THE IMPACT OF NATIONAL DEFENSE ON THE ECONOMY, DIPLOMACY, AND INTERNATIONAL ORDER

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THE IMPACT OF NATIONAL DEFENSE ON THE ECONOMY, DIPLOMACY, AND INTERNATIONAL ORDER

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, Wednesday, September 26, 2018.

The committee met, pursuant to call, at 10:01 a.m., in Room 2141, Rayburn House Office Building, Hon. William M. “Mac” Thornberry (chairman of the committee) presiding.

OPENING STATEMENT OF HON. WILLIAM M. “MAC” THORNBERRY, A REPRESENTATIVE FROM TEXAS, CHAIRMAN, COMMITTEE ON ARMED SERVICES

The CHAIRMAN. The committee will come to order. These microphones are more sensitive than ours.

Throughout the year, the committee has examined a number of aspects of American national security. Today, we step back and consider part of the why. Why should the U.S. insist on having the strongest military in the world? What is the connection between a strong military and other instruments of national power and influence? How does a strong military benefit the daily lives of average Americans?

As we rightfully work through the details of military threats and capabilities, those are the kinds of questions that we do not often ask, much less answer.

Posing them does not diminish the central purpose of the military to protect the physical safety of Americans and defend our freedom against those who threaten it. But there are other benefits that flow from military strength to the American people and the quality of our lives.

Today on the floor, we have the opportunity to do something we have not done in nearly a decade, which is to adequately fund the military on time. But one year’s budget does not repair the readiness problems that have developed over the years, and it does not adequately respond to adversaries threatening our superiority in several areas.

We need a sustained policy, one we stick with even as political currents wax and wane. Such a policy requires looking at these deeper questions of why military strength is important.

For more than 70 years, the dominant view in both political parties has supported American military superiority. Many of the underlying reasons, which were learned at a high cost, have come to be taken for granted and are even being challenged at both ends of the political spectrum. Perhaps we need to be reminded of what is at stake.
I welcome our distinguished witnesses, both of whom can provide valuable perspectives on these issues. I also want to thank Chairman Goodlatte and the Judiciary Committee for loaning us the use of this room while ours is being worked on. Unfortunately, the loan expires at noon, so we will try to get to as many members and questions as we have time before then.

Let me yield to the distinguished acting ranking member, the gentlelady from California, Ms. Davis.

The CHAIRMAN. No objection.

Mrs. DAVIS. Thank you very much, Mr. Chairman. I want to thank you for bringing this important topic forward today. I also want to welcome our witnesses, Dr. Inboden and Dr. Brands, and thank them for appearing today. And request unanimous consent to submit the ranking member's statement for the record.

Mrs. DAVIS. You know, Mr. Chairman, we continue to need a whole-of-government approach to adequately support national defense. Although defense budgets have increased and the National Defense Strategy talks about prioritizing alliances and partnerships, the administration has not committed adequate resources to support diplomacy and development efforts abroad. The budget also failed to support domestic priorities that bolster defense long term.

Defense innovation can spur growth and major acquisition programs can create jobs. But so, too, do essential and much-needed investments in education and infrastructure, research and innovation, energy solutions, health care, the workforce, and many others. Congress needs to sufficiently support the full spectrum of defense and nondefense priorities.

Defense spending should be based on a realistic strategy and supported by rational budgetary choices. We need to take a close look at our investments and to take actions that will yield savings and raise revenues. We must invest wisely when it comes to national security. And we must be realistic in matching strategic objectives with our finite national resources.

Thank you, Mr. Chairman. I look forward to receiving our witnesses' testimony.

The CHAIRMAN. Thank you. Our witnesses today are Dr. William Inboden, Executive Director and William Powers, Jr., Chair at the Clements Center for National Security in the Lyndon B. Johnson School, Associate Professor at the University of Texas at Austin; and Dr. Hal Brands, Henry A. Kissinger Distinguished Professor at School of Advanced International Studies, Johns Hopkins University, and Senior Fellow, Center for Strategic and Budgetary Assessments.

Without objection, both of your full written statement will be made part of the record. Thank you, again, for being here. Dr. Inboden, the floor is yours.
STATEMENT OF DR. WILLIAM INBODEN, EXECUTIVE DIRECTOR AND WILLIAM POWERS, JR., CHAIR, CLEMENTS CENTER FOR NATIONAL SECURITY, AND ASSOCIATE PROFESSOR, LBJ SCHOOL, UNIVERSITY OF TEXAS–AUSTIN

Dr. Inboden. Well, thank you very much, Mr. Chairman and Congresswoman Davis and other distinguished members of the committee. It is an honor to be here with you today.

I want to focus my spoken remarks around three main points, all of which I develop in more detail in my written testimony. These three points are, first, the threats to the international order posed by revisionist great powers Russia and China; second, the role that the United States played in creating this order and continues to play in sustaining it; and, third, the ways in which a strong military enhances our diplomatic and economic policies.

So first, in our present moment, this international order is beginning to erode under growing stress and strain, as revisionist powers such as Russia and China seek to undermine or even overturn the American-led order, while increasing numbers of voices in the United States and in Europe take for granted the benefits of the order, while questioning the cost value and viability of maintaining it.

As Robert Kagan observes in his new book, world order is one of those things people do not think about until it is gone. The good news is this world order is not gone yet, but it is decaying inside and imperiled outside.

However, we should not lump Russia and China together, for the nature of their threats is different. Russia is largely a declining power with a host of internal demographic, political, and economic pathologies, and very few allies or friends.

Vladimir Putin does not have a positive vision for constructing a new international order. He only seeks to play the role of the arsonist with the current order, while reasserting Russia’s seat at the high table of international politics and trying to edge the United States aside. Thus his efforts to undermine European unity, sow chaos and destruction in the Middle East, threaten Russia’s near abroad border-states, and foment division here in the United States.

In contrast, China is an ascendant power that seeks to become the dominant hegemon in Asia, while extending its influence across the Eurasian landmass and into Africa and Latin America. China’s ambition appears at once more subtle but also more grandiose. It seeks to confine the American-led international order just to the Western Hemisphere, while building a new China-led order based on mercantilism, regional tributary states, and rules set and enforced by China, designed to benefit only China.

This seems to be the strategic vision animating things like the Belt and Road Initiative, its belligerent island construction and base building in the disputed territories over the South China Sea, its flouting of international human rights and religious freedom standards, forced technology transfer and theft of intellectual property rights, victimizing many American companies, and then its ongoing information operations inside the United States and other free nations.
So the second point about the role of America’s national defense or military in countering these threats and preserving the best of the current international order. I think we need to appreciate that the current order is not self-sustaining or self-regulating. It is a product of American leadership in creating it and a strong military in helping to maintain it ever since, along with diplomacy, development, and other instruments of national power.

And if that leadership is abandoned, whether through damaging cuts to our defense budget or through policy choices to neglect our allies and pull back from international leadership, then hostile actors such as Russia and China will only have more latitude to fill the void in ways that are harmful to our national interests.

Many of us look back with appropriate nostalgia on America’s vision and leadership during and immediately after World War II, on the signature diplomatic and economic initiatives that established the pillars of the international order. Things like the Bretton Woods agreements, the creation of the United Nations, the Marshall Plan, the creation of NATO [North Atlantic Treaty Organization], the reconstruction of Japan and Germany, and the web of mutual defense treaties that placed the United States at the geopolitical center of the free world with a network of allies really unsurpassed in world history. It was a very unique moment.

Then, recalling this history, we should not forget that without America’s military might, these institutions would not have been possible. And that included our military’s role, of course, in defeating the Axis powers in World War II, but also helping to deter Soviet aggression in the immediate postwar years.

So today, a robust effort to protect, reform, and restore the international order will depend, of course, on American diplomatic prowess and economic dynamism, in addition to committed involvement by our allies, old and new. But doing so will also depend on renewed American military strength, undergirding our diplomacy and economic engagement. Our military power provides the security and enabling environment for diplomatic and economic progress to take place.

And this is where we need to appreciate how the rest the world looks at American power. From our vantage point here, we often think about American power differentiated into military, diplomatic, economic, across our interagency and reflected in different congressional committees.

But when other countries look at American power, they see it more as a unified whole. So when a foreign minister or a finance minister sits across from our Secretary of State or Secretary of the Treasury, they are seeing American power manifested in all of its different dimensions, sitting right behind the Secretary’s proverbial shoulder.

And this gets to my final point about the role that our military power plays in projecting our national power in the current context. Five years ago, when testifying before the other body’s Armed Services Committee, then CENTCOM [U.S. Central Command] commander, now Secretary of Defense, General James Mattis, made a memorable plea for the State Department’s budget. We all know it. If you do not fund the State Department fully, then I need to buy more ammunition, ultimately.
And I think General Mattis was right, but I also think the opposite is true. To strengthen the State Department’s and American diplomatic and economic influence, we need a large defense budget. These are mutually reinforcing.

In the vivid image of the strategist Philip Bobbitt, force and diplomacy function like the two blades of a scissors. They need to go together. If you only have one, you do not have a functioning scissors.

So what does this look like in practice? I will just list a few specific benefits we see from strong military, often without firing a shot. It preserves the open lanes of global commerce and finance for the American economy. It induces fence-sitting countries to lean more our way, rather than towards our adversaries.

It helps to secure and preserve peace treaties. Spurs our allies to spend more on their own defense. It strengthens our economic negotiating posture with allies. It strengthens our negotiating posture with our adversaries.

It makes us more attractive to potential allies and partners. Provides new channels for diplomatic leverage and intelligence collection. Helps promote and strengthen democracy and human rights. And improves humanitarian relief operations and enhances our public diplomacy. And in my written testimony, I have a number of historical examples backing up each of those points.

So finally, the prevailing international order, so successful in promoting America’s prosperity and preventing a great power war over the last 75 years, now faces an unprecedented combination of challenges in an uncertain future.

What is certain, however, is that any hopes of reforming and preserving this order in alignment with America’s interests will depend in part upon maintaining a strong national defense and integrating that with our diplomatic and economic goals.

Thank you very much.

[The prepared statement of Dr. Inboden can be found in the Appendix on page 38.]

The CHAIRMAN. Thank you. Dr. Brands.

STATEMENT OF DR. HAL BRANDS, HENRY A. KISSINGER DISTINGUISHED PROFESSOR, JOHNS HOPKINS SCHOOL OF ADVANCED INTERNATIONAL STUDIES, SENIOR FELLOW, CENTER FOR STRATEGY AND BUDGETARY ASSESSMENTS

Dr. Brands. Chairman Thornberry, Congresswoman Davis, distinguished members of the committee, thank you for having me here. With the proviso that my opening remarks reflect only my personal views, let me just briefly offer a handful of analytical points about our subject and then three recommendations for Congress.

The first point is that the international order, as we know it, depends on American leadership. The absence of great power war since 1945, to dramatic growth of American and global prosperity, the fact that the number of democracies in the world has grown tenfold since World War II, none of these things happened naturally.

They happened, in large part, because the United States used every tool in its toolbox to bring them about. The United States an-
chored military alliances and deterred aggression in key regions. It led an open global trading order. It encouraged the survival and spread of democracy. It catalyzed collective action in addressing key global challenges. Had the United States not played this role, there would be no liberal international order.

Second, American leadership, in turn, depends on American military superiority. Since World War II, the United States has had a military second to none. After the Cold War, the United States had unrivaled military superiority. And this is simply because the world is a nasty place, and so a country that cannot defend its interests by force, if necessary, will eventually see those interests imperiled.

It is not simply alliance guarantees alone that they keep the peace in Europe or East Asia, for instance. The United States has to have the usable military power to make those guarantees credible. And at numerous points during the post-war era, in the Korean War, in the Persian Gulf War, and in other instances, the United States did have to use force to defeat aggression that might have severely destabilized international politics.

A third point is that U.S. military superiority benefits other aspects of statecraft. One reason U.S. economic statecraft has succeeded in forging a prosperous global economy is that U.S. military power has provided the geopolitical stability and the freedom of the global commons on which that economy depends. In the same vein, the United States gets better trade deals because of its military power.

To give one example, when America and the European Union were both negotiating free trade agreements with South Korea, the United States got better terms because South Korea valued American military protection. And looking beyond economic statecraft, U.S. military power assists critical diplomatic goals such as nuclear non-proliferation because it provides the reassurance that allows allies such as Japan, Germany, and South Korea, to forgo nuclear weapons.

A fourth point is that America needs a vast military superiority, not a marginal superiority, to preserve its interests. This is, in part, because the best way to deter wars is to convince rivals that they cannot win them. It is also because the United States has global responsibilities. Russia may be able to concentrate its forces in Eastern Europe; China can concentrate its forces opposite Taiwan. The United States does not have that luxury because it faces multiple challengers in multiple regions simultaneously. And so it is not enough for the United States to have the world’s strongest military. It must have the world’s strongest military by far.

A fifth point is that, today, U.S. military superiority is being eroded by developments at home and abroad. The most serious challenge comes from the major power rivals that Dr. Inboden mentioned, China and Russia. These countries have conducted sustained military build-ups that are meant to offset U.S. advantages, to deny us access to Eastern Europe and the Western Pacific, and to allow these revisionist states to project power globally.

And as a result of this, regional military balances have shifted dramatically. Chinese or Russian leaders might think that they
could win a short war against America in the Baltic or the Taiwan Strait. And, of course, the United States faces intensifying military threats from Iran and North Korea, as well as continuing dangers from terrorist groups.

At the same time, the United States has disinvested in defense over the past decade. Real dollar defense spending declined significantly after 2010, notwithstanding the plus-up from BBA 2018 [Bipartisan Budget Act of 2018]. And the combination of that decline and continuing budgetary instability has had severe impacts on readiness, modernization, and force structure alike. All told, the United States has less military capability today, relative to the threats it faces, than at any time in decades.

Sixth, as U.S. military advantages erode, the international order will also erode. If Russia and the Chinese leaders think they can win a conflict with America and its allies, they will be tempted to behave more aggressively. If we can no longer project decisive power in the Middle East, Iran and terrorist groups will have freer reign in that region. And as U.S. military superiority is diminished, American competitors will feel empowered to challenge us across the full range of economic, diplomatic, and security issues.

With this in mind, here are three recommendations for Congress.

First, scrutinize closely the National Defense Strategy and the National Military Strategy, both of which were finalized this year. These documents outline how DOD [Department of Defense] will protect U.S. interests amid intensifying competition. And I would urge Congress to closely examine whether DOD has a realistic and unified approach to doing so.

Second, prioritize long-term budgetary growth and stability. The budget increases due to BBA 2018 are welcome. But if defense spending flattens out after fiscal year 2019, DOD will not be able to do badly needed nuclear and conventional modernization simultaneously. It will not be able to repair accumulated readiness problems. It will not be able to sustain America’s ability to project power. So sustained growth in defense spending is critical, as is ensuring that funds are provided in a stable and reliable fashion.

Third and finally, remember that military power is not enough. Threats like Russian information warfare and Chinese economic coercion are largely non-military in nature. Gray zone conflict reaches across multiple dimensions of statecraft and is meant to shift the status quo without provoking a U.S. military response.

And so even as the United States rebuilds its military advantages, it must also strengthen and better integrate the non-military tools of national power. And here, Congress can use its oversight authority to encourage whole-of-government approaches and ensure that there is balance among the tools of American statecraft.

Thank you.

[The prepared statement of Dr. Brands can be found in the Appendix on page 51.]

The CHAIRMAN. Thank you. And thank you both.

Henry Kissinger says this is a time where we have more information available to us than any people in history, and yet it is harder to have perspective than it has ever been. And I think both of you-all have helped provide some perspective.
Dr. Brands, one of your statements really stood out to me. The United States has less military capability relative to the threats it faces than at any time in decades. Let me first ask, Dr. Inboden, do you agree that compared to what we face, what—our advantage is less than any time in decades?

