornet, a little bigger, it would go longer, faster, et cetera.

It was totally a different airplane. It had no commonality. The engines were different. The wing was different. The radar was different. It was a new airplane. And that is what they are going to try to do with the LCS. Call it an LCS frigate, but if it is going to do the frigate job, it will be an entirely new ship, and yet it will have to make compromises to retain some commonality at all with the LCS and you are going to get the worst of both worlds out of it, I guarantee it.

What we need to do—even if we went back to the FFG-7 with modern technology, we have such vulnerability. Admiral Natter used to deploy his battle groups with 28 ships. Today we average six ships, which leave these huge gaps in your layers of defense particularly against submarines, and particularly against diesel submarines, let alone attack submarines—I mean nuclear submarines.

So I think we need to be realistic about it. And we ought to come up with a frigate design that can be built in these same yards or at least part of them, if not all of them, and that can be competed on a fixed-price base. Don't let the vast bureaucracy—you know, I owned Hawaii Superferry. I am sorry that Ms. Gabbard is not here. She hopefully rode it at one point. We built that right next—150

feet from the first aluminum LCS, roughly the same size ship, both built to ABS, American Bureau of Shipping, quality standards.

In the lifetime of our ship, we had two change orders that we found, sand eroded the intakes. There was sort of good common-sense changes that did not require any big design changes. One hundred fifty feet next to us, the first LCS, the aluminum LCS, which I think was an LCS 2, they averaged 75 change orders a week. Seventy-five change orders a week!

I had one guy down there as my, what my equivalent would be SUPSHIPS [Supervisor of Shipbuilding] to supervise and oversee the shipyards. It was a great shipyard. The Navy had to build their own building to house all their SUPSHIPS people. And as a result, ours came in on budget, because we had a fixed-price budget. So we were on budget, on time, two change orders.

Next door, they came in three times the price, the contract price, and a year and a half or 2 years late. And when you try to look at what the change orders did, they were all, you know, move the ashtray from here to there, some Beltway bandit had submitted a study that showed if you go from 38 knots top speed to 39 knots top speed that, therefore, there were instances where this could make a big difference and so that change order came down. Nobody knew who approved it, where it came from. It just got into the system from one of the 40 JROC [Joint Requirements Oversight Council] subcommittees.

So whatever we do here—and this is really—a lot of good ideas are coming out of this committee. We have got to do it along with fixing and carrying out the reforms that you put into the defense bill this year, because if you just pour that money into the current dysfunctional system, it is wasting the money.

Mr. FORBES. Gentlemen, you have been very patient with us. I have just a few more questions I would like to ask for the record.

Admiral, you have spent a fair amount of time with the 7th Fleet in the Asia-Pacific area. Can you just give us a little capsule version of your experience there? And then if you could also tell us, based upon that experience, as you see our force structure there now, with also what you see with other forces there, how would you assess our capabilities there and your worries, if any?

Admiral NATTER. Yes, sir.

As we have discussed prior to that question, the Navy and the fleet, when I was commander of the 7th Fleet, had roughly the same number of ships that are forward deployed there now, today. But we did not have a Chinese Navy that was worthy of being called a navy. The Russian Navy was back in port trying to keep their ships from rusting to the bottom. I visited Vladivostok. Their ships were a disgrace.

The reality, though, is times have changed. We have a Russian Navy that is deploying, as I mentioned before, to Cold War levels. We have North Korea that has developed a nuclear weapon and the means to deliver it, in the process of means to deliver it. And we certainly have the Chinese Navy that is much more aggressive, much more capable, technologically and with force levels, and yet we still have roughly the same size as the 7th Fleet that we had when I was there.

The idea, as Secretary Lehman has mentioned here today, that we are going to say we are not going to stand for them unilaterally claiming 645,000 square miles of ocean resources, and yet we don't have the means to put up and to confront them in the early stages of what they are doing. Because if we wait, and we don't get with our allies and say this is not something that we are going to allow to happen unilaterally, then it is going to become impossible further down the road.

And if, as Secretary Lehman has mentioned, that we fall into a confrontation with them, and we have insufficient forces there to act in a responsible way as a capable Navy, then you are going to have American citizens who are serving our country die. And I would suggest that the government is responsible for that, and I would again applaud this committee for what you are doing to raise that as an important issue.

Because I had it relatively easy as 7th Fleet commander; my successor today does not. He has a very, very tough problem to confront.

Mr. FORBES. Would you be concerned if you were the 7th Fleet commander today?

Admiral NATTER. I think it goes without saying, yes, sir. I would be very concerned about the capability of my forces. Individually, they are great.

And let me just say, we have been talking about force levels. The men and women serving in your military today are the best citizens this country could ever ask for. We just need to give them the tools to prevail if we ask them to go do something. That is what I am fearful of today.

Mr. FORBES. There is a myth that—or at least I think it is a myth, I would like to have both of your opinions on it—that we are not going to need to increase the number of ships, in fact, the size of our force structure today because all of our future battles are going to be done with special forces and with unmanned platforms.

Mr. Secretary, how would you respond to that argument? And then, Admiral, if you would give us your thoughts.

Mr. LEHMAN. Well, of course, the Navy is a very visual service, and that is the advantage. Through the Cold War our fleet was visible throughout places like Singapore, and later Vietnam, and Malaysia, and Hong Kong, and Korea. Everybody knew we were there, and everybody knew these ships had real capability. And nobody doubted the ability of America to command the seas—that is to protect our allies and to keep free trade traveling and keep freedom of the seas.

Today, I meet very few people in my travels who believe that is the case, even though they are totally pro-American. The fact that through most of the last 10 years we have had no combatants in the Mediterranean, for instance, when we normally had 40 or 50 combatants in the 6th Fleet during the Cold War.

Now, I mean, I travel to places around the Mediterranean and they say, gee, we haven't had a liberty call here for 20 years. We haven't had a Navy ship. Don't you have a Navy anymore? Because they don't see it because we aren't there. So who knows what the next war is going to be tripped by, but there will be conflicts. There have been conflicts.

Nobody foresaw, before 9/11—Presidents of both parties were saying that terrorism, yeah, it is a problem, but it is one that—you know, every President that I can recall, including, I must say, my sainted boss, President Reagan, their first response to every terrorist act was we will bring these people to justice. Well, who gives a damn about bringing these people to justice? You have got to prevent it from happening. And today, more and more of our enemies do not see us bringing anybody to justice and still let us be able to deter and to stop and to enforce freedom of the seas and so forth.

Cyber is very important, and we are becoming more and more vulnerable to it. I don't know how many dozens of millions of lines of code are in the F-35, for instance. Many of our systems, just as our electrical grid, we think we have protected, but the thousands of hackers that are all over the world, that is just red meat to them. Oh, you think you have got a hack-proof system, and we find out that it is not hack proof.

So who knows where it is going to come from, but history has told us that you say we cannot predict where and how the next war is going to break out. So you better be prepared for other contingencies than just the favorite ones you would hope would be the problem.

Mr. FORBES. Admiral.

Admiral NATTER. I am glad you have asked this question, Mr. Chairman. I served with the Naval Special Warfare in Vietnam, worked with two SEAL [Sea, Air, and Land teams] platoons. I have very good friends in Ranger battalions and also Ranger Regiment and also in Naval Special Warfare, friends and relatives today. They are the very first ones who will tell you that they cannot be effective without the support and interaction of conventional forces.

Let me give you an example: The SS *Alabama*, those SEALs who shot and killed the pirates who took the captain of the *Alabama*, how did they get on station? Air Force aircraft. From what platforms were they enabled to take those pirates down? A United States Navy ship supported by other ships and aircraft. Those SEALs did not just come out of the water and emerge and start shooting.

Without conventional forces, without air support for our Rangers, and SEALs, and other special operators in Iraq and around the world, there is no way they can be as effective as they are today. There is a good place. They are very valuable to this Nation. I respect the heck out of them. But I agree with them; they would not be nearly as effective without strong conventional forces around the world.