Dr. INBODEN. Yes, I would agree with Dr. Brands on that. I mean, perhaps a partial modification would be, the 1970s were not very good for our posture vis-a-vis the Soviets as well. But yes.

The CHAIRMAN. And so, Dr. Brands, another point you said, we need a vast superiority. Not just a little bit, but a vast. But it sounds to me like that statement that we have less capability relative to the threats, is also saying we do not have the, sort of, vast, significant I would say, superiority that we need. Is that right?

Dr. BRANDS. Yes, I think that is right. I think we are headed toward a position of what might be called strategic insolvency, where we simply do not have the means that we require to achieve all of our ends. And I would just point specifically to studies, unclassified studies, which have shown that the United States would have enormous difficulty upholding its alliance guarantees, in the Baltic for instance or in defending Taiwan from a determined Chinese attack.

The CHAIRMAN. Well, I just want to ask then, again, kind of, the so what question. So one of the statements in your testimony is, as U.S. military advantages erode, the international order will erode.

I would like for both of you to explain to the average American why he or she should care. Why does that matter, if the international order that we have built in the last 70 years erodes? Why do not we just let other people go tend to their own problems? Why does it matter to our lives as we are trying to take care of our families and so forth? Dr. Inboden.

Dr. INBODEN. Well, Mr. Chairman, when I travel around our respective home State of Texas giving talks to, you know, average Texans about American foreign policy, this question does come up a lot. And the way I try to put it is the world is a pretty rough neighborhood. And if the United States is not the strongest guy on the block and steps back from that, somebody else will step in.

We may think, as Americans, it would be nice if we could just, sort of, step back and let the other countries take care of their own business. But, unfortunately, a number of those other countries, such as China and Russia, have much worse intentions, much more malevolent intentions for the neighborhood. So we cannot expect the neighborhood is going to be peaceful if we let some other strong men come in.

The CHAIRMAN. So if I am living in Amarillo, Texas, why do I care if China is the dominant power in East Asia?

Dr. INBODEN. Well, if you are living in Amarillo, Texas, you are going to have a couple concerns. One is just the fact that if we don’t deter their aggression over there, it could well come to our home shores.

And, again, this is where a troubling, but vivid, historical analogy is the 1930s. When the United States thought that we could just, you know, protect ourselves behind the security of two oceans, and let those problems in Asia and let those problems in Europe
take care of themselves. We saw with Pearl Harbor that those problems would come over here.

In a different way, the 9/11 attacks also showed us that problems in one corner of the world can come and hurt us elsewhere.

Of course, more particularly for Amarillo, I know a lot of the farmers and ranchers in the Panhandle depend on open sea lanes and open maritime order for exports. And, again, we have taken those for granted, underwritten by American security the last 60, 70 years.

But if we cede that to China, and if China decides that the—you know, the PLA [People’s Liberation Army] Navy wants to dominate the open sea order rather than the United States, that gives China a choke hold on those markets, and could really hurt the pocketbook of farmers and ranchers in your district.

The CHAIRMAN. Dr. Brands, why should the average American care?

Dr. BRANDS. Just to build on something that Dr. Inboden said. We have become used to living in a world that is relatively peaceful, in which Americans can trade freely and enjoy the benefits of global commerce. That is not the normal state of affairs in the world. That was not the normal state of affairs in the world prior to 1945. It has become the state of affairs in the world because of the extraordinary exertions that the United States and its friends and allies have made over the past 70 years or so.

But if we were unable or unwilling to make those exertions, I think we would see the world revert to a more normal state, a more competitive state. A state in which more aggressive countries, like Russia or China, would try to impose their own rules on the world or on parts thereof.

And to give a very concrete example of how this would matter to Americans, imagine a world in which China has established, fully established, a choke hold on the South China Sea and all of the maritime commerce that goes through there which is a large portion of the world’s maritime commerce. A significant portion of American trade flows through the South China Sea.

Are we really confident that the Chinese, which have acted in a fairly protectionist and mercantilist fashion for decades, would uphold freedom of the seas and a freedom of the commons in the same way that we have? Are we really confident that they would not try to use their military control of the area for economic benefit in a way that would disadvantage American exporters? I would not be confident about that.

The CHAIRMAN. I would not either, Ms. Davis.

Mrs. DAVIS. Thank you, Mr. Chairman. Again, thank you both for being here. I wonder if we could talk a little bit about some of the more unconventional strategies that China and particularly Russia engage in?

We know that the psychocultural strategies have really been integrated into their overall wartime strategy. And that is something, in fact, I think probably we would all agree that the United States has more difficulties with, particularly as a democracy.

And I wonder whether you could comment, then, on what capabilities or resiliency the United States needs, the military actually needs, to counter those kinds of unconventional strategies?
Dr. Inboden. Thank you very much, Congresswoman. It is an excellent question and something that Dr. Brands and I have been giving a lot of thought to and a number of other strategic thinkers as well. This is where I would first go back to some of the points you made in your opening statement, about the other elements of national power having a key role to play here: diplomacy, economic power, trade, intelligence as well.

So before coming back to the Pentagon in particular, I do think that because we are in this new era of information warfare, we may need to think about reconstituting that part of our government. Maybe bring back an updated 21st century version of the United States Information Agency, which did so much during the Cold War to counter Soviet misinformation and to put a more positive message of the United States out there as well.

Some of those capabilities I do think need to be under the Pentagon as well; but if we do a whole new agency like that, that might need to be separate. Likewise, I do think the Pentagon needs to certainly upgrade its cyber capabilities as we are seeing, you know, the Chinese pursuing this, to use Kissinger’s phrase, salami-slicing strategy of incremental gains not necessarily overt uses of force.

And then, the asymmetric advantages against us. You know, they are not trying to build, you know, 14 or 15 aircraft carriers to directly counter ours. But rather whether it is their cyber capabilities to disrupt our command and control, their anti-ship missiles, things like that.

But returning to how American power is used. I do think it really needs to be an integrated effort, where the Pentagon is going to play an absolutely essential, but not fully sufficient, role. And we need to get the State Department and the other agencies in the fight as well, if you will.

Mrs. Davis. Yes, Dr. Brands.

Dr. Brands. I would largely agree with that. I would just open with the broad comment that while we have a defense strategy, while we have a military strategy, I am not sure that we have national strategies for competition short of war. And, in part, that is because the sort of competition short of war that we are seeing today occurs across jurisdictional boundaries within the U.S. government, to say nothing of occurring across jurisdictional boundaries internationally.

And so it may be that we, in addition to needing particular tools, need additional ways of integrating the efforts of various pieces of the U.S. government to make sure that we are all moving in the same direction in addressing these challenges.

I would agree on the centrality of the cyber realm in this respect. The only thing I would add here is that while I am not an expert on cyber, my understanding is that the challenges we face in the cyber realm are as much an issue of authorities and rules as they are of capabilities. In the sense that my understanding is that our cyber capabilities are quite good, but that we are only beginning to grapple with the question of how those capabilities might be used, in either a peacetime or wartime context, to protect our interests. And I think the DOD’s cyber strategy that was released just recently is a useful step in the right direction.
Mrs. DAVIS. Doctor.
Dr. INBODEN. Can I add? Yes.
Mrs. DAVIS. Yes.
Dr. INBODEN. One additional thought on this is this is where I think America’s security assistance programs run by the Pentagon in tandem with the State Department can play a really essential role, because our country has an asymmetric advantage with our values, with our democratic values. And those are quite attractive to a lot of other citizens, especially those living in autocratic oppressive countries such as China and Russia.
And particularly the role our security assistance has played in promoting civilian control of the military, rule of law, noncombatant immunity as a standard for using force. That is one reason why our growing web of allies and partners in the Asia-Pacific have been so repelled by China and have been drawn towards us. It is not just our strength, it is also our values.
Mrs. DAVIS. Yes.
Dr. INBODEN. And, again, a lot of that is done by the State Department. But the Pentagon has a really key role to play in upholding those as well.
Mrs. DAVIS. Thank you very much. Mr. Chairman, I might just add, I was going to follow up with their vulnerabilities and whether we are actually leveraging them as much as we could or should in the realm of free expression and other areas, again, that reflect our values.
Thank you very much. Thank you, Mr. Chairman.
The CHAIRMAN. Thank you. Mr. Mitchell.
Mr. MITCHELL. Okay, I will just yell. Thank you. Sorry, gentlemen. Dr. Brands, in your three recommendations, you refer to the Defense Department and their efforts to protect U.S. interests with intensifying conflict, that we need to review those plans and ensure they are realistic. My guess is you have already done that to some extent. Do you have specific areas of concern or questions whether or not, in fact, they are realistic? Any feedback for the committee?
Dr. BRANDS. I would just flag two areas in particular with respect to the National Defense Strategy. And, in general, I think the National Defense Strategy is a very good document. I think it properly orients the Department of Defense toward major power competition. I think it properly flags the importance of U.S. alliances and partnerships. And I think it properly emphasizes issues of readiness and lethality.
I have a couple of concerns about the how of that document. One is I think there is a question about whether the strategy that is laid out in that document is, in fact, ambitious enough. In some ways, it is a step back from the two-war strategy that the United States has had in one form or another, essentially since the end of the Cold War. And it, essentially, says that if we have to fight in one region, we will be capable of deterring but not necessarily prevailing in another region.
And so I think it is important to know precisely what is meant by that. And precisely what level of risk we would be taking in the Middle East, for instance, if we found ourselves in a conflict in East Asia.
Mr. MITCHELL. Let me ask you a question about that. Does a part of the problem come with defining what a war is, at this point in time? You referenced a short-term conflict in the South China Sea versus the extended engagement we have had in the Middle East. I mean, those are dramatically different scenarios, correct?

Dr. BRANDS. Absolutely. And I think the other challenge we face is that when we talked about two major regional contingencies during the 1990s, we were talking about most likely a war against North Korea nearly simultaneous with a war against Iraq.

Some of the conflicts we are talking about today would be of an entirely different magnitude. If the United States had to fight a conflict against Russia or against China, these would be conflicts with countries that are major powers in their own right. They have their own precision-strike complexes. They both possess nuclear weapons and a range of advanced capabilities.

And so these conflicts would consume a much larger portion of our force than the conflicts to which we became accustomed during the 1990s or the 2000s.

Mr. MITCHELL. One more quick question on that front, and then I want to change to another topic. But do you not believe that if we end up facing a conflict with either China or Russia, more often than not we end up doing that via surrogates and not necessarily with the nation-state itself?

Dr. BRANDS. I think both of those are, unfortunately, realistic possibilities. And so it is entirely possible, for instance, that the United States could find itself wrapped up in a conflict with Russian proxies in the Middle East, for instance.

Mr. MITCHELL. Sure.

Dr. BRANDS. But I think that we cannot ignore the danger that the United States might come into, whether by deliberate Russian action or miscalculation, a more traditional state-on-state conflict involving our easternmost NATO allies. And that we might come into significant state-on-state conflict with China involving Taiwan or the East China Sea or the South China Sea.

Mr. MITCHELL. Let me change topics in the minute and a half I have left. You both talked, in one sense or another, about military and statecraft or statecraft as being parts of a scissors. I understand, in terms of engagement in countries, military aid, foreign aid—I have constituents that ask why it is that we are providing significant foreign aid to some countries that allege to be friendly but become a source of more than moderate conflict.

How do we draw the—or concern, let us put it that way. We can name a few today if you would like. How do we draw some distinction and deal with those countries that really are not on board, but we end up, in one manner or another, putting a whole lot of money out the door for them?

Dr. INBODEN. I will take a quick stab at that, Congressman Mitchell. And, again, this is without defending every last dimension of the American assistance programs. So you know——

But, in general, as I often even tell my students, policy making is not the art of choosing a good policy from a bad one. It is about choosing a bad policy from a worse one. And oftentimes those aid programs, as frustrating as they can be, as misplaced as it may be, are still giving us some leverage in preventing a bad situation from
becoming worse. And we often do it because it is in our interest rather than necessarily a benevolent act for the others.

Dr. BRANDS. I would just provide one example of that which is that the United States has engaged significantly with the Colombian military over the past two decades, even as that military and the Colombian government has had some struggles with its approach to human rights. But I think that anyone who has looked at this closely would argue that the leverage we get through that engagement allows us to improve Colombian performance on human rights issues. Whereas, we would not have that ability, if we didn’t have these assistance programs.

Mr. MITCHELL. Thank you, gentlemen. I have a lot of other questions, but I will yield back. Thanks, Mr. Chair.

The CHAIRMAN. Mr. O’Halleran. Sorry, technical difficulties.

Mr. O’HALLERAN. Thank you, Mr. Chairman.

For either one of you. If we are to embrace the whole-of-government approach to ensuring a strong military, how do current and proposed cuts to agencies like the State Department and the Department of Education and others affect the ability to maintain a strong military?

Dr. INBODEN. Congressman O’Halleran, I will take a shot at that one first. I think particularly on the State Department and USAID [U.S. Agency for International Development], I think those cuts are damaging. I reference back to my favorable citation of then General now Secretary Mattis’ quote about, you know, if we make those cuts, he is going to have to buy more ammunition at the Pentagon.

So I am not here to tell an exact number of what they all should be. But I do think that, overall, the United States underinvests in our international power and influence and force projection across those agencies.

Dr. BRANDS. I think there is simply no way of robbing Peter to pay Paul, in this respect. You have to think of force and diplomacy as being interdependent. And if you are skimping on either one, you are going to suffer the consequences of it.

I would just offer a couple of examples. If we are talking about the State Department in particular, the State Department possesses immense country and regional expertise that can be useful in charting American foreign policy and considering what the best military strategy might be in a given context. The State Department possesses the intellectual capital that is necessary to translate American military leverage into diplomatic results at the negotiating table. And so these things really do go together in a cohesive whole.

Mr. O’HALLERAN. It appears China is expressing a desire to extend its power everywhere. But in particular, I am concerned about Africa. And as we pull out of certain locations, they move in quickly and now into South America. What long-term implications is that going to mean to both our economy, because of those natural resources and markets that are in Africa, and to our ability to keep the sea lanes open?

Dr. INBODEN. I think a growing concern, which I am sure, you know, many of the members of the committee are aware of is China’s growing military presence in Djibouti. Very—you know, right there on the Red Sea close to the Suez Canal choke point.
So I think we were perhaps—when they first showed up there about a decade ago, we were perhaps a little lackadaisical about it. And now that gives them some real leverage, both going into the African interior, but especially in one of the two most important, you know, sea lane choke points on the globe.

But likewise, there is also the method of China’s economic engagement with Africa and South America. It does seem to be mercantilist. It does seem to be undermining rule of law. It does seem to be promoting corruption. And I think reversing some of the hard-won gains in those continents for economic growth and good governance.

But at the same time, sometimes the Chinese are doing it in ways that are producing antibodies and local resentments. It is an opportunity for American engagements. But in other ways, some of those countries feel kind of abandoned by the United States and are rushing into Beijing’s embrace. So it is a real concern.

Dr. BRANDS. Just focusing on the Western Hemisphere, while most Chinese engagement at this point is diplomatic and economic, we have seen growing Chinese military engagement as well and ties with the region’s military; the construction of facilities that could have military applications in Argentina.

And so, over the long term, I worry that China might try, essentially, to do what the Soviet Union did during the Cold War, in the gaining leverage on the United States by establishing a military presence within the Western Hemisphere.

Just building on something that Dr. Inboden said, while we are certainly dealing with the consequences of increased Chinese engagement in sub-Saharan Africa and in Latin America, the best antidote to that is our own engagement, rather than necessarily trying to frustrate China’s.