Mr. LEHMAN. Yeah. Even the delivery of the Special Forces, for instance, in Desert Storm came from the *Kitty Hawk*. I mean, the carriers are not just air wing carriers. I mean, when there was all the uproar during the Clinton administration in Haiti, it was a carrier that took the two airborne divisions down to Haiti and delivered them with their helicopters.

The Navy is able to project power and to provide support anywhere in the world. Anywhere in the world. We have lost bases, 95 percent of the bases we had during the Cold War in Europe and in Asia. We don't have land bases. When there is a crisis that can

be solved and put down before it escalates into a conflagration, it is the Navy that can go there.

Yes, Air Force is an essential part of that as well, but 95 percent of the tonnage for any military contingency has to travel by sea. And if that is the case, whether it is a prepositioned ship in Diego Garcia, or a fast deployment ship or whatever, it has got to be protected by total air superiority and submarine superiority underneath.

So the idea is so typical of Washington armchair think tanks that see this great new wave. That is why a mess was created in our *Ford*-class carrier, because the think tanks were saying, oh, the Navy is so stodgy. They never know what is happening in technology. We have to have a revolution in military warfare. We are going to put 12 new technologies into the aircraft carrier, so there you have a hull. It is a *Nimitz* hull. And it has got seven technologies today that we still don't know how to make work.

Mr. FORBES. Last two questions because I know Mr. Courtney needs to go as well.

Our carriers. There have been some arguments that we don't need carriers today. We need to maybe reduce the number we have. And there is even a proposal to take one of our carrier air wings out in the budget this year.

Can you just tell us how important you think it is that we maintain at least 11 carriers and 10 air wings, or do you think we can reduce them down? Admiral.

Admiral NATTER. I would love to take that one on, sir. The assumption that we can do away with an air wing assumes that we are going to just be operating in peacetime. What happens when those aircraft go down through hostile fire? We will suffer casualties in warfare. There will be an opposition who wants to kill us as badly as we want to kill them, and they will be successful to a point. So the idea that we are operating on zero margin is crazy.

With respect to the number of carriers, we have been operating 10 for really—and will be for about 10 years until *Ford* comes online and is able to deploy. These ships, as the Secretary has said, are deploying for 9 months now. It is crazy. And we have adjusted the rotation, the Fleet Response Plan to accommodate really longer deployments. What does that do? It builds up deferred maintenance on the part of these ships and aircraft.

The F-18s, they can't get them through depot quickly enough because when they have opened them up they have found problems that were more critical than they expected, primarily because of the high flight hours on the F-18s. So we need to be able to have sufficient force structure for what the national command authority is asking our ships, our squadrons, and our people to do.

Mr. FORBES. Good. Last question for you is this: I think both of you basically concurred we need about 350 ships. Is that fair? We have both witnesses are nodding.

Mr. LEHMAN. Yes.

Mr. FORBES. There was a question that we were asked about what the makeup of those ships would be. We can't get there overnight. But as we start allocating our dollars, where would you suggest we start, as we go from where we are today to perhaps one

day getting back to 350. What is the most important investments we need to make over the next 5-plus years?

Mr. LEHMAN. Well, I would say the biggest lack is antisubmarine capability, and the frigate is perhaps the most glaring deficiency. The less sexy things—you know, everybody likes to debate how many of this and how many of that, airplanes and ships, but the things like the towed arrays, and the former SOSUS [Sound Surveillance System] arrays, and the less sexy things that are fundamentally important to having an environment where you do command the seas. Those are the ones that get left out when you get into shooting wars, in the Middle East and elsewhere, and you have insufficient budgets, but you are told you have got to keep this many ships and hit these many deployments.

All of that unsexy stuff disappears from the budgets. The committees don't concentrate on them, because there is only so many things that a committee like yours can really take on. And we are leaving ourselves today in a very dangerous position vis-a-vis the submarines, not just the Chinese, Russian nuclear submarines, but the huge proliferation of good, quiet, diesel electric subs.

And the cruise missile threat and so much is said by people that say, oh, get rid of the aircraft carriers, they are just targets. We have dealt with the problem of ballistic missile attacks on the submarines for as long as I have been involved with the Navy. The Russians had them. The technology has moved on. But our defensive technology has moved on.

So, yes, we are going to get hit. Any of the surface ships are going to get hit by missiles, by conventional missiles. But that doesn't mean that it is going to take them out of action or prevent the defeat of our potential enemies. So if there is one issue I would urge you to really focus on, it is our vulnerability to enemy submarines of both conventional and nuclear.

Mr. FORBES. Admiral.

Admiral NATTER. To me, the question really begs a commonsense response, an answer. And that is, what is the best way to achieve roughly a 350-ship Navy, because I think in gross numbers that is what the requirement is, and do it in a way where we are not wasting money. Industry has got to be involved in this. We don't want to say, all right, start building five submarines a year, for example. That is not going to happen without wasting a lot of money.

What I would suggest is that we establish as an overall goal 350. You say we are going to up it to three submarines a year, three DDGs [guided missile destroyers] a year. We are going to shorten the timeline between the start of a new carrier from 5 years to 4 years. That will eventually drive it up to 12 carriers. And ASW [antisubmarine warfare] ships and aircraft, the P-8 is a good start. We need surface ships that can conduct competent ASW.

And we also need to build amphibious lift. The Marines have a steady drumbeat, as you all Members of Congress know. They need the lift for their people. The way to do that is in a gradual industry-sensitive way that gets us to where we want to go, gets us on the right track, and doesn't burn money in the process.

Mr. LEHMAN. Yeah, I would just like to add one fillip to the admiral. I agree with him completely. But in the 1980s, we froze designs, which enabled contractors to bid fixed price. You can't bid

fixed price if there is 75 change orders a week. It is impossible. You have got to go to cost-plus. That is why everything today in procurement is cost-plus even when they say it is fixed price. It is really every time a change order comes in that allows them to escape the strictures of the fixed-price contract.

So unless the Navy does its part in preventing change orders, then you can't expect contractors to be held to fixed-price competitive contracts. The three and three worked brilliantly during the 1980s. We had three subs. The low-priced bidder for two got the two, and the high-price got the one. And the same with—that is how we built all the *Arleigh Burke* destroyers, how we built all the *Tico* [*Ticonderoga*]-class Aegis cruisers, all the submarines. We competed everything every year. And that discipline got better ideas, it got innovations. Because when you are looking at the guy running next to you trying to take your extra ship, then things happen. That is how we were able to return \$8 billion to the Treasury, in effect. So we have got to get back to that.

But you can't ask the contractors to take those kinds of risks until you get control of the constant change and the bureaucratic method of running a business, which average, as you know, in the ACAT I and II, we average 22.5 years to go from the requirement to the first fielding. That is insane. It took 4 years for *Polaris* and *Minuteman*, 4 years to do the same thing. But then, of course, the defense bureaucracy was about one-tenth the size it is now.

Mr. FORBES. Gentlemen, we thank you.

Mr. Courtney, did you have anything else?

Thank you both again for your service to our country. Thank you for laying this foundation for us, which we hope will help us build upon to rebuild the number of ships that we need in our Navy. If either of you have any last comments that you would like to offer before we go?

Mr. LEHMAN. Keep up the good work.

Mr. FORBES. Okay.

Admiral NATTER. Amen to that, sir.

And I would just like to emphasize again, our men and women deserve your support, and I want to thank you and the fellow members of your committee for that support. Good luck with the rest of the Hill.

Mr. FORBES. Thank you. And with that, we are adjourned.

[Whereupon, at 5:05 p.m., the subcommittee was adjourned.]

A P P E N D I X

APRIL 13, 2016

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

APRIL 13, 2016

**Opening Remarks of the Honorable J. Randy Forbes
for the
Seapower and Projection Forces Hearing on
Building the Fleet We Need: A Look at Navy Force Structure
April 13, 2016**

I want to welcome all of our members to our hearing today. I am particularly pleased to have some of our nation's foremost naval experts providing testimony before our Subcommittee. We have:

The Honorable John F. Lehman
Former Secretary of the Navy; and

Admiral Robert J. Natter, USN (Ret.)
Former Commander, Fleet Forces Command

Thank you all for testifying today and we look forward to your thoughts and insights on the Department of the Navy.