Mr. O’HALLERAN. Thank you, Mr. Chairman. I yield.

The CHAIRMAN. Dr. Gallagher.

Mr. GALLAGHER. Thank you, Mr. Chairman.

I would actually like to do a—a sort of a different spin on the question the chairman asked at the beginning to Dr. Inboden, which is to say what would—when it—as it pertains to the role of allies, specifically, which we have had a robust debate in the last election cycle about, what would be your elevator pitch, not only to Texans but also to Northeast Wisconsinites, about the value that allies play in this U.S.-led global order?

Dr. INBODEN. So the role of allies. This is where I would make a couple of historical and a couple of practical points. The first one I alluded to earlier is the United States is almost unique in world history, when you look at previous global great powers, global empires, in having the allies that we do.

And when Americans, skeptical of allies, first hear that, they think, okay, these are more burdens we have taken on. But allies are also—these are countries that have sworn themselves and their young men and women to die on behalf of Americans, to stand alongside us and fight there. So that is something unique. Other countries do not necessarily have this.

Then, I would point to one reason we know our allies are such a source of strength is they drive Russia and China crazy. That is
why Russia and China are spending so much time trying to peel our allies off from us.

The third point I would make, especially when the burden-sharing question comes up and whether our allies are doing enough for their defense, is that is a concern I share. I am glad to see a number of our allies finally increasing their defense commitments. But, oftentimes, and this is less appreciated, the best way for us to get our allies to step up their defense spending is to maintain and increase our defense spending.

A great example is Japan in the 1980s and the Reagan administration. We were having acute frustrations with Japan as essentially a free rider on the American security umbrella. They were tremendously underfunding their defense forces.

Then, once Reagan comes into office, dramatically increases the American defense budget. That gave him leverage to go to Prime Minister Nakasone. And Nakasone, in turn, took great political risk and dramatically increased Japan's defense budget and their maritime defense perimeter as well. So I think that is a case study. When we do more, our allies will step up and do more as well.

Mr. GALLAGHER. So, in that dangerous neighborhood you referenced earlier, it helps to have friends that have your back.

Dr. INBODEN. Exactly. We can never have enough friends.

Mr. GALLAGHER. All right, Dr. Brands, we have invoked Henry Kissinger at various points in this hearing. But it almost sounds like we are making a critique of a Kissingerian form of realism, right? It seems like both of your testimonies support more of a unipolar world. I mean, to the extent that is true. Push back on that if that is not true at all.

And if it is, however, if it is not stable to arrive at a balance of power between Russia and China or Russia—I mean, America and China or America, China, and Russia, some sort of bipolar, multipolar world, what is it that the structural realists are missing about the current state of play in the world?

Dr. BRANDS. So I would broadly agree with the statement that a unipolar world brings stability that a multipolar world would not. Because what it essentially allows the United States to do is to sit on the sources of conflict in the international system.

And so we can maintain those alliances in regions like Europe and East Asia that suppress historical antagonisms between, say, Japan and its neighbors. We can prevent countries from destabilizing the system by pursuing means of aggression. We can check phenomena like nuclear proliferation that could make the world much, much more dangerous.

And so the fact that we are willing to pay a little bit more, in terms of maintaining the system, means that we actually get a very good deal in the long run because the world, as a whole, is much more congenial to our interests and to our values.

Mr. GALLAGHER. Yes. Now, I am running out of time. But is there—given that we do not have infinite resources, the world is very dangerous. Is there anywhere you think we can play a little bit of money ball, where we may be able to reduce our investment and actually get more in the process?

Dr. BRANDS. I think, just as a matter of reality, we are probably headed toward the period in which we will be taking more of a
light-footprint approach in the greater Middle East. But I think it would be a mistake to think that we can somehow disinvest from that region entirely. We still have forces operating in Afghanistan, in Iraq, in Syria. We still face significant threats from terrorist groups.

And we have seen that when we pull back, those threats get bigger. We still face the threat from Iran. And so we may have to shift our prioritization of various regions. But we will not be able to disengage fully in a military or other sense from the Middle East.

Mr. GALLAGHER. Dr. Inboden, quickly.

Dr. INBODEN. I would agree with Dr. Brands. I mean, too often the debates are put—it is an all-or-nothing. We are either entirely in the Middle East and overleveraged there or we are entirely out. Likewise with Asia or Europe.

So I do think a recalibration is in order, perhaps a half-step back from the Middle East and South Asia compared to where we were 10 years ago. But as we saw with our complete pull-out of Iraq in 2011 and then the commensurate rise of the Islamic State, we way overdid it there.

And so sometimes even a—you know, a residual leave-behind force in a key region can play exponentially better benefits for us as a preventive.

Mr. GALLAGHER. I thank you both. Mr. Chairman, I know when you refer to me as Dr. Gallagher, you are making fun of my failed academic career. But I will take it, nonetheless.

The CHAIRMAN. It is only appropriate if Dr. Gallagher was going to question Dr. Brands and Dr. Inboden, that you all be, you know, on a similar page there.

Ranking Member. Mr. Wilson.

Mr. WILSON. Thank you, Mr. Chairman. And thank both doctors.

And we appreciate Dr. Gallagher being here, too.

And as—the last 70 years, America has maintained its values and freedom by upholding the security umbrella for the rest of the world. During that time, we have witnessed Western Europe’s survival. We have seen Asia’s economic boom. We have seen the collapse of the Soviet Union.

And the result is that we have—with deliberation of and the establishment of democratic governments in Central and Eastern Europe, also in Central Asia, we now see the largest number of nations in the history of the world which have free and democratic governments and institutions. To me, it is very exciting.

And it also relates, as you cited, global commerce, opportunity that we have never really had before. Whether through soft or hard power, diplomatic peace, when executed through American military strength, has continued to provide an effective countermeasure against adversaries. The strength is also reinforced by the defense industrial base, which continues to innovate, support the global economy, and provide confidence for our warfighters in cutting-edge technology.

With that in mind, as Congress continues to invest effectively, and we will be voting later today, with the leadership of Chairman Mac Thornberry, for the first time in 22 years to actually fund the military within the fiscal year. What an extraordinary achievement.
With the investment industrial base, how can we maintain our competitive edge when intellectual property theft is so fragile within the military industry? And either one of you can answer.

Dr. BRANDS. So I think that one of the benefits of increased investment in defense is that it will help sustain the industrial base that you talked about. And so one of the negative effects of the past—of the period since 2010 is that we have lost, I think, around 10,000 prime defense vendors simply because there is not sufficient regularity or size of funding to sustain them.

And so it is worth remembering that if we—if we are looking at a point where we might have to significantly mobilize the Nation for a conflict, we need to have that industrial base to draw on. And I think that that also involves taking stronger protections for intellectual property and pushing back against industrial espionage and other practices that our adversaries have taken to undermine our industrial base.

Dr. INBODEN. And I would add to that, thinking about both China and Europe. The first is, while I am generally a pretty committed free-trader, I am supportive of some of the current administration’s efforts to really go after China on its IPR [intellectual property rights] theft and forced technology transfer, and a number of other things.

However, going back to my comments about allies. I worry that we are taking this fight on with one hand tied behind our back, because we have our withdrawal from TPP [Trans-Pacific Partnership], some of the other tensions with a number of our allies. I think we would have a more effective way of addressing China’s malevolence in this area if we were doing it with a united, broad, multilateral front.

Then the second point would be when we were having this issue with the Soviet pipeline and a number of our European allies in the Cold War sharing sensitive technology with the Soviets. Again, sometimes you have to address that asymmetrically. And the way we were bringing our European allies on board was when we deployed the intermediate-range nuclear forces in Europe, enhanced their sense of security. And that gave them a little bit more of a comfort level to then stop sharing so much technology with the Soviets.

Mr. WILSON. Thank you very much. And I—additionally, the challenge of regularity, hopefully Chairman Thornberry is going to get that corrected. But another challenge we have is the lengthy and oftentimes difficult acquisition process that stunts the growth of our ability to provide the best equipment to our military personnel. What solution do you have?

Dr. BRANDS. With the proviso that I am not an expert on the acquisitions process, I think what we have discovered is that the current DOD acquisitions process, which places a premium on developing exquisite systems over a period of 15 to 20 years, is probably not well suited to the era of rapid innovation and intense competition into which we are entering.

And so I think it is likely that we will need to open the aperture, perhaps modestly, to allow scope for acquisitions processes that can move faster and perhaps take a little bit more risk as the price of the higher level of innovation.
Dr. Inboden. I would agree with Dr. Brands.

Mr. Wilson. And thank you. And, again, with the ever-changing technology, any recommendations you have on how this can be handled would be very appreciated.

Thank you very much for being here today.

The Chairman. Mr. Byrne.

Mr. Byrne. Thank you. I think a lot about the labor workforce that we have to depend upon to make the stuff that we use to protect the country. I used to run the 2-year college system in Alabama and was the chair of the Workforce Planning Council. And one of the things we had to do was to get our workforce ready to build a brand-new class of Navy ship. So we had to create that expertise from scratch.

So one of the things that has concerned me is that we get a labor force up and trained to create a certain weapon system. And then, we say, okay, now we are going to shift to another one. We have got a hiatus here of a couple of years. And then, that workforce is let go. And then we have got to go hunt up a new workforce. Get them trained. Take the time to get them to the level of expertise that they can do the work.

Any thoughts about what we can do about that?

Dr. Inboden. Well, again, that is getting a little far outside my realm of expertise. But I will just say that, one, this is a problem not just for our military industrial base but also for the country writ large, obviously. With automation. With some of the—you know, some of this rapid innovation.

And so this gets back to the—you know, the—to use the cliché, the need for a whole-of-government approach and making sure education system is preparing people for—you know, 40 years ago, it was for one or two jobs over the next 40 years. Now, it may be for 40 different jobs over the next 40 years.

But the thing I would say is, stepping back, when we look at different windows when we have rather precipitously cut our defense spending, whether it was 1945 to 1950, right after World War II, or the Cold War peace dividend right afterwards, we overcompensated with that and some of the short-term gains we got, whether in, you know, diminished government spending or transfer to the private sector, were soon overtaken by much more costly security challenges, as well as having to go back and reinvest and getting a lot of those assembly lines up and running again.

So I think being a little more gradual in our changes would be a key.

Mr. Byrne. But also, I was talking to a company this morning that does things in the aviation industries. And so much of the stuff that they are doing started out as defense, but now it is being used over in the civilian side. So the impact of defense spending and defense technology on the rest of our lives is pretty significant. Still, we have to have people with that expertise, you know, at different levels.

And, by the way, I am a big skeptic about how far automation is going to go to replace a lot of these workers. I think people are being a lot more optimistic about what automation can accomplish than is actually case.
But I worry about that workforce. You are right, it is across the board. It is not just in DOD. But I worry that when we make decisions in defense, we do not think about what the consequences are to the workforce and then to the overall economy. And we have this, sort of, up and down cycle.

Dr. BRANDS, I would just say, I think part of it goes back to the regularity of funding. So the more turbulence we have in levels of funding that is provided, the worse it makes the turbulence for the workforce as well.

The only other thing I would add is that I think what the challenges we face today, particularly the challenge from China has highlighted, is that there are shortfalls, not just in the way that DOD approaches national security challenges, but the way the country as a whole approaches national security challenges.

And I think the Chinese challenge, in particular, is highlighting the gaps we face in STEM (science, technology, engineering, and math) education. I think it is also highlighting the challenges we face in getting close productive cooperation with some of the highest innovation parts of the American economy. I am thinking of Silicon Valley in particular.

And I do not have easy solutions to either of those two things. But those are two areas that I think both the Department and people who care about national security more broadly will need to be focused on intensely in the years to come.

Mr. BYRNE. Well I do not have any doubt if we make it a focus, just like we did at Sputnik moment in the 1950s and when we put a man on the moon, when we focus on something, American ingenuity, American know-how, and just the quality of the American worker will do it. But it is like we do not have our policy act together to know what it is we are trying to do. Strategically, what are we trying to accomplish?

And maybe—I hate to say this. Maybe China is forcing us to focus on something we should have focused on all along.

Dr. INBODEN. One other thing I would add on that is the private sector has to step up here as well. And I am concerned about some of the trends we see in Silicon Valley, you know, which is still the main hub of American innovation, where, you know, the revolt of the Google employees over any sort of cooperation with DOD.

And yet, relative silence over what seems to be a growing Google entree into China and cooperating on a censored search engine. And so, you know, the Pentagon, you know, and the last couple of Secretaries, has done quite a bit of outreach to Silicon Valley. But that needs to be reciprocated by the private sector as well to understand that, yes, they may be Google employees, but they are American citizens as well and there is a duty there.

Mr. BYRNE. Thank you for both of your insight. I yield back.

The CHAIRMAN. Mr. Smith.

Mr. SMITH. Thank you, Mr. Chairman. I apologize for coming in late. I had meetings downtown this morning.

So when you look at the budget, and we have no end of challenges and needs to be met, where do you think we can save money? Where are we spending money in the budget right now that we should not be, in order to meet those needs as you have defined them? And I understand there can be a hundred different
definitions of what our priorities are and what it is we need to be in—to encounter.

As you have defined them, you know, and you look at the Pentagon right now—and I get the acquisition procurement reform piece, I am talking more about specific, concrete programs. Is there a place where we are spending money that does not really match up with what the threat environment is going to be going forward?

Dr. BRANDS. So I think we sometimes have a tendency to invest in legacy systems that are, perhaps, less relevant to the conflicts of the future than we might like them to be. And so without getting into a great deal of specific, it is—it may be that——

Mr. SMITH. If I may, if you do not get into a great deal of specific, it does not do us any good.

Dr. BRANDS. Well, that is fair enough. But my concern is simply that not being an expert on particular military systems, I would hesitate to speak too specifically about it.

But I will give you one example. So it may be that having a large number of fourth-generation fighter aircraft that cannot actually operate in the more contested environments in East Asia or Eastern Europe or perhaps even the Middle East in a place like Syria, is not going to do us a great deal of good.

It could be that there are circumstances in which we might not be able to use our carrier fleet, for instance, in a conflict with China. And so it may be that we need to be putting more money into the technology of the future, whether it is fifth-generation fighters or unmanned underwater and unmanned aerial vehicles that can bust A2/AD [anti-access, area denial] bubbles than into the legacy systems.

But what I would just say there is that even hoping to achieve great capability through innovation requires money. And so what we found at the end of the Obama administration was that DOD was doing some very interesting things with new technologies under the aegis of what was then called the Third Offset Strategy, but did not have sufficient funds to actually develop and field those capabilities.

All right.

Dr. INBODEN. So I will first make a comment about something that is outside of the committee’s jurisdiction but I do think is pretty strong. Before talking about cuts to the DOD budget, I do think we need to talk about the overall United States Government budget.

And, again, by historical comparison, in the 1950s when—under the Eisenhower administration, the Pentagon was about 50 percent of the Federal budget because we did not have the, you know, massive domestic entitlements we have now.

Mr. SMITH. Right. True. Stop here one quick second. And I was going there next.

Dr. INBODEN. Okay. Okay.

Mr. SMITH. But here, I am not talking about that debt, deficit, whatever. I am simply saying the Pentagon was going to spend $720 billion. I am not saying the debt—let us imagine, for the moment, that we had a balanced budget. Even a surplus, as long as we are fantasizing. It is still quite possible that, even in that envi-
environment, there is money being spent at the Pentagon that should not be being spent. In fact, I would say it is likely.