When John Lehman stepped down as Secretary of the Navy in 1987 we had 594 ships. When ADM Natter retired from the Navy in 2003 we had 297 ships. Today we have 272.

The size of our fleet is only one metric for Navy's strength, but it is an important one. And while I firmly believe that the United States Navy remains the most powerful and capable maritime force in the world, I am concerned about the future, and the trend lines that we see in those three points.

We have heard from the Chief of Naval Operations Admiral Richardson that we are returning to an era of "great power competition" in which our maritime superiority will be contested. We have heard that gaps in our aircraft carrier presence will continue to occur in the Middle East and the Pacific. We have heard from the Marine Corps that shortfalls in amphibious ships are driving them to consider deploying aboard foreign ships.

A few weeks ago, Admiral Harris, our commander in the Pacific, testified to Congress that the Navy can currently only fulfill 62% of his demand for submarines. We all thought that sounded pretty dire, but just last week I was informed by the Navy that across the board, the Navy will only be able to meet 42% of anticipate demand for forces in fiscal year 2017. So it turns out that Admiral Harris' situation may actually be above average—an alarming realization, indeed.

The conclusion we should all be drawing from this data is that we need more ships, and more aircraft, and more investment in other elements and enablers of naval power.

The administration points to a ship construction program that will meet the 308 ship Navy in the next few years. However, if when one looks under the hood of this car, one sees some disturbing details. The administration continues to count ships that they intend to shrink wrap and tie to the pier. Once again, they are proposing to lay up half our cruisers and truncate the procurement of small surface combatants. Now, in fiscal year 2017, they are asking for permission to deactivate an entire carrier air wing.

These trend lines are indeed concerning and point to a clear need to provide additional investment in our Navy and in the other elements of our national defense. They are also evidence, I believe, of malaise and a lack of vision in thinking about American seapower.

While I believe that our uniformed leaders are fully capable of providing this vision and leadership, I believe this administration—and the next—must place a higher priority on national security and the strength of our Navy.

Our witnesses today have fought these battles before, and are a clear source of inspiration as we navigate these troubled waters and seek to rebuild our maritime strength. We are indebted to them for their service, and today, we once again call on their wisdom and foresight. I look forward to hearing your thoughts.

Statement of Hon. John F. Lehman
House Armed Services Committee
Seapower Subcommittee
April 13, 2016

Good morning, Mr. Chairman, Ranking member and members of the Committee. It is a pleasure to be here this morning to discuss some of the challenges facing the Navy and Defense management.

Many others have described the new challenges by Russia, China, militant Islam and maritime criminals. I will not reiterate the list, but it is daunting and a new set since the end of the Cold War. Recent annexation of the South China Sea by China should give a clear understanding of expansionist intent. We have to face the threat of two countries with ballistic missile submarines, growing submarine fleets eventually capable of maritime threats to worldwide commerce and Navies as well as low level threats posed by drug lords and pirates.

But the military problem is only part of a larger picture. Budget ceilings preclude maintaining modern forces compounded by the failure of Defense management to produce affordable equipment and further complicated by the loss of production competition and inability of the acquisition system to control performance related costs. Currently, major systems have a cost growth of over \$450 billion or 25% of the total program. Little effort has been focused on reducing this, which is 6 years of the major acquisition budget. Carrier, submarine and destroyer costs have increased by about 50% in constant dollars since the 1980s. There are many reasons, but the net result has been force reductions.

Another budget issue is the decisions to increase military pay and benefits, but these have come from the acquisition portion of the budget. They should have been additional as a true cost of the all volunteer military.