So that is what I am asking, is, you know, get into the broader debt and deficit question of the moment. I am simply saying that you both, and I am sorry I missed it, but had your outline, if here is our National Security Strategy, here are the threats we face, here is what we ought to be prepared to do.

What are we spending money on right now that has more to do with either legacy or loyalty to a program, but that we do not really need to be spending money on, based on our national security strategy? So just staying in that lane for the moment.

Dr. Inboden. Okay, I will give you three. And, again, the philosophy behind these is I think the emphasis needs to be on the warfighter, on readiness, on future weapon systems. So TRICARE, retirements and pensions, and then the DOD civilian workforce. I think there is areas for reform and significant savings in all those, even though they may be politically very difficult. But I think those could free up more resources, again, for the warfighter, for readiness, for new weapon systems.

Mr. Smith. Yes. And as far as the debt and deficit are concerned—and I know we have heard the statistic before, and this is very true, that, you know, in the 1950s, we spent a higher percentage of GDP [gross domestic product]. But that, primarily, was because we did not have Medicare and Medicaid. I mean, those are the two, you know, huge programs which meant that, well, old people died a heck of a lot sooner than they otherwise would have. So there is a certain value to Medicare that I think we would all acknowledge.

When you look at the debt and the deficit, and, here, I will allow you to bring other things in, you know, $22 trillion, I think it is going to be a trillion dollars this year, how big a threat do you think that is, to your view, of what the defense budget ought to be? Putting aside, for the moment, disagreements or whatever. But when you look out and say, okay, this is what we need for defense, you know, how problematic is it going to be to get there with our debt and deficit where they are at right now?

Dr. Brands. So I would say that we do not quite know when the crunch will come with respect to the deficit and debt. But I'm quite sure that it will come. And at some point, if it is not addressed, it will crowd out discretionary spending, in general, if larger and larger shares of the Federal budget are going to debt-service payments, entitlement programs, and other, essentially, mandatory spending.

And so if we do not get a handle on the problem, at some point we are going to find that we will be constrained in paying for national security. I would not necessarily suggest addressing budget deficit challenges by adjusting the DOD budget. But I think, as a general proposition, the idea that it will be crowded out eventually if we do not solve the problem is true.

Dr. Inboden. And I will just add the additional threat that, you know, not all debt is created equal. And the debt that is held by, say, an adversary like China, you know, I know the economics are complicated but it potentially gives them some more leverage over us than debt held by Americans or by our allies, so.
Mr. SMITH. Yes. I mean, to a certain extent, China wants us to pay them back. So it sort of goes both ways.

But when you said the defense should not be a part of the equation. Defense is still, I think, 17 percent, 18 percent of the total budget. It is a big chunk of it. And if you have got a trillion-dollar debt, it would still be your vision that, as we deal with that, defense should be off the table?

Dr. INBODEN. Again, I would not say defense off the table entirely. Like I said, I identified a few, you know, specific areas as you had requested for potential savings there. But part of it comes back to a philosophical conviction about the primary role of government to secure the—and provide for the national defense.

And so that is always going to be an essential for me. And no matter how assertive we may be on, you know, reducing the debt or deficit, if that is leaving us vulnerable to attack from adversaries, then that is going to cause a lot more damage to our country than the debt. But I do not want to be blase about that at all.

Like I said, I give the historical context and I am not at all calling for eliminating Medicare or Medicaid, or Social Security for that matter. But I do think, when you look at the trend lines and the growing proportion of the budget that they are occupying, which is only going to continue, I do think there is room for substantial reform there and some potential savings which might relieve some of the pressure on the defense budget.

Mr. SMITH. What about base closure? Do you think base closure could save us significant money and does it make sense?

Dr. INBODEN. Yes, I certainly think there is room for that. I mean, my first boss in Washington 25 years ago was Sam Nunn, then the chairman of the SASC [Senate Armed Services Committee]. You know, he was a real pioneer on this. And sometimes the best thing we do need to do for the Defense Department is asking some tough questions and maybe closing some inefficient bases.

But I don’t have the expertise. I am not equipped here to start identifying which ones need closing.

Mr. SMITH. No. No, I know that.

Dr. INBODEN. Yes.

Mr. SMITH. That would be awesome, by the way, if you could [do] that. If you could save us the time of the commission and just lay it out right now. But thank you very much. I yield back.

The CHAIRMAN. Let me go back to, I guess, in some ways, the next step between that conversation between you-all and Mr. Smith. Because it gets, really, to kind of the heart of the topic of this hearing. I have—and I will get you both to comment on this. I have come to think of it of a bit of a chicken and egg situation. You have to have a growing economy in order to have the tax revenue to pay for the military.

You also have to have a strong military in order to have an economy, in a globalized world, that is growing. And so there is a mutual dependency there that I do not think we fully appreciate. Now, that is my thesis. And I would be interested if either or you disagree—especially if you disagree or agree or what your reflections are on that.

Dr. BRANDS. I would fully agree. And, again, the example I would simply give is that we will not have a prosperous and thriving
Dr. INBODEN. And I will add, specifically there, while very much affirming your general proposition about the virtuous cycle between a strong national defense and a growing economy, without getting too much into the defense industrial policy which is beyond my expertise, not all government spending is created equal. Some of it really does have multiplier effects, as investments in the future, education can be that, I think a lot of our DOD programs can be that, in ways that, say, some of the welfare state entitlement programs, for all the good benefits they have, they will not necessarily produce the growth benefits.

And so even looking at—most innovation in the United States have been driven by the private sector. But things like nuclear energy, the internet, GPS [Global Positioning System], a lot of those started off as DOD research programs for, you know, the defense and security ramifications. But we quickly realized those also have profound private sector applications which have been incredible drivers of American economic growth, so.

The CHAIRMAN. Let me ask about and touch on another area that we have not really touched on so far today. And that is I am always struck by the statistics that show global poverty at an all-time low, about how many people have been lifted out of the lowest level of poverty in fairly recent decades. Now, some people say that is all about technology. Some people say that is all about China’s growth, and that is where most of the people come from—you know, et cetera.

But my question to you all is, these are remarkable statistics, again, I think we underestimate. What role has the international order that we have enforced played in this rise out of poverty of so many million people in the past few decades?

Dr. INBODEN. I want to start saying peace. The absence of war is a great antidote to poverty. I mean, you know, we certainly see, historically, war is one of the great triggers of poverty, you know, with the death and destruction and devastation that it causes.

And so—insofar as, you know, our military has, you know, preserved the great power peace for the last 75 years, that, in and of itself, has, you know, given, say, a country like China the opportunity to, rather than being fearful of being invaded by its neighbors or being in a regional war, to undergo, you know, tremendous economic reforms and development there.

But Dr. Brands have may something to add.

Dr. BRANDS. My understanding of the statistics is that the world as a whole has averaged about 3 to 4 percent growth since the end of the Second World War, which does not sound impressive until you compare it to growth in previous periods. And it is about two to three times as high as what average world growth levels had been before that.

And I think the reason for that is twofold. First, we have not had a major global depression since the 1930s, in large part because the United States has played the leading role in managing the international economy and ensuring that economic problems, when they
do arise, did not snowball in the way that they did in the late
1920s and 1930s. And, two, we have not had a global or a great
power war since 1945, which has traditionally been the sort of
thing that sets back international economy by many, many steps.
And so the fact that we have prevented those bad things from
happening has had a powerful impact on not just American pros-
perity, but global prosperity. And that is in addition to all the work
that we and our allies have done to create a global free-trade sys-
tem and sort of move the ball forward on a day-to-day basis.

Dr. INBODEN. If I can add a quick thought on that, because Dr.
Brands mentioned our alliance system. This is where—when we
look at America's allies today, they are, without exception, first-
world countries with robust developed economies and very little
poverty.

But on the chicken and egg thing, that was not always the case.
When we formed our alliance with Japan, with South Korea, these
were tremendously impoverished places. You know, as recently as
the 1960s, South Korea had the same per capita, excuse me, GDP
as Ghana, for example.

Now, of course, much credit to the South Korean people for, you
know, their own economic recovery and dynamism there. But the
American security umbrella played a tremendous role in that. As
well as, arguably, the—you know, the presence of our forces there,
you know, some of the positive interactions that they had and part-
nerships they were building with the South Korean people.

Similarly, when you compare West Germany's economic recovery
with East Germany's. You know, so, I liked the Germany and
Korea ones because you have a great laboratory there, common lan-
guage, common culture, common history, common geography. But
one was part of the American alliance system. The other was not.

The CHAIRMAN. Okay. So both of you-all teach some of the
brightest students in this country about these kinds of historical
geopolitical issues. Do they understand how unique this period in
world history is? Do they take it for granted? I mean, what is your
teaching experience like, when you kind of talk about these issues
and what has been achieved in the last 70 years? Do you get blank
faces? Do they—are they proud? What is the interaction like?

Dr. BRANDS. I would say that they are increasingly coming to ap-
preciate how extraordinary the past 75 years have been, in part be-
cause they are witnessing the way in which the world seems to be
growing more dangerous every day. And so it is easier for them to
imagine what a world that was not relatively peaceful, prosperous,
and democratic would look like.

I would further add that I think history is a great teacher here.
And so to the extent that whether when we are dealing with the
students at Johns Hopkins SAIS [School for Advanced Internation-
al Studies] or at UT [University of Texas] or with any citizen, the
more, sort of, historical sensibility we can provide, in terms of dem-
onstrating that the past 75 years have not been the norm in
human history, they have been very much the exception, is a way
of driving home the points that we have been talking about here.

Dr. INBODEN. And I will just add to that with a shout-out to our
wonderful students at the LBJ [Lyndon Baines Johnson] school and
at the University of Texas Austin more broadly. On the one hand,
you know, each fall, when we welcome a new class in, one of the first discussions I have with them is what are their memories of the 9/11 attacks. And 10 years ago, these were very vivid memories. They were in elementary school or junior high or high school at the time.

You know, by next year, we will have the first generation of college freshmen who were almost all born after 9/11. And so I am realizing what used to be a memory we could rely on about our country's vulnerability and the need for a strong military is now becoming a history lesson.

But the second thing I found, to my great encouragement, is each May, I take 20 UT undergrads, sponsored by the Clements Center, over to London for a month of study on the history of the U.S.-U.K. [United Kingdom] relationship. And this is very—you know, a strong focus on World War II and the Cold War.

And we take the students over to Omaha Beach for 3 days. To the D-Day beaches for 3 days, including the Omaha Beach Cemetery. And having them walk through the Omaha Beach Cemetery and see those 10,000 graves of American soldiers who were their age when they were killed. And see that this was the sacrifice that America made to liberate Europe from fascism is very powerful for those students, much more so than any, you know, seminar or a lecture I could give them.

Then, we take them to Pointe du Hoc. And not just showing them where the Rangers scaled the cliffs, but showing them where President Reagan stood on the 40th anniversary of D-Day, talking about the importance of Western solidarity against the Soviet Union. Talking about how 40 years ago, the Germans were our enemy here and now they are our ally in fighting against the Soviet Union.

That sort of history brings this alive to the students and shows them, I think, the very rich inheritance that they have, and that it is now incumbent on them to take forward as the emerging generation of American leaders.

The CHAIRMAN. Well, I wish all our students had that opportunity. I am struck by the fact, Ms. Davis, that I think it is more than 70 of the members of the House were not in office on 9/11. And, you know, it does make a difference if you felt like the planes were coming for us versus a historical memory.

Ms. Davis.

Mrs. DAVIS. Yes. Well, thank you, Mr. Chairman. I appreciate your mentioning that, because I know that I often say to my constituents that I came in in 2001. Obviously, that day is an incredibly strong memory. And yet we have essentially been involved in the same war that was started after 9/11. So it gives you a real sense of that connectedness to that and the fact that, of course, young people today do not have that—will not have that same connection.

I wanted to follow up a little bit on just what you have said, and then ask another question that you have dealt with, but perhaps can expand a little bit. One is just this resiliency. And it is the connectedness to history for young people and the opportunities that we have to build that more. And one area of interest has been, for
many people, including General McChrystal and others, is national service.

Whether you feel that as you see students coming to you today, do you believe that there is something that we, as a nation, could—should be doing to instill more sense of where our country has been and where we want to go? How—and is there one way that you have—or several that you feel that we really should be pursuing that? Even talking about that here in the Armed Services Committee.

Dr. BRANDS. Well, I would just put in, again, a broad plug for historical education. And I think, you know, we all probably took our high school class on U.S. history and found that it ended somewhere around World War II or Vietnam because you never quite get through the entire year.

But what that means is that students who come through college, or even make their way to grad school, have not necessarily spent a lot of time thinking about the post-World War II era, and what makes it unique and what makes it special, and what has made U.S. foreign policy successful during that period. And so I fear that without a good historical understanding of that period, we will continue to struggle to generate support for the policies that are needed to keep the good times going.

The second point I would just make is that I find that dealing with my students, they have a very strong urge to serve in one way or another. But—and this is, perhaps, a small point—it has become more and more difficult for them to do so over the past 10 to 15 years. And that the avenues available to them to say, go work for the Federal Government as a Department of State civil servant, for instance, are harder to find. And they are narrower than they were in the past.

And so I would hope that that is something that we, as a country, could address at some point. Because we do have a mass of very dedicated, very intelligent young people who want to serve but do not necessarily think they have an opportunity to do so.

Mrs. DAVIS. Yes. Thank you. I actually think we put down government all the time and that does not help them to aspire to that. Thank you.

Dr. INBODEN. If I—if I can echo Dr. Brands. Again, one of the great joys of my life is when I, you know, show up in the classroom and see how so many of our students are so eager for service, full stop. You know, for service for meaningful lives. You know, we are a wealthy enough country; they have now realized that it is not just about acquiring more and more stuff, but about doing something for your fellow human beings and especially for your country.

And I would echo Dr. Brands' frustrations about some of the sclerosis in our civil service and how hard it can be to get into those roles for eager students.

On the other hand, if I can be the optimist here, one positive aspect of the post-9/11 era has been the return of ROTC [Reserve Officers' Training Corps] and intelligence community recruitment at a lot of our elite universities. Which, you know, in the post-Vietnam era, they would—they had been shunned from campus for about three decades, including through, you know, the end of the
Cold War and when we thought we would have been over that. But we finally seem to have.

You know, one positive side effect of the dreadful tragedy of 9/11 has been a return to a lot of our elite universities recovering their own sense of patriotism, of citizenship, of welcoming our national security establishments' recruitment efforts on those campuses. Not at all saying that that is the only way for students to go serve. But, previously, it was hard for universities to be able to talk with sincerity about encouraging national service when you do not even allow ROTC, or the CIA [Central Intelligence Agency] or others to recruit on campus.

Mrs. Davis. Okay, yes. Thank you. And just quickly, is there a better way that we should be organized when it comes to our national strategy? Obviously, that we make great mention of more inner just, you know, whole-of-government approaches. And, yet, when I think about our trade policies today, particularly, and some other policies, you do not see that they are integrated in such a way that we really recognize the implications of those.

Have you thought about that? Would there be some other better coordinating way to deal with those policies?

Dr. Inboden. Well, Mr. Chairman, maybe you need to bring us back next year for a whole other session on interagency reform, right? That will test it. But I will say, on trade policy, it is a good example, right? I mean, we are still a little confused. Is USTR [United States Trade Representative] in the lead? Is Treasury in the lead? Is Commerce in the lead? Is the Economic Bureau at State in the lead?

And so when you have the, you know, multiple different authority centers, or a couple of new positions created at the White House, for example, it can be confusing within our government and certainly confusing for foreign counterparts as well.

That said, it has almost become this, you know, stale line at, you know, DC cocktail parties about we need a Goldwater-Nichols for the interagency. And, again, I am second to none in my admiration for Goldwater-Nichols, but I think that that is perhaps a little too trite of a rigid template to apply.