In addition, acquisition schedules are slipping annually. Last year, the average schedule slipped over two months. There are many reasons, but one constant has been the growth of bureaucracy and required coordination. It begins with the Joint Requirements Approval process and gets worse as the overlapping authorities intervene. Steps were taken in the last NDAA to improve this, but more are needed including elimination of the JROC review process and elimination of non-essential bureaucratic layers and processes.

Regarding Navy programs, the last NDAA required force level studies to assist in designing the fleet of the future. Current force levels were formed based on the end of the Cold War. These are not relevant regarding evolving maritime threats. These studies must be taken seriously and used for preparation of future budget plans. Several prior studies have indicated a ship force level of about 350 ships. Given the

cost of current ships including the Ohio Replacement Program, this could cost \$20-25 billion annually. This not affordable within current budget plans.

The fraction of GDP spent on defense has declined to just above 3% from about 3.5%. This makes it impossible to build enough of current ship designs and meet even current force level goals.

Thus, to achieve increased forces, it is necessary to consider alternatives such as:
 Smaller conventional carriers to increase the force to 15
 Nonnuclear FORD class carriers,
 Specialized missile defense ships partially crewed with civilians,
 Air independent submarines for hunter killer and special operations roles,
 Broad based antisubmarine systems controlling choke points,
 Longer range carrier aircraft supported by unmanned tankers,
 Build and charter programs for underway replenishment ships,
 Widespread application of remotely controlled vehicles for surveillance and attack
 A real antisubmarine frigate carrying the best sensors and weapons available.

Fleet readiness has been allowed to decay through overuse and lack of maintenance. It appears to be near the low established in the 1970s. This must be reversed, but will be slow and expensive. This year's budget proposal is a step in the right direction, but not enough.

Navy has many talented acquisition and maintenance personnel. They have produced many successful programs, for example nuclear power, Aegis installed in cruisers, destroyers and on land, and patrol aircraft as examples. There have also been many problem programs I need not list. The lessons of both must be incorporated and not wait to be relearned.

Important steps to do this were in the last NDAA. Now they must be implemented.

In summary,

Costs of weapons have risen faster than funds available. Force reductions are the inevitable result. This is disarmament by acquisition.

The world has not gotten smaller, but challenges are increasing politically and technically. Current forces are being worn out trying to keep up.

Congress is unwilling to raise defense budgets enough to preclude force reductions.

So the situation is best described by a sentence often attributed to Winston Churchill.

"Gentlemen, we are out of money and now it is time to think."

John Lehman

April, 2016

John Lehman is Chairman of J.F. Lehman & Company, a private equity investment firm. He is a director of 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 was a member of the 9/11 Commission and a member of 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 serves as 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.

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Witness name: 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: Private person

Federal Contract or Grant Information: If you or the entity you represent before the Committee on Armed Services has contracts (including subcontracts) or grants (including subgrants) with the federal government, please provide the following information:

2016

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None			

2015

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2014

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None			

2014

Foreign contract/ payment	Foreign government	Dollar value	Subject of contract or payment
None			

Re: Submitted Testimony for Admiral Robert J. Natter, USN(ret); 13 April 2016

Chairman Forbes, Ranking Member Courtney, distinguished members of the Seapower and Projection Forces Subcommittee, I am honored to appear before you today to testify at your hearing on "Building the Navy of the Future: A Look at Navy Force Structure." I also look forward to offering my independent views and assessment of the status of America's Navy today and its needs in the world of tomorrow.

In the few years since I retired from the Navy, having had the great honor of commanding the US Atlantic Fleet, Fleet Forces Command, and especially the Seventh Fleet in Asia, I have witnessed a troubling and gradual shrinkage in the size of our Navy and its technological advantage. What makes this especially troubling for me is the corresponding increase and quality improvement of other Navy forces around the world.....and those other Navy and military forces can hardly be described as our friends. There is a damaging myth about seapower, and we need to dash it for good. It is the idea that fleet size doesn't matter. It is the fallacy that our shrinking ship numbers can be offset by technology. This is dangerous and it is wrong. Our adversaries aren't using buggy whips and sailboats. When I commanded USS Chandler, there were about 570 ships in our fleet. Today there are about 280, and the world has only grown more dangerous. Anyone who follows the threats out there knows that the technology and numbers advantage we enjoyed only a decade ago are eroding fast and the projections are alarming. Additionally, the simple fact is that the enemy can engage us on their home turf so we also have to deal with the tyranny of distance. To be blunt, our current funding trajectory is going to cost us in standing with our allies and most probably American lives. The only unknown in my mind is: when.