And I would first focus on, sort of, better coordination within the system that we already have rather than trying to reinvent it too much. Because whatever would come next might be a little bit worse, if we take it too far.

Dr. Brands. I would just say that the interagency process and interagency coordination are difficult by design, simply because they bring together so many different actors with diverse viewpoints within the U.S. Government.

And so we could think about specific institutional or structural reforms that might help smooth the process. But I think that the big takeaway for me is that whatever structures or whatever process you have will only function if they are the subject of commitment to making the process work and commitment to having a normal structured process from the very top. And without that, whatever process you have is destined to fail.

Mrs. Davis. Thank you. Thank you, Mr. Chairman.

The Chairman. Mr. Bacon.
Mr. BACON. Thank you, Mr. Chairman, and thank you, gentlemen, for being here. And I am sorry for being a little late. I am on three different committees so you run around a lot. But I wanted to run over here and get a couple questions in.

I wanted to ask you a little bit about your thoughts on the triad. We had some discussions from the ranking member. I always said if, you know, they become the majority that they like to go into a dyad or defund at least a portion of our triad. I think targeting ICBMs [intercontinental ballistic missiles], in particular. I just want your thoughts on the importance of the triad. Why should we care? Why should our constituents care? Thank you.

Dr. BRANDS. So I think that even though we do not think about nuclear deterrence very much, nuclear deterrence is, perhaps, the most important thing that the Department of Defense does. In the sense that the nuclear danger is something that really is an existential threat to the United States. And so my topline point is just that it is worth taking this issue very seriously.

With respect to the triad, in particular, I understand the urge to try to seek savings by looking at the nuclear enterprise. But I would just say, there are very good reasons why we have a triad in the first place. It provides redundancy. It presents, basically, insuperable targeting difficulties for any adversary that might try to mount a disarming first strike. And it gives us insurance against the prospect that a major power adversary might try to gain an advantage in the nuclear realm by building up rapidly.

And when we look out at the world today and we see that the Chinese are modernizing their arsenal quite rapidly, the Russians have been modernizing their arsenal for about a dozen years now, at a time when the United States has not, I think the arguments for a triad now are as strong as they have ever been.

Mr. BACON. Thank—go ahead.

Dr. INBODEN. I would, again, echo everything Dr. Brands said. But, you know, two other dimensions I would add in addition is we also do need to think, even be more robust in supporting ballistic missile defense. I know that is not a part of the triad, but the defensive component there, going back to President Reagan's vision in 1983.

Now, we are seeing it much more acutely with threats from North Korea, possibly Iran, depending on how that program continues to develop or not. Because we do not necessarily want to be in the position of the only option being an overwhelming retaliation, right? If there is a way we could deter, stop that.

The second reason why I think that we need to continue to upgrade and maintain the triad is going back to the discussions about our allies. I worry about an eroding commitment among some of our allies to their own nuclear deterrent, especially the British.

And with future political uncertainty in the U.K. and possibly a new government coming in that would—you know, has pledged to eliminate their nuclear arsenal. You know, all the more important that we are still maintaining and upgrading ours.

Mr. BACON. Well, thank you. I really appreciate your comments on that. I am a big advocate for our triad, and we need robust deterrence. And to go to a dyad, I think, would be threatening and add risk in our—in our world environment.
Now, somewhere a little more in your wheelhouse, perhaps, is Chinese economic growth versus ours. And, right now, depends on what you are looking at. They are about 90 percent of our GDP, roughly. I don’t know. Maybe you have better numbers. But if they are growing at 6 percent—and then like in January 2017, we had a 1.2 percent GDP growth, very stagnant. Now we are at 4 percent.

I worry about in a world if China surpasses us and grows at 6 percent, versus 2 or 1, whatever it may be, what does our world look like? Their values versus our values. We respect individual freedoms, human rights. So economic power is, I think, very important if we want to preserve our values in the world and have a strong voice.

But what insights can you add for China versus our economic growth and how has that changed in the last year?

Dr. BRANDS. So I will just make two comments. One, I think that, you know, when you look at the GDP numbers in a vacuum, particularly if you are looking at the purchasing power parity numbers, they look pretty bad. And, in fact, the purchasing power parity, China has already surpassed us, according to most expectations.

But if you take a closer look, I think the numbers look more favorable to us. So if you factor in per capita GDP, which is a critical measure of how much wealth a country can actually extract from the population to pursue geopolitical ends, our per capita GDP is about four times that of China. If you look at statistics like inclusive wealth, which tries to take into account the damage that China is doing to its environment and the long-term economic costs that that will take, things look a little bit better.

But I would simply add that this issue of rising Chinese economic power drives home the absolute critical importance of maintaining and strengthening our alliance relationships. It is one thing if you are comparing U.S. versus China bilaterally in terms of military power or economic power or any other index of national power. It is an entirely different thing if it is China versus the U.S. and all of its allies in the Asia-Pacific.

These alliances give us enormous strategic, economic, and geopolitical advantages and we need to continue to prioritize them.

Dr. INBODEN. I will just—again, agreeing with everything Dr. Brands said, but adding a little bit there. You know, with the caveat that I am very concerned about the growing threat from China, I do think China will be our primary strategic competitor and adversary for the next, you know, 20 to 50 years probably.

That said, we do not want to overdo it, particularly on concerns about the economic front. In addition to some of the different ways of interpreting the numbers he mentioned, they have massive problems, internal economic imbalances, massive internal problems with corruption.

And Xi Jinping has been trying to consolidate his power based on this kind of implicit social compact the Communist Party has built with its people since 1979: If the people will relinquish their political and religious freedoms, they have massive problems, internal economic imbalances, massive internal problems with corruption.

You know, as he is looking at some of the internal economic and corruption challenges they are having, you know, there could be
large numbers of Chinese people starting to question that, especially as the Chinese surveillance state is becoming more and more pervasive.

I, you know, was telling some fellow scholars the other day as we were talking about this that I think Xi Jinping, as much as he is wary of and somewhat afraid of the United States, he is most afraid of his own people. And that is where some of China’s real internal vulnerabilities are. So we don’t want to create this, you know, 10,000-foot-tall Chinese monolith either.

Mr. BACON. One last question, if I have time, Mr. Chairman. Good news, we are the largest energy producing nation again. Are we doing enough with our Eastern European allies to help them not become dependent on the Russia gas? I mean, it is an area that has been a concern of mine, when I travel to Poland, the Baltic States. I think we have had some successes with Lithuania on this. Even some of our own bases in Europe are using Russian gas that could just be turned off. It concerns me. Thank you.

Dr. INBODEN. I am concerned too. So, no. No, we are not doing enough. And, again, I mentioned earlier in the hearing, this historical precedent. This was an issue with our European allies trying to be dependent on the Soviet pipeline in the early 1980s. And we, you know, right then, saw that as a strategic vulnerability.

For all the talk about the challenges America faces and a lot of the bad news in the world over the last 10 years, one of the under-appreciated really good news stories has been the shale boom. Our tremendous resurgence as, you know, arguably, the swing energy produce—swing hydrocarbon producer on the globe.

And yet we have not thus far been able to leverage that enough to help wean our Eastern European allies off of their reliance on Russian gas. We may not be able to entirely, but again, I think just more diversification there. Because Russia is, you know, able and willing to use that as a weapon as we have seen with Ukraine and elsewhere.

Dr. BRANDS. I would agree with everything that Dr. Inboden said. I would just add, I think the one bit of good news is—my understanding of the statistics is that while our allies in Eastern Europe, and even countries like Germany, retain some dependence on Russian energy supplies, the percentage of their energy supplies that they get from Russia is actually less than it was, say at the beginning of the post-Cold War era.

And so while it is discouraging to see things like Nord Stream 2 proceeding, I think we should keep in mind that over the long term, there has been some progress in addressing this issue.

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

The CHAIRMAN. Thank you, both, again. As I said at the beginning, I think it is important for us to step back occasionally and take a larger, longer view of things. And you all have helped us do that today.

So thank you again. The hearing stands adjourned.

[Whereupon, at 11:29 a.m., the committee was adjourned.]
APPENDIX

September 26, 2018
PREPARED STATEMENTS SUBMITTED FOR THE RECORD

September 26, 2018
Statement from Chairman William M. “Mac” Thornberry
House Armed Services Committee Hearing:
The Impact of National Defense on the Economy, Diplomacy, and
International Order
September 26, 2018

Throughout the year, this Committee has examined a number of aspects of American national defense. Today, we step back and consider part of the “why.” Why should the U.S. insist on having the strongest military in the world? What is the connection between a strong military and other instruments of national power and influence? How does a strong military benefit the daily life of the average American?

As we rightfully work through the details of military threats and capabilities, those are the kinds of questions we do not often ask, much less answer. Posing such questions does not diminish the central purpose of the military to protect the physical safety of Americans and defend our freedom against those who would threaten it. But there are other benefits that flow from military strength to the American people and the quality of their lives.

Today on the Floor, we have the opportunity to do something that we have not done in nearly a decade, which is to adequately fund our military on time. But one year’s budget does not repair the readiness problems that developed over years, and it does not adequately respond to adversaries threatening our superiority in several areas. We need a sustained policy, one we stick with even as political currents wax and wane. Such a policy requires looking at these deeper questions of why military strength is important.

For more than 70 years, the dominant view in both political parties has supported American military superiority. Many of the underlying reasons, which were learned at a high cost, have come to be taken for granted and are even being challenged at both ends of the political spectrum. Perhaps we need to be reminded of what is at stake.

I welcome our distinguished witnesses, both of whom can provide valuable perspectives on these issues. I also want to thank Chairman Goodlatte and the Judiciary Committee for loaning us the use of this room while ours is having some work done to it, but the loan expires at noon. We will get to as many Members as possible in the meantime.
Thank you, Mr. Chairman. I would like to welcome our witnesses Dr. William Inboden and Dr. Hal Brands and thank them for appearing today.

The forward presence of our military, coupled with key contributions by allies, partners and multilateral institutions, helped to establish an environment of opportunity for economic growth following the Second World War. Further, these factors supported the creation of a rules-based international order that has underpinned American prosperity and security for decades.

Earlier this year, we heard from Secretary Mattis and General Dunford regarding the National Defense Strategy (NDS). They described a strategy which asserts that the international rules-based order is threatened in various ways by Russia, China, North Korea, Iran, and violent extremist organizations. In his introduction of the NDS, Secretary Mattis made it clear that “national security is much more than just defense.” I couldn’t agree more. A whole-of-government approach to strengthening our defenses and meeting future challenges to international order is essential. Future challenges to American security and prosperity will not be resolved with military investments alone, rather there must be a balanced investment in the “3Ds” of diplomacy, development, and defense. The complex challenges to international order require holistic approaches to address the political, economic, and social conditions that fuel them.

In the Indo-Asia Pacific, Europe, and many other locations around the world, cooperative efforts with allies and partners are essential to deterring aggression, preventing conflict, and maintaining the international rules-based order. A robust defense posture can deter adversarial aggression but so too do complementary investments in other instruments of national strength and engagements with partners and allies.

We would be ill-advised to approach common threats by ourselves, especially sophisticated adversaries that are seeking to weaken liberal democratic institutions and that are promoting authoritarianism. Consider Russia’s global influence operations. Russia has meddled in electoral processes – and according to our intelligence community seeks to continue interfering in those processes. Russia has also adopted a revanchist posture in Europe, and systematically pursued efforts to undermine alliances and partnerships.

Unfortunately, our efforts for maintaining the international rules-based order appear to be unbalanced. Although defense budgets have increased and the NDS
pays tribute to prioritizing alliances and partnerships, the Administration has not committed sufficient resources and support for diplomacy and development efforts.

While defense spending also yields economic benefits, investment in defense is a cog, but not the engine of a healthy economy. Defense innovation can spur growth and major acquisition programs can create jobs, but so too do essential and much needed investments in education, infrastructure, research and innovation, energy solutions, health care, the workforce, and many other facets of enduring national strength. And, these investments, like investments in foreign assistance programs and emergency preparedness, are just as important to national security as investments in defense. Congress needs to sufficiently support the full spectrum of defense and nondefense priorities.

Moreover, I have often said that defense spending should be based on a realistic national security strategy and supported by rational budgetary choices. We need to take a close look at our investments and to take actions that will yield savings and raise revenues. There is clearly room for cost-saving efficiencies within the Department and we need to make the tough decisions to manage our country's resources responsibly in fielding an effective military. We must invest wisely when it comes to national security, and we must be realistic in matching strategic objectives with resources.

Thank you, Mr. Chairman. I look forward to receiving our witnesses’ testimony.
Chairman Thornberry, Ranking Member Smith, and other Distinguished Members of the Committee, it is an honor to be here with you today to assess this strategic and timely subject.

Five years ago when testifying before the Senate Armed Services Committee, then-CENTCOM Commander General James Mattis made a memorable plea for the State Department’s budget: “If you don’t fund the State Department fully, then I need to buy more ammunition ultimately.”

In this oft-quoted statement, Mattis offered an arresting argument for the importance of the State Department and diplomacy in preventing armed conflict and security threats to the United States. I am in full agreement with him. But I believe the opposite is also true: to strengthen the State Department and American diplomatic and economic influence, we need a large defense budget.

There is a common misconception in many of our contemporary policy debates about the relationship between military force and diplomacy. Too often we speak of them as antinomies that are in opposition to each other at polar ends of the spectrum of statecraft. Thus one hears calls for a “diplomatic solution” instead of the use of force when it comes to any number of international challenges and security threats.

But a powerful military can strengthen our diplomacy and make peaceful settlements more likely precisely because the possibility of force looms in the diplomatic background. In the vivid image of the strategist, historian, and legal scholar Philip Bobbitt, force and diplomacy function together like the two blades of a scissors. As he has written, “The use of incentives — including the credible threat of force — is one blade of the scissors of which the other is diplomatic negotiation. The scissors don’t function with only one blade.”

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The historical record bears witness to this. American military power played an indispensable role in the creation and sustenance of the international political and economic order for the past three quarters of a century. For the surpassing majority of this era, our military strength helped accomplish much of this without firing a hostile shot.

It bears revisiting this story because even though its basic outlines may be familiar, a closer examination shows that it also offers some insights and cautions for our present moment. Many of us look back with appropriate nostalgia on the United States’ vision and leadership during and immediately after World War II on the signature diplomatic and economic initiatives that established the pillars of the international order, including:

- the Bretton Woods agreements that led to the International Monetary Fund, World Bank, the dollar as the global reserve currency, and the international financial system and trade agreements, which together helped rebuild and maintain the prosperity of the free world during the Cold War, while also helping lift hundreds of millions of people out of poverty worldwide;

- the creation of the United Nations, the Universal Declaration of Human Rights, and other international institutions that encouraged the peaceful resolution of differences and respect for human liberty and dignity;

- the Marshall Plan, the creation of the North Atlantic Treaty Organization, the reconstruction of Japan and Germany, and the web of mutual defense treaties that placed the United States at the geopolitical center of the free world with a network of allies unsurpassed in world history.

In recalling this history, we should not forget that without America’s military might these institutions would not have been possible – and without America’s early Cold War rearmament, they would not have been sustained. By helping defeat Nazi Germany and Imperial Japan, and by deterring further Soviet encroachments in the immediate aftermath of the war, American military power and our atomic monopoly created and protected the initial postwar environment of peace and security in which these initiatives could be undertaken.

Then the United States began to demobilize and dramatically reduce our defense budget in the years 1946-50, reducing our military spending by around 80% from its 1945 apex. The end of World War II warranted much of this reduction. But it was an overcorrection borne of an understandable yet flawed belief that military strength could be decoupled from diplomatic and economic progress, and that a peaceful world order could be sustained without American leadership.