I understand the Navy is conducting another Force Structure analysis. If done honestly and competently, and I am confident it will be so conducted, there must be an increase in the ship requirement above the 308 number. I believe that the number of fleet combatants must approach 350 ships. I believe this because one has only to look at the potential adversaries out there and see what they have fielded in the past few years and what they are doing today: Russia, China, North Korea, Iran, and even terrorists. And their military actions are to say the least much more emboldened by our weakening posture than we would have expected only five years ago. A perfect example is China's militarization of atolls in the South China Sea, atolls and reefs closer

to most of the other national claimants than to China. In essence this sovereignty grab includes over 648,000 square miles of ocean, fisheries, seabed minerals, and potentially maritime traffic control.

With respect to the Navy's force structure and its shipbuilding and aircraft procurement plans going forward, I testified two years ago before your Subcommittee that the Navy's future SCN account was not worth the paper it was written on if a solution were not found for the funding of the Ohio Replacement ships. As you know, those twelve ships will employ the most survivable 70% of our nation's strategic weapons. That planned 12 ship program is still essential to our nation's defense, yet without top line relief the Navy's SCN account would be decimated if it were funded within historic shipbuilding funding limits. I was pleased to see this Subcommittee introduce language that would provide a supplemental account to start funding the Ohio Replacement separately. I am well aware that there is opposition to setting up such an account, but the alternative is to increase the Navy's top line as was done in past years for the Ohio Class construction program. There are no other options that do not defy logic and common sense.

Our attack submarine program and shipyards produce the world's best submarines. And, as this Subcommittee well knows, these ships are delivering on budget and ahead of schedule. The problem is that our build rate of two subs per year is inadequate to our combatant commanders' needs. About half of the submarine mission requirements today go unfilled. At the current build rate, we will go from 52 boats today to only 41 in 2028. And this is while the Russians are operating their subs today at rates and distances from port not seen since the Cold War. China is also constructing more submarines and anti-submarine capabilities today than ever before in its history. In short, our projected submarines numbers can't keep up.

Aircraft Carriers with their embarked air wings are still the most important and muscular ships afloat today. With existing F/A-18s and now the 5th generation F-35, with its stealthy LO signature ability to penetrate A2/AD environments, seaborne distributed lethality can now start to be enabled fully. Again, as this Subcommittee well knows, the Navy has been operating ten CVNs but filling the demands of eleven and more. The result has been extended deployments for the crews and deferred maintenance for these ships and aircraft. Fewer ships also means sailors are spending longer time at sea and more time away from their families. Deployments of

nine months have become common. And, most recently, because of this long term deficit in numbers, gaps have now occurred in the availability of these ships and air wings when and where they are needed. The reality is that with fewer than the requisite number of carriers and other ships and aircraft of our Navy, the nation's demand exceeds its supply. We are creating rationales and make-do operating patterns like the OFRP to satisfy the budget limitations imposed upon the services. We simply are building plans around fiction, instead of building plans that meet strategic reality. As long as those damaging compromises prevail our Navy will continue to degrade and our national strategic risks will continue to grow.

Of the current Force Structure Assessment, the Navy requirement includes 88 large surface combatants and 52 small multi-role surface combatants. The CGs and DDGs are very capable ships and fill a critical high end requirement against the growing and more dangerous missile threats facing our Navy and our nation today. I believe it is important to keep building new Flight III DDGs with SPY-6 Radars and continue with the upgrades to existing CGs and DDGs to stay ahead of the evolving threat. The LCS and future FF fills a more affordable niche for our Navy's many special and medium threat requirements that don't require a more capable ship assigned to that mission. Having said that, I believe that the growing capabilities of our potential adversaries mitigate an appropriate shift in our medium to high end ship balance in response to those threats.