3https://www.usgovernmentspending.com/spending_chart_1940_1950/Usb_19s2f011cn_30f_20h_Century_Defen e_Spending
From across the Atlantic there soon arrived a messenger with a warning. In his famous “Iron Curtain” speech at Westminster College in Fulton, Missouri on March 5, 1946 Winston Churchill urged “what we have to consider here today while time remains, is the permanent prevention of war and the establishment of conditions of freedom and democracy as rapidly as possible in all countries.” Calling for the establishment of a “special relationship” between the United States and Great Britain, Churchill warned that “from what I have seen of our Russian friends and allies during the war, I am convinced that there is nothing they admire so much as strength, and there is nothing for which they have less respect than for weakness, especially military weakness.”

Less remembered today is the widespread negative reaction that Churchill’s speech triggered. In the words of one scholar, while President Harry Truman appreciated the speech, “The immediate reaction in the country, however, was strongly in opposition. Editorials accused Churchill of poisoning the already difficult relations between the United States and Russia. America had no need for alliances with any other nation, said The Wall Street Journal... To Walter Lippmann the speech was an ‘almost catastrophic blunder’.” Hearing of Joseph Stalin’s outraged reaction, Truman “wrote a letter offering to send the [US battleship] Missouri to bring him to the United States and promising to accompany him to the University of Missouri so that he too might speak his mind, as Churchill had. But Stalin declined the invitation.”

The skeptical reaction of many Americans to Churchill’s speech showed that just seven months after the Japanese surrender ceremony aboard the U.S.S. Missouri in Tokyo Bay ended World War II, our nation had little appetite for either high defense spending or another global conflict, this time with our erstwhile ally the Soviet Union. It was no wonder that the American people and many of our political leaders instead preferred to focus on diplomacy through the United Nations and restoring prosperity through the new economic order.

Yet Churchill’s warning soon proved prophetic. Our initial post-war diplomatic and economic successes almost immediately came under threat from growing communist aggression – including the imposition of communist regimes in Eastern Europe, the blockade of West Berlin, the Soviet Union’s acquisition of its own atomic bomb, Mao Zedong’s victory in the Chinese Civil War, and North Korea’s surprise invasion of South Korea.

In responding to these threats, the United States had no recourse but to our military. While the generosity of the Marshall Plan’s economic aid was essential for rebuilding Western Europe, so was the Truman Doctrine’s military aid to Greece and Turkey, our military planes and pilots that conducted the Berlin Airlift, our military capabilities that led to the creation of NATO, and the permanent basing of American forces in Europe. Realizing anew the need for a strong military in the face of these challenges and especially the outbreak of the Korean War, the Truman

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4 [http://www.historyguide.org/europe/churchill.html](http://www.historyguide.org/europe/churchill.html)
Administration beginning in 1950 restored our military spending to protect the new international order and lay the foundations for the containment and eventual defeat of the Soviet Union.

III.

In our present moment this international order is beginning to erode under growing stress and strain, as revisionist powers such as Russia and China seek to undermine or even overturn the American-led order, while increasing numbers of voices in the United States and Europe take for granted the benefits of the order while questioning the cost, value, and viability of maintaining it. As the historian and foreign policy scholar Robert Kagan observes, “world order is one of those things people don’t think about until it is gone.”

The good news is this world order is not gone -- yet. But it is decaying inside and imperiled outside. The threat to the order posed by Russia and China is most acute and spans the full spectrum of instruments of national power. In Russia’s case this includes its military aggression against Ukraine, intervention in Syria to protect its client in the Assad regime as well as reassert itself in the region as an agenda-setting dominant outside power, coercive use of hydrocarbon exports to vulnerable customers, cyberattacks and other threats towards the Baltic states, and ongoing information warfare against the United States.

In China’s case these measures include its belligerent island-construction and base-building in the disputed areas of the South China Sea, coercive economic measures towards developing countries in the “Belt and Road” initiative, flouting of international human rights standards and repression of dissent and religious minorities, vilification campaign against Taiwan, forced technology transfer and theft of intellectual property rights, cyber-attacks against the United States and our allies, and information operations inside the United States and other free nations.

A robust effort to protect, reform, and restore the international order will depend of course on American diplomatic prowess and economic dynamism, in addition to committed involvement by our allies old and new. But doing so will also depend on renewed American military strength undergirding our diplomacy and economic engagement. Our military power provides the security and enabling environment for diplomatic and economic progress to take place.

Here it bears expanding our perspective on how national power is perceived and understood. From our vantage point here in the United States, and especially within the United States government, we often view our nation’s power and global influence as segmented into its various component parts and through the relevant departments and agencies that marshal and manifest that power. Thus the Pentagon and each of the armed service branches demonstrate our military air, naval, and ground power; the State Department exhibits our diplomatic power; the Treasury and Commerce Departments along with the United States Agency for International Development symbolize the different dimensions of our economic power; and the Office of the Director of National Intelligence, the Central Intelligence Agency, and other agencies represent the power of

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our intelligence tradecraft including collection, analysis, and covert action. Our Congressional oversight committees similarly align in structure with these departments and agencies.

However, when the rest of the world looks at America’s power, other nations and leaders most often perceive our national power as a unified whole. Rather than viewing our power through the bureaucratic lens of different departments and agencies, other nations view our power through its effects and results. For them the power of the United States manifests as our ability to exert influence, exercise our will, attract allies and deter adversaries, and shape the outcomes that we desire on the global stage. They perceive American power as the combined and integrated effect of our diplomatic, economic, intelligence, and military strength.

This means that when another nation’s foreign minister sits at the conference table across from our Secretary of State, or a foreign finance minister sits across from our Treasury Secretary, that foreign minister or finance minister does not just see the United States’ chief diplomat or chief economic official. He or she also sees the world’s strongest military, largest economy, and most effective intelligence services reinforcing the Secretary’s words.

For the United States, strategic wisdom includes understanding our national power by how its effects are perceived outside our borders and by the results it achieves in the international realm, rather than only as it appears in our department budgets and organizational charts.

IV.

Some of our nation’s greatest diplomats have appreciated the diplomatic and economic benefits of a strong military. Indeed America’s most accomplished Secretaries of State – distinguished names in our diplomatic pantheon such as Marshall, Acheson, Kissinger, Shultz, and Baker – embraced the need for a robust defense budget and integrated force with statecraft, power with diplomacy.

In 1984 then-Secretary of State George Shultz delivered a speech titled “Power and Diplomacy” wherein he declared “the hard reality is that diplomacy not backed by strength is ineffectual. This is why, for example, the United States has succeeded many times in its mediation when many other well-intentioned mediators have failed. Leverage, as well as good will, is required.” In this same speech Shultz went on to criticize the common misconception “that power and diplomacy are two distinct alternatives” when rather “they must go together.”

Shultz’s Reagan Administration colleague John Lehman, who served as Secretary of the Navy, had a similar view from the other side of the Potomac. Lehman describes “diplomatic power” as “the shadow cast by military and naval power.”

What does this principle look like in practice? Following are several diplomatic and economic benefits derived from a strong national defense, illustrated by historical examples.

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None of the following involve the actual kinetic use of force by the American military; they rather demonstrate the many ways that a strong military enhances our nation’s diplomacy, economy, and security—often without firing a shot. Specifically, a strong military:

- **Preserves the open lanes of global commerce and finance for the American economy.** On August 14, 1941, before the United States even formally entered World War II, President Franklin D. Roosevelt met with British Prime Minister Winston Churchill aboard the cruiser Augusta in Placentia Bay, Newfoundland to issue the “Atlantic Charter” enumerating the post-war goals of the United States and Great Britain. This brief statement contained the seeds of the international order that was to come. Its principles included committing “to further the enjoyment by all States, great or small, victor or vanquished, of access, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity” and enabling “all men to traverse the high seas and oceans without hindrance.”

  By protecting the open maritime order and ensuring freedom of navigation as a global principle, the United States military—principally the Navy—helped facilitate America’s postwar prosperity and emergence as the world’s dominant economy. The benefits of this openness extend to our allies and trading partners too, of course. In this sense, the Seventh Fleet has done as much for the economic renaissance of the Asia-Pacific region as the World Trade Organization (WTO) and Asia Pacific Economic Cooperation (APEC). Maintaining an open maritime system and trading lanes also helps prevent conflict ruinous to economic growth. In President Theodore Roosevelt’s memorable observation, “[The United States Navy is] an infinitely more potent factor for peace than all the peace societies of every kind and sort.”

- **Induces fence-sitters to lean our way.** To take just one example, Egyptian President Anwar Sadat’s decision to expel all Soviet military advisors in 1972 came in part from his desire to forge closer ties with the United States, which after years in the Soviet orbit he saw as the stronger and more reliable partner. In the words of one news analysis at the time, “[Sadat’s] expulsion of the Soviets seems to be another cry for American help...a reckless gamble that if he met the American requirement to reduce the Russian presence, then this time Nixon might come to his rescue.” Sadat’s “gamble” did not pay off immediately, of course. The next year brought a deepening crisis in the region culminating in the Yom Kippur War. Yet its aftermath created the diplomatic opening for Secretary of State Henry Kissinger’s shuttle diplomacy that both deepened the United States’ relationship with Israel while also developing a growing partnership with Egypt.

- **Helps secure and preserve peace treaties.** America’s burgeoning ties to Israel and Egypt led eventually to President Jimmy Carter’s leadership in negotiating the Camp David accords and the landmark Egypt-Israel peace treaty. Part of the cement that solidified

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9 [http://avalon.law.yale.edu/wwii/atlantic.asp](http://avalon.law.yale.edu/wwii/atlantic.asp)
Camp David came from the American guarantee of large arms packages to both Egypt and Israel, which continue in modified form to this day and were only possible in the first place because of the appeal to Egypt and Israel of the superior quality of American weapons systems. In short, the diplomacy that culminated in Camp David both started and finished with American military strength.

- **Spurs our allies to spend more on their own defense.** While there are legitimate and justified concerns about our allies “free-riding” by not spending enough on their own defense, a robust American military budget can induce our allies to deepen their own commitments. For example, upon taking office in 1981 and launching his massive defense build-up, President Reagan also prioritized persuading America’s allies to increase their military spending. These efforts succeeded in part with our NATO allies but most especially with Japan. Seeing America’s own commitment to defense bolstered the credibility of our alliance and persuaded Prime Minister Yasuhiro Nakasone to overcome domestic opposition and undertake sizable increases in Japan’s military budget and maritime defensive perimeter.¹²

- **Strengthens our economic negotiating posture with allies.** Just as the Reagan Administration succeeded in persuading Japan to increase its own defense spending, in the 1985 “Plaza Accord” the Reagan Administration led by Secretary of the Treasury James Baker successfully negotiated favorable changes in international monetary policy with Japan and America’s other G-7 allies that devalued the dollar and relieved America’s trade deficits. The strong American military and defense commitments to these allies contributed to their willingness to make otherwise difficult concessions on currency policy.

- **Strengthens our negotiating posture with adversaries.** Perhaps the most notable arms control agreement of the past half-century is the Intermediate Range Nuclear Forces (INF) treaty signed by the United States and Soviet Union in 1987 and ratified by the Senate in 1988. Reagan successfully negotiated this treaty – the only one of its kind to eliminate an entire class of nuclear weapons – with Soviet leader Mikhail Gorbachev in part by employing overwhelming military leverage. Specifically Reagan’s controversial deployment of American Pershing II and Ground-Launched Cruise Missiles in Western Europe four years earlier, combined with the overall American defense build-up as well as CIA’s covert action program supplying weapons to Afghan resistance fighters targeting Soviet occupation forces, together brought tremendous pressure on the Soviet system and induced Gorbachev to make significant concessions that he had previously resisted.

¹² For more on this see Caspar Weinberger, Fighting for Peace: Seven Critical Years in the Pentagon (New York: Warner Books 1991), 219-248.
• **Makes us more attractive to potential allies and partners.** The peaceful end of the Cold War prompted several former Warsaw Pact nations in Central and Eastern Europe to want to join their erstwhile adversaries in NATO. The Clinton Administration astutely made the strategic decision to expand NATO and welcome these new countries. Their desire for NATO membership stemmed in part from idealistic eagerness to join the democratic transatlantic community, but it also stemmed in part from a calculated assessment of the military balance. The American military had proven stronger and more resilient than the Soviet military and Warsaw Pact, and these nations wanted to align with the dominant force – especially as a hedge against any future Russian designs on their territory.

• **Provides new channels for diplomatic leverage and intelligence collection.** An advanced and effective military also appeals to other nations who desire training from American forces and acquisition of American materiel. These security assistance programs in turn provide the United States further channels of influence for other policy goals. This takes place through several pathways, including the relationships built by American technical experts embedded within foreign defense ministries and militaries for training, equipping, and maintenance of these weapons systems; the diplomatic leverage that comes from foreign governments relying on American weapons systems; and the information and intelligence gathering that such relationships facilitate. Numerous historical examples illustrate these benefits. For example, our arms sales and close partnership with Israel have produced incalculable benefits including information on Soviet weapons systems used by other Middle Eastern militaries and combat testing of our systems such as the F-15 and F-16 performances against Syrian Air Force Mig-21s and Mig-23s in 1982. In a different vein, our close military ties with Egypt provided vital communications links with senior Egyptian leaders during the revolutionary chaos of 2011 when virtually all other channels broke down.

• **Helps promote and strengthen democracy and human rights.** America’s security assistance programs have played an underappreciated role in supporting the democratic transitions and improved respect for human rights in numerous other nations. For example, our arms sales and military alliance with the Republic of Korea in the 1980s gave the Reagan Administration leverage and multiple channels of influence to help encourage South Korea’s transition in 1987 from a military dictatorship to a democracy. Security assistance can function as a stick as well as a carrot, such as our termination of aid to the Indonesian military in 1999 for human rights violations in East Timor. At their best our security assistance programs can help promote principles of human rights and democratic governance such as civilian control of the military, non-combatant immunity, and the rule of law.

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Improves humanitarian relief operations and enhances the United States’ public diplomacy. Our military’s primary mission is not to engage in humanitarianism but rather to defend our nation, deter our adversaries, and if necessary fight and win wars. Nonetheless, in some severe natural disasters and crises of acute need, the military’s singular capabilities can provide relief efforts that could otherwise not be undertaken. The US Navy’s leadership in the immediate aftermath of the December 2004 tsunami that devastated Southeast Asia stands as a cardinal example. In addition to the thousands of lives saved in Indonesia, the Navy’s efforts provided a demonstrable boost in public attitudes towards the United States in this majority Muslim country. This in turn improved America’s diplomatic posture and standing in a crucial region for the fight against militant jihadism.14

The prevailing international order, so successful in promoting America’s prosperity and preventing a great power war over the last 75 years, now faces an unprecedented combination of challenges and an uncertain future. What is certain, however, is that any hopes of reforming and preserving this order in alignment with America’s interests will depend in part on maintaining a strong national defense and integrating that force with our diplomatic and economic goals.

Finally, what can Congress do? Several suggestions come to mind:

- First and most fundamentally, I encourage the House Armed Services Committee to continue demonstrating your admirable leadership in restoring and increasing our defense budget, as well as supporting the efforts of other committees to maintain an adequate international affairs budget;
- Second, use your convening power to hold hearings like this, perhaps also conducting field hearings in key parts of the country, to highlight the connection between military strength and our overall national power and influence;
- Third, in your oversight hearings, encourage senior officials from the Executive Branch to reassert America’s leadership of the international order and deterrence of threats to that order from hostile peer competitors;
- Fourth, use your influential pulpits to communicate this message to the American people.