The Navy will have to adjust upward its baseline requirements for the evolving threats. I am confident the next Force Structure numbers and overall assessment will be influenced heavily by the realities of the budget apportioned to the Navy. The Navy has been forced to make tough choices and there are no easy answers in this fiscally constrained environment. The only question in my mind is will the leadership of this country, the Executive and Congress, deal with our overall defense and Navy-Marine Corps shortfalls responsibly. The nation is asking our young people to sign up and if necessary fight and die in the ships and aircraft you are providing them. I hope that the Members of this Subcommittee will continue to do all they can to fund the Navy's priorities commensurate with the threat realities. If our country continues to fund defense on a wishful thinking shoestring budget our sailors will pay the price. I am not confident they are being provided the requisite assets to win and I am worried they won't. Our national security depends on the important decisions our fellow Americans expect of your Subcommittee.

Thank you.

Admiral Robert J Natter, US Navy Retired

Biography

Robert J. Natter is President of R.J. Natter & Associates, LLC, a nationwide consulting and advocacy firm specializing in corporate and defense strategy. He serves on the Board of Directors of BAE Systems, Inc. the U.S. subsidiary of BAE Systems plc and on the Board of Corporate Travel Management (CTM), a publicly traded Australian (ASX) company specializing in Corporate travel with holdings in Australia, New Zealand, Singapore, China, Europe, and the United States. He also serves on the Advisory Boards of Physical Optics Corporation (POC), a technology innovative research company, Centerra Group, a privately held security company.

Natter enlisted in the Naval Reserve at age 17. Following one year enlisted service and graduation from the U.S. Naval Academy he eventually was promoted to the rank of Admiral. In 20003, after 36 years of active commissioned service, Admiral Natter completed his Navy career as Commander in Chief of the U.S. Atlantic Fleet, the first Commander of U.S. Fleet Forces Command, and the Commander-in-Chief of the NATO Western Atlantic Command. At that time the Atlantic Fleet consisted of over 160,000 Sailors and Marines, 162 ships and 1,200 aircraft, as well as 18 major shore stations.

Admiral Natter's commands also included Officer-in-Charge of a Naval Special Warfare detachment (Boat Support Unit) in Vietnam; Cruiser and Destroyer Commands; and command of the U.S. Seventh Fleet in Asia. His shore assignments included staff member for the House Armed Services Committee (100th Congress); Executive Assistant to the Vice Chairman Joint Chiefs of Staff during Operation Desert Storm; Chief of Legislative Affairs for the Navy; Director for Space, Information Warfare, Command and Control; and Deputy Chief of Naval Operations for Plans, Policy, and Operations.

His military decorations include the Silver Star Medal, four awards of the Distinguished Service Medal, the Defense Superior Service Medal, five awards of the Legion of Merit, the Bronze Star Medal with Combat V, two awards of the Meritorious Service Medal, Navy Commendation Medal with Combat V, Navy Achievement Medal with Combat V, and the Purple Heart among others.

In 2012 Natter assumed Chairmanship of the US Naval Academy Alumni Association Board of Trustees, representing about 55,000 living graduates. He is also on the Board of the National Navy UDT/SEAL Museum.

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Witness name: Admiral Robert J Natter, USN Ret.

Capacity in which appearing: (check one)

☒ Individual

☐ Representative

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

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2016

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Contract	Navy	\$15,000.00	Program Advisor

2015

Federal grant/ contract	Federal agency	Dollar value	Subject of contract or grant
Contract	Navy	\$14,000.00	Program Advisor

2014

Federal grant/ contract	Federal agency	Dollar value	Subject of contract or grant
Contract	Navy	\$12,000.00	Program Advisor

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Foreign contract/ payment	Foreign government	Dollar value	Subject of contract or payment
None			

2015

Foreign contract/ payment	Foreign government	Dollar value	Subject of contract or payment
None			

2014

Foreign contract/ payment	Foreign government	Dollar value	Subject of contract or payment
None			