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William Inboden is Executive Director and William Powers, Jr. Chair at the William P. Clements, Jr. Center for National Security at the University of Texas-Austin. He also serves as Associate Professor at the LBJ School of Public Affairs, Distinguished Scholar at the Robert S. Strauss Center for International Security and Law, and Editor-in-Chief of the Texas National Security Review. Inboden’s other current roles include Non-Resident Fellow with the German Marshall Fund of the United States, Associate with the National Intelligence Council, and Member of the CIA Director’s Historical Review Panel. Previously he served as Senior Director for Strategic Planning on the National Security Council at the White House, where he worked on a range of foreign policy issues including the National Security Strategy, strategic forecasting, democracy and governance, contingency planning, counter-radicalization, and multilateral institutions and initiatives. Inboden also worked at the Department of State as a Member of the Policy Planning Staff and a Special Advisor in the Office of International Religious Freedom, and has worked as a staff member in both the United States Senate and the House of Representatives.

Inboden has also served as Senior Vice President of the London-based Legatum Institute, and as a Civitas Fellow at the American Enterprise Institute. He is a life member of the Council on Foreign Relations, a contributing editor to Foreign Policy magazine, and his commentary has appeared in numerous outlets including the Wall Street Journal, New York Times, Washington Post, Los Angeles Times, Weekly Standard, NPR, CNN, Sky News, and BBC. He has lectured widely in academic and policy settings, and received numerous research and professional development fellowships. Inboden is the author of Religion and American Foreign Policy, 1945-1960: The Soul of Containment (Cambridge University Press) as well as numerous articles and book chapters on security studies, American foreign policy, and American history. Professor Inboden has received multiple teaching awards including recognition as a “Texas 10” by the Texas Exes Alumni Association, and his classes Presidential Decision-making in National Security and Ethics & International Relations have been selected in recent years as the "Best Class in the LBJ School" and “Class Most Likely to Challenge Your Assumptions.” His current research includes working on a history of the Reagan Administration’s national security strategy and policy, and a comparison of totalitarian ideologies and their hostility to religious liberty. Inboden received his Ph.D. and M.A. degrees in history from Yale University, and his A.B. in history from Stanford University.
DISCLOSURE FORM FOR WITNESSES
COMMITTEE ON ARMED SERVICES
U.S. HOUSE OF REPRESENTATIVES

INSTRUCTION TO WITNESSES: Rule 11, clause 2(g)(5), of the Rules of the U.S. House of Representatives for the 115th Congress requires nongovernmental witnesses appearing before House committees to include in their written statements a curriculum vitae and a disclosure of the amount and source of any federal contracts or grants (including subcontracts and subgrants), or contracts or payments originating with a foreign government, received during the current and two previous calendar years either by the witness or by an entity represented by the witness and related to the subject matter of the hearing. This form is intended to assist witnesses appearing before the House Committee on Armed Services in complying with the House rule. Please note that a copy of these statements, with appropriate redactions to protect the witness’s personal privacy (including home address and phone number) will be made publicly available in electronic form not later than one day after the witness’s appearance before the committee. Witnesses may list additional grants, contracts, or payments on additional sheets, if necessary.

Witness name: William Inboden

Capacity in which appearing: (check one)

___ Individual

___ Representative

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

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:

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Statement before the House Armed Services Committee:
The Impact of National Defense on the Economy, Diplomacy, and International Order

September 26, 2018

Dr. Hal Brands
Henry A. Kissinger Distinguished Professor, Johns Hopkins-SAIS
Senior Fellow, Center for Strategy and Budgetary Assessments

Chairman Thomberry, Ranking Member Smith, and distinguished members of the Committee:
Thank you for inviting me to appear here today to discuss the impact of national defense on the economy, diplomacy, and international order. This is a vitally important subject, one I address in my work at Johns Hopkins-SAIS and the Center for Strategic and Budgetary Assessments. I should make clear, though, that my testimony here reflects only my personal views, and not the institutional position of Johns Hopkins University, CSBA, or any other organization.

Let me briefly offer six analytical points about the subject at hand, and then three broad recommendations for Congress.

First, the comparatively peaceful, prosperous, and democratic international order we enjoy today rests on a foundation of American leadership. The fact that there has not been a great-power war since 1945, the fact that global and American prosperity have increased several-fold over this period, the fact that the number of democracies in the world grew tenfold between World War II and the early 21st century—none of these things happened naturally. They happened because the world’s most powerful country—the United States—used every arrow in its quiver to bring them about. The United States anchored military alliances that provided stability and deterred aggression in key regions from Western Europe to East Asia; it led an open global trading order; it encouraged the survival and spread of democracy and prevented authoritarian powers from imposing their own values on the world; it catalyzed collective action in addressing the world’s key diplomatic, economic, and security challenges. Had the United States not played this outsized role, there would be no liberal international order to speak of.

Second, if international order rests on American leadership, American leadership rests on a foundation of unmatched military power. Since World War II, America has had a military second-to-none; after the Cold War, America had military power greater than that of all its rivals combined. The reason for this is that although all forms of national power are crucially important, the world is a nasty place and so a country that cannot defend its interests and values by force if necessary will eventually see those interests and values imperiled. Alliance guarantees alone do not keep the peace in Europe or East Asia, for instance; the United States must have usable military power to make those guarantees credible to friends and foes. And at numerous points in the postwar era, the United States has had to use force to defeat aggression that might have severely destabilized international politics. Two give just two examples, U.S. intervention in Korea in 1950 was crucial to demonstrating that interstate aggression by Communist regimes...
would not be tolerated; U.S. intervention in the Persian Gulf in 1990-91 helped ensure that chaos and coercion would not run rampant after the Cold War.

Third, robust U.S. military power produces positive spillovers in other areas of statecraft. Let me focus for a moment on economic statecraft. A primary reason U.S. economic statecraft has been so successful in forging an open, prosperous global economy is that U.S. military power has provided the geopolitical stability and freedom of the global commons on which that economy depends. The reason the U.S. Navy conducts freedom of navigation operations, for instance, is to demonstrate that America can and will prevent any actor from denying freedom of the seas and crippling global commerce. In the same vein, America gets better trade deals because of the geopolitical leverage its military power provides. When the United States and the European Union were both negotiating free trade agreements with South Korea, the United States received better terms because South Korea valued the military protection America provides.

Looking beyond economic statecraft, U.S. military power assists critical diplomatic goals such as nuclear non-proliferation, because it provides the reassurance that allows American allies such as Japan, Germany, and South Korea to forego nuclear weapons. More broadly, the fact that the United States uses its military power to protect allies and partners in Europe, the Middle East, the Asia-Pacific, and beyond gives the United States a voice in addressing the key economic, diplomatic, and geopolitical issues that arise in those regions. Put simply, if the United States did not command such impressive military power, it would be far less effective in achieving its economic and diplomatic goals.

Fourth, the United States needs a vast military superiority, not a marginal military superiority, to preserve its interests and sustain the international order. In part, this is because the best way to deter wars is to convince rivals that they have no chance of winning them. In part, it is because the United States is a global power with global responsibilities. Russia can concentrate a large portion of its forces for a Baltic contingency; China can do likewise in a conflict involving Taiwan. America does not have that luxury, because it faces at least five major challengers around the globe, and because it must preserve the peace in all three major regions of Eurasia and potentially beyond. Because the U.S. military mostly plays “away games,” moreover, the tyranny of distance imposes additional demands on American military power. This is why the Department of Defense has, until relatively recently, maintained a two-war standard—the ability to fight and win two major regional conflicts almost simultaneously. And this means it is not enough for America to have the world’s most powerful military; it must have the most powerful military by far.

Fifth, U.S. military superiority is being eroded by developments at home and abroad. The most serious challenge comes from authoritarian major-power rivals—China and Russia—that have undertaken sustained military buildups meant to offset U.S. advantages, prevent U.S. forces from being able to defend U.S. allies in the Western Pacific and Eastern Europe, and give these revisionist states the ability to project power globally. As a result, regional balances have shifted dramatically, to the point that Chinese or Russian leaders might conclude that they could win a short, sharp war against the United States in the Baltic or the Taiwan Strait. Both countries also possess and are further developing kinetic and non-kinetic means of targeting the U.S. homeland, and both countries—China especially—are investing heavily in advanced capabilities such as
hypersonic delivery vehicles. At the same time, the United States faces intensifying military threats from Iran and North Korea, and operations against terrorist groups will continue to place significant demands on the U.S. military. And as the number of severity of military challenges have increased, the United States has disinvested in defense.

Notwithstanding the Bipartisan Budget Act of 2018, real-dollar defense spending has declined since 2010. The combination of that decline and the budgetary instability produced by continuing resolutions, government shutdowns, and the sequester mechanism had severe impacts on force structure, readiness, and modernization. All told, American military superiority has eroded significantly in key warfighting areas and against key adversaries, and the United States has less military capability relative to the threats it faces than at any time in decades.

Sixth, as U.S. military advantages erode, the international order will also erode. If Russian or Chinese leaders think they can hold their own in a military conflict with America and its allies, they will be more likely to behave aggressively and use coercion to reshape the international environment. We are seeing this already: It is no coincidence China is pushing to dominate the South China Sea at the same time it is closing the military gap with the United States. If the United States finds it can no longer project decisive military power in the Middle East, Iran and terrorist groups will have freer rein to exert their malign influence. And as American military superiority is diminished, U.S. competitors and adversaries will feel more empowered to challenge U.S. influence across the full range of economic, diplomatic, and security issues.

With all this mind, here are three recommendations for Congress. First, scrutinize closely the National Defense Strategy and National Military Strategy, both of which were completed earlier this year. These documents outline how the Defense Department intends to protect U.S. interests and the international order amid intensifying competition and conflict. Congress should use its oversight authority to ensure that the Department has a realistic vision for doing so, and that the NMS is properly aligned and consistent with the NDS.

Second, prioritize long-term growth and stability in the defense budget. The growth in defense spending as a result of BBA18 is welcome. But if defense spending flattens out after FY2019, DOD will have great difficulty conducting badly needed nuclear and conventional modernization, repairing readiness problems that have accumulated over years, and sustaining America’s ability to project power globally. Sustained growth in defense spending is therefore critical. So is ensuring greater budgetary stability. DOD will not be able to use available funds effectively or efficiently if they are not provided in predictable, stable, and reliable fashion.

Third, remember that a well-funded military is necessary but not sufficient to protect U.S. interests. Threats such as Russian information warfare and Chinese economic coercion are largely non-military in nature. So-called gray zone conflict reaches across multiple dimensions of statecraft—intelligence, diplomacy, economic power, paramilitary action, and others—and is designed to shift the status quo without provoking a U.S. military response. So even as America rebuilds its military advantages, it must also strengthen and better integrate the non-military tools of national power. Here Congress can use its oversight authority to encourage whole-of-government approaches to the challenges the United States currently confronts and ensure appropriate balance among the various elements of American statecraft.
Hal Brands
Henry A. Kissinger Distinguished Professor of Global Affairs
School of Advanced International Studies, Johns Hopkins University

Phone: (443) 896-4455
Email: henry.brands@gmail.com

CURRENT POSITIONS

School of Advanced International Studies, Johns Hopkins University
Henry A. Kissinger Distinguished Professor of Global Affairs

Center for Strategic and Budgetary Assessments
Senior Fellow

OTHER PROFESSIONAL ACTIVITIES

Commission on the National Defense Strategy for the United States
Lead Writer, Nov. 2017-Sept. 2018

Department of Defense
Special Assistant to the Secretary of Defense for Strategic Planning, Sept. 2015-Nov. 2016

Council on Foreign Relations
International Affairs Fellow, Sept. 2015-Aug. 2016

Foreign Policy Research Institute
Senior Fellow (non-resident), July 2015-present

Institute for Defense Analyses
Adjunct Research Staff Member, Aug. 2010-present
Research Staff Member (senior analyst) and Adjunct Researcher, Sept. 2008-July 2010

Duke University
Assistant and Associate Professor of Public Policy and History, 2010-2016

RAND Corporation
Grand Strategy Advisory Board Member, 2012

Strategic Studies Institute, Army War College
External Research Associates Program, various contracts, 2008-present
Adjunct Research Professor, 2015-present

Various U.S. government offices and agencies, 2010-present
Ad Hoc Consultant

EDUCATION

Yale University

Dissertation: “Latin America’s Cold War: An International History from Guevara to Reagan”
PhD Adviser: John Gaddis

Yale University
MA and MPhil (with distinction), History, 2006 and 2008

Stanford University
BA in Political Science and History, with Highest Honors and Distinction, 2005

BOOKS

The Lessons of Tragedy: Statescraft and World Order (Yale University Press, forthcoming 2019), co-authored with Charles Edel

American Grand Strategy in the Age of Trump (Brookings Institution Press, 2018)

Making the Unipolar Moment: U.S. Foreign Policy and the Rise of the Post-Cold War Order (Cornell University Press, 2016)


Latin America’s Cold War (Harvard University Press, 2010)

From Berlin to Baghdad: America’s Search for Purpose in the Post-Cold War World (University Press of Kentucky, 2008)

EDITED BOOKS

The Power of the Past: History and Statescraft (Brookings Institution Press, 2015), co-edited withJeremi Suri

MONOGRAPHS AND REPORTS

Credibility Matters: Strengthening American Deterrence in an Age of Geopolitical Turmoil (Center for Strategic and Budgetary Assessments, 2018), co-authored with Eric Edelman and Thomas Mahnken

Why is the World So Unsettled? The End of the Post-Cold War Era and the Crisis of Global Order (Center for Strategic and Budgetary Assessments, 2017), co-authored with Eric Edelman


Avoiding a Strategy of Bluff: The Crisis of American Military Primacy (Center for Strategic and Budgetary Assessments, 2017), co-authored with Eric Edelman
After ISIS: U.S. Strategy in the Global War on Terror (Center for Strategic and Budgetary Assessments, 2017), co-authored with Peter Feaver

Critical Planning Assumptions and American Grand Strategy (Center for Strategic and Budgetary Assessments, 2017), co-authored with Peter Feaver, William Inboden, and Paul Miller


The Limits of Offshore Balancing (Army War College, Strategic Studies Institute, Sept. 2015)

The Promise and Pitfalls of Grand Strategy (Army War College, Strategic Studies Institute, Sept. 2012)

Dilemmas of Brazilian Grand Strategy (Army War College, Strategic Studies Institute, Aug. 2010)

Crime, Violence, and the Crisis in Guatemala: A Case Study in the Erosion of the State (Army War College, Strategic Studies Institute, May 2010)

Political Ferment in Latin America: The Patristic Revival, the Emergence of the Center, and the Implications for U.S. Policy (Army War College, Strategic Studies Institute, Oct. 2009)

Mozin's Non-Inaurgy and U.S. Counter-Drug Policy (Army War College, Strategic Studies Institute, May 2009)

SELECTED ACADEMIC AND POLICY ARTICLES


“The Case for Bush Revisionism: Reassessing the Legacy of America’s Forty-Third President,” Journal of Strategic Studies (Jan. 2018), co-authored with Peter Feaver


“Spheres of Disharmony,” Commentary (Jan. 2018), co-authored with Charles Edel


“Getting Serious about Strategy in the South China Sea,” Naval War College Review (Winter 2018), co-authored with Zack Cooper

“Saving Realism from the So-Called Realists,” Commentary (Sept. 2017), co-authored with Peter Feaver

"What Are America’s Alliances Good For?" Parameters (Summer 2017), co-authored with Peter Feaver

"The Upheaval," The National Interest (July-Aug. 2017)

"Is American Internationalism Dead? Reading the National Mood in the Age of Trump," War on the Rocks (May 2017)

"Was the Rise of ISIS Inevitable?" Survival (May-June 2017), co-authored with Peter Feaver


"Risks of Retreat," Foreign Affairs (Nov.-Dec 2016), co-authored with Peter Feaver


"Before the Tilt: The Carter Administration Engages Saddam Hussein," Diplomacy & Statecraft (March 2015)

"Saddam Hussein, the United States, and the Invasion of Iran: Was There a Green Light?" Cold War History (June 2012)

"Conspiring Bastards: Saddam Hussein’s Strategic View of the United States," Diplomacy History (June 2012), co-authored with David Palkki


"Reform, Democratization, and Counter-Insurgency: Lessons from the U.S. Experience in Cold War-Era Latin America," Small Wars & Insurgencies (June 2011)
“Crime, Irregular Warfare, and Institutional Failure in Latin America: Guatemala as a Case Study,” Studies in Conflict and Terrorism (March 2011)


“Evaluating Brazilian Grand Strategy under Lula,” Comparative Strategy (Jan.-March 2011)


“Non-Proliferation and the Dynamics of the Middle Cold War: The Superpowers, the MLF, and the NPT,” Cold War History (Aug. 2007)


“Rethinking Nonproliferation: LBJ, the Gilpatric Committee, and National Security Policy,” Journal of Cold War Studies (Spring 2006)

INVITED LECTURES, TALKS, SEMINARS, AND APPEARANCES

“American Grand Strategy in a New Era,” Hoover Institution, May 7, 2018

“The Retreat of Democracy and the Crisis of Global Order,” U.S. Naval Academy, April 11, 2018

“American Grand Strategy in the Age of Trump”
--University of Missouri-St. Louis, September 13, 2018
--Washington & Lee University, May 2, 2018
--Australian Defence College, Center for Defence and Strategic Studies (VTC), Feb. 27, 2018
--The Federalist Society (Teleforum), Feb. 9, 2018
--Brookings Institution, Feb. 8, 2018
--CATO Institute, Jan. 30, 2018
--Center for Strategic and Budgetary Assessments, Jan. 24, 2018
--Foreign Policy Research Institute, Jan. 23, 2018
--SAIS Europe, Bologna, Jan. 17, 2018
--Belgian Foreign Ministry, Jan. 15, 2018
--Egmont Institute, Brussels, Jan. 15, 2018
--International Institute for Strategic Studies, London, Jan. 12, 2018

“Critical Planning Assumptions in American Grand Strategy,” discussion at National Counterterrorism Center, Jan. 6, 2018

“America and the Geopolitics of Upheaval”
--Norwegian Atlantic Committee, Lerangkollen Conference, Feb. 5, 2018
--Austrian National Defense Academy-University of Vienna, Nov. 14, 2017
--Hoover Institution, Dec. 11, 2017

“U.S.-Russian Relations: Learning from the Recent Past,” University of Virginia, Nov. 9, 2017
“Is American Internationalism Dead? Reading the National Mood in the Age of Trump,” Center for Security Studies, ETH-Zurich, June 23, 2017

“Stress-Testing American Grand Strategy”
--U.S. Air Force Academy, Oct. 17, 2017
--Secretary of Defense Corporate Fellows Program, July 6, 2017

“Avoiding a Strategy of Bluff: The Crisis of American Military Primacy”
--Secretary of Defense Executive Fellows Program, July 5, 2018
--Institute for World Politics, May 23, 2017

“The Case for Bush Revisionism?”
--Dartmouth College, May 12, 2017
--University of Texas, May 5, 2017


“American Grand Strategy Today”
--Defense Group, Australian Embassy in the United States, June 3, 2017
--Claremont McKenna College in DC, March 30, 2017


“Foreign Policy and the 2016 Election,” Johns Hopkins University, Leadership Fellows Seminar, Oct. 29, 2016

“The United States, Europe, and Russia in the Twenty-First Century,” Yale University, Oct. 15, 2016


“Historians and Policy Relevance”
--Clements Center for History, Strategy, and Statecraft Summer Institute (University of Texas) July 23, 2018
--Clements Center for History, Strategy, and Statecraft Summer Institute (University of Texas) July 24, 2017
--Clements Center for History, Strategy, and Statecraft Summer Institute (University of Texas) July 25, 2016


“American Grand Strategy since the Cold War,” Strategic and Defence Studies Centre, Australian National University, July 22, 2016

“Lessons from America’s Last Geopolitical Resurgence”
--Yale University, March 31, 2017
--Current Strategy Forum, Naval War College, June 14, 2016


“Cost-Imposing Strategies,” Seminar with Commander's Action Group, Office of the Chairman of the Joint Chiefs of Staff, April 28, 2016


“Paradoxes of the Gray Zone”
--U.S. Army Special Operations Command, Futures Forum, April 19, 2016

“Making the Unipolar Moment: U.S. Foreign Policy and the Rise of the Post-Cold War Order”
--Institute for Defense and Business, July 10, 2017
--Massachusetts Institute of Technology, May 3, 2017
--University of California-Berkeley, Nov. 28, 2016
--Foreign Policy Initiative, Oct. 11, 2016
--Center for Strategic and Budgetary Assessments, Aug. 30, 2016
--German Marshall Fund of the United States, July 18, 2016
--Institute for the Study of War and Alexander Hamilton Society, July 7, 2016
--Indiana University, School of Global and International Studies, Apr. 15, 2016
--Johns Hopkins University-SAIS, Jan. 28, 2016
--Mershon Center, Ohio State University, April 30, 2015
--Historian's Office, State Department, Jan. 30, 2015
--Policy Planning Staff, State Department, Jan. 30, 2015


“American Grand Strategy: Lessons from the Cold War”
--Department of Defense, History Speaker Series, May 26, 2016
--Joint Worldwide Planners' Seminar, May 3, 2016


“Ronald Reagan and American Grand Strategy,” Miller Center, University of Virginia, Nov. 17, 2014


“Does the United States Have a Grand Strategy?”
--Savannah World Affairs Council, Sept. 18, 2014
--National War College, Sept. 18, 2014
--Southern Methodist University, Sept. 11, 2014
--Current Strategy Forum, Naval War College, June 17, 2014

“History and Grand Strategy”
--Clements Center for History, Strategy, and Statecraft Summer Institute (University of Texas), July 27, 2015
--Clements Center for History, Strategy, and Statecraft Summer Institute, July 29, 2014

“The Promise and Pitfalls of Grand Strategy: Theory and Practice”
--Australian Defence College, Centre for Defence and Strategic Studies (VTC), March 14, 2017
--Australian Defence College, Centre for Defence and Strategic Studies (VTC), Aug. 8, 2016
--Australian Defence College, Centre for Defence and Strategic Studies (VTC), July 27, 2015
--Australian Defence College, Centre for Defence and Strategic Studies (VTC), June 18, 2014

“What Good is Grand Strategy? Power and Purpose in American Statecraft from Harry S. Truman to George W. Bush”
--Heritage Foundation, May 29, 2014
--Seminar at Massachusetts Institute of Technology, April 29, 2014
--Seminar at Williams College, April 28, 2014
--Foreign Policy Research Institute, April 1, 2014

“Not Critical, but Contested: Assessing the State of U.S. Influence in Latin America,” remarks to leadership and intelligence analysts at U.S. Southern Command, March 5, 2014


“Conspiring Bastards: Saddam Hussein’s Strategic View of the United States”
--Program on Global Society and Security, Harvard University, April 24, 2012


“Crime, Violence, and the Crisis in Guatemala: A Case Study in the Erosion of the State,”
   -- Air Force Special Operations School, July 16, 2010
   -- Florida International University (by telecom), May 27, 2010
   -- RAND Corporation (Washington Office), Jan. 13, 2010

“The Remarkable Absence of Revolution in Cold War Latin America,” LBJ School of Public Affairs, University of Texas, Oct. 17, 2009

“Mexico’s Narco-Insurgency and Implications for U.S. Policy,” George Mason Conference on Transnational Crime and Terrorism, Sept. 10, 2009


SELECTED POLICY ENGAGEMENT AND PUBLIC OUTREACH

National Intelligence Council Intelligence Associates Program, 2018

Special Assistant to the Secretary of Defense, Sept. 2015-Nov. 2016


Lectures at National Defense University, Naval War College, Air Force Special Operations School, and other professional military education institutions, 2010-present

Participation in U.S. Southern Command Roundtable on U.S. Influence in Latin America, March 2014

Ad hoc legal consulting (various Central American immigration/asylum cases), 2010-present

Participant and presenter at U.S. Southern Command Seminar on Latin America and the Caribbean, Jan. 12, 2012


Participant in “Latin America and the Caribbean in 2011 and Beyond,” Roundtable Sponsored by U.S. Southern Command, Nov. 19, 2010

SELECTED AWARDS, GRANTS, AND HONORS
Secretary of Defense’s Outstanding Public Service Award, Nov. 2016
Council on Foreign Relations International Affairs Fellowship, 2015-2016
Member of RAND Corporation Grand Strategy Advisory Board, 2012
Co-Recipient of John Addison Porter Prize for Best Dissertation at Yale, 2009
Mary and Arthur Wright Prize for Best Dissertation in Non-U.S. or European History at Yale, 2009
Smith Richardson Dissertation Grant, 2006, 2007
Hines Prize for Best Thesis in American History, Stanford University, 2005
Elected to Phi Beta Kappa, Stanford University, 2005

TEACHING
American Grand Strategy
The Cold War and the Making of the Modern World
Policy Choice as Value Conflict
Issues in American Foreign Policy
History, Strategy, and American Statecraft

REFERENCES
Available upon request
INSTRUCTION TO WITNESSES: Rule 11, clause 2(g)(5), of the Rules of the U.S. House of Representatives for the 115th Congress requires nongovernmental witnesses appearing before House committees to include in their written statements a curriculum vitae and a disclosure of the amount and source of any federal contracts or grants (including subcontracts and subgrants), or contracts or payments originating with a foreign government, received during the current and two previous calendar years either by the witness or by an entity represented by the witness and related to the subject matter of the hearing. This form is intended to assist witnesses appearing before the House Committee on Armed Services in complying with the House rule. Please note that a copy of these statements, with appropriate redactions to protect the witness’s personal privacy (including home address and phone number) will be made publicly available in electronic form not later than one day after the witness’s appearance before the committee. Witnesses may list additional grants, contracts, or payments on additional sheets, if necessary.

Witness name: Hal Brands

Capacity in which appearing: (check one)

☑ Individual
☐ Representative

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

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:

<table>
<thead>
<tr>
<th>2018</th>
<th>Federal grant/contract</th>
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**Foreign Government Contract or Payment Information:** If you or the entity you represent before the Committee on Armed Services has contracts or payments originating from a foreign government, please provide the following information:

### 2018

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<td>Australia</td>
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<td>Australia</td>
<td>$375</td>
<td>Talk via VTC to Defence College</td>
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<td>Switzerland</td>
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<td>Talk to Geneva Centre for Security Policy (reimbursement)</td>
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<tr>
<td>Payment</td>
<td>Australia</td>
<td>$195</td>
<td>Talk at Australian National University (reimbursement)</td>
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QUESTIONS SUBMITTED BY MEMBERS POST HEARING

September 26, 2018
QUESTIONS SUBMITTED BY MS. ROSEN

Ms. ROSEN. A company located in my district is the last remaining supplier of titanium sponge in the United States. Titanium sponge is an essential material in the production of strategic military assets such as military aircraft, space vehicles, satellites, naval vessels, and munitions. With the Asia-Pacific region expected to maintain its dominance over titanium sponge for the aerospace and defense markets, I am concerned by the national security implications if, for whatever reason, domestic suppliers cease to exist.

a) If critical components of our national security apparatus are controlled by adversarial powers—such as China, Russia, Kazakhstan, and others—are we in effect ceding our military supply chain and national security to those in competition of longstanding international order? Is that not to the detriment of our efforts to head off China’s attempts to become the world’s leading military and economic power?

b) Should the Defense Department have a plan in place to ensure a reliable domestic supply of titanium sponge like that produced in Henderson, Nevada? What are the national security implications if domestic suppliers of essential military materials are put out of business? What is being done to protect every link in our military supply chain?

Dr. INGBERD. A. I appreciate your strategic focus on vital raw materials in the supply chain of critical components for our defense industrial base and military arsenal, especially in the aviation realm. One area of concern in recent years has been the growing efforts by some adversarial nations to use natural resource supplies as tools in coercive statecraft for hostile purposes. Examples in this regard include Russia’s suspension of natural gas supplies to Europe in 2009 and to Ukraine in 2014, and China’s limits on the export of rare earth minerals. As the United States enters what appears to be a new era of great power competition, our national security strategy needs to include ensuring reliable, consistent, and secure supplies of any and all natural resources and raw materials that our military and intelligence communities will need to maintain our technological advantage over any peer competitors and other hostile actors. This consideration should in particular inform our overall strategies towards China and Russia, especially given their willingness to leverage their natural resources for their own strategic advantage.

While I do not possess expertise on aviation technology, munitions manufacturing, or titanium sponge per se, I do appreciate the importance of titanium sponge for our overall defense posture and many of our military and intelligence assets. Nevada’s essential role in the production of titanium sponge is especially important. Accordingly, I believe it was a positive step when President Trump issued Executive Order 13817 in late December 2017, “A Federal Strategy to Ensure Secure and Reliable Supplies of Critical Minerals.” This was issued in response to a report released earlier in the month by the United States Geological Survey which found that our national security and economic prosperity was dependent on the import of certain minerals (82 FR 60835, December 26, 2017). In February 2018, the U.S. Department of the Interior compiled a list of mineral commodities that were deemed critical as defined by EO 13817, and this list included titanium among the 35 critical minerals. This is an important measure in guiding the Defense Department’s efforts to ensure reliable supplies of critical raw materials and protecting every stage of this important supply chain.

Ms. ROSEN. A company located in my district is the last remaining supplier of titanium sponge in the United States. Titanium sponge is an essential material in the production of strategic military assets such as military aircraft, space vehicles, satellites, naval vessels, and munitions. With the Asia-Pacific region expected to maintain its dominance over titanium sponge for the aerospace and defense markets, I am concerned by the national security implications if, for whatever reason, domestic suppliers cease to exist.

a) If critical components of our national security apparatus are controlled by adversarial powers—such as China, Russia, Kazakhstan, and others—are we in effect ceding our military supply chain and national security to those in competition of longstanding international order? Is that not to the detriment of our efforts to head off China’s attempts to become the world’s leading military and economic power?
b) Should the Defense Department have a plan in place to ensure a reliable domestic supply of titanium sponge like that produced in Henderson, Nevada? What are the national security implications if domestic suppliers of essential military materials are put out of business? What is being done to protect every link in our military supply chain?

Dr. Brandis. a) Although the economic benefits of globalization are indisputable, it is true that the globalization of supply chains has created military vulnerabilities for the United States by leading to situations in which we source components of critical military capabilities from companies controlled by or based in countries that are strategic competitors. Each of these vulnerabilities will need to be assessed and mitigated individually, and it would be a mistake to respond to select vulnerabilities by imposing wholesale barriers to trade and financial flows. But the Department of Defense and the nation more broadly should consider whether there are areas in which selective economic de-integration with geopolitical competitors is necessary to safeguard U.S. strategic autonomy and key military capabilities.

b) In general, if domestic suppliers of essential military materials are put out of business, the United States could find itself in a situation in which its ability to field critical military capabilities is compromised. While I cannot speak to the issue of titanium sponges per se, I do believe that DOD needs a plan to ensure that critical components can be sourced in the quantities needed for peacetime deterrence and competition as well as for conflict with a major-power competitor, should that occur.