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A DISCUSSION WITH REPRESENTATIVES RICK LARSEN AND DON BACON ON U.S. DEFENSE NEEDS AND PRIORITIES

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U.S. House of Representatives

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U.S. House of Representatives

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P R O C E E D I N G S

MR. O'HANLON: Good morning, everyone. I'm Mike O'Hanlon with the Foreign Policy program at Brookings. It's my honor today to have two of our nation's most productive and innovative and committed members of the House Armed Services Committee to talk about defense priorities. We have Congressman Rick Larsen and Congressman Ed Bacon from Nebraska --

CONGRESSMAN BACON: Don Bacon.

MR. O'HANLON: Don Bacon, I'm sorry. From respectively the second districts of Washington and Nebraska. They're both from their respective state's second districts.

I should say about Congressman Bacon that he's a freshman but also a retired brigadier general in the air force who has had an extensive career with many deployments in specializations such as reconnaissance and electronic warfare, so he has a lot of expertise. Congressman Larsen has been on the Armed Services Committee for a number of years and now has been in Congress for a decade-and-a-half or so, and also sits on the Transportation Committee. Congressman Bacon also sits on the Small Business Committee. So, we have a lot of breadth in what we're going to talk about today.

We're going to focus in on the defense budget, defense priorities, but also link this to broader discussions in the Congress today about where we stand in the budget process and in the nation's overall strategic priority.

I want to thank SAIS as well for hosting us. Please join me in welcoming the Congressmen here to Massachusetts Avenue. (Applause)

So, we've got a couple of opening comments from both Congressman Don Bacon and Congressman Rick Larsen, so I'll give them each the floor to frame a couple of their thoughts as they look at the defense landscape today. As you know, we're already 10 days, 11 days into a new fiscal year but we don't yet have a new budget, we have continuing resolution. Congress is fated perhaps to be in town for a number of additional weeks even though this is the time of year people are supposed to be looking elsewhere perhaps. So, there's a lot of ongoing and undone and unfinished business.

And I think I'm just going to ask each of them to frame how they see things today before we launch into our topic by topic discussion. So, I guess Congressman Larsen, as the senior member here we'll give the floor to you first. Thanks again for being here.

CONGRESSMAN LARSEN: I've been here long enough to be a senior member, I guess; 17 years in the House of Representatives now and 17 years on the Armed Services Committee. First, let me thank Brookings and SAIS for hosting us this morning and for those folks listening at home and watching at home as well.

I guess I wanted to frame this -- I've got longer comments but we're going to do some Q&A where some of this detail will come out. But if you wanted to frame this debate in the Armed Services Committee in the House of Representatives I think you'd think about a triangle that has obviously three points on it. One point would be procurement, that is our willingness and our ability to purchase the abilities that our U.S. military needs to ensure that we are never in an actual fair fight, that we always have the advantage. So, procurement is on one point.

Operations on another point. That, of course, being the idea that we are deployed, our military is deployed around the world. We're operating in a variety of places in the world, and I think we'll go through that list as we move forward this morning. That comes with a cost to it as well and an investment.

The third point would be readiness, that is our ability, our willingness to ensure that the folks we do send, that we do deploy, are ready; that they've been trained, that they have the backup as well, that they have the things that they need that's on the procurement side.

So, these three points on the triangle, procurement, readiness, and operations, are always at attention, pushing and pulling on each other when we have this budget debate in Congress when it comes to the defense budget. But as we've heard from our military leaders, that tension is becoming more and more under duress as sequestration and budget caps continue. That sort of frames the budget environment, if you will, from an objective sense, pulling back from who is a democrat or who is a republican. But from an objective sense that frames the debate that we have in the House Armed Services Committee in our marathon markups that we do in May on the floor of the House as well as frames the debate between the House and the Senate which tend to take different approaches to this triangle of tension, I guess. I just coined that. I'm going to trademark that. You can't use it. Thank you. (Laughter)

MR. O'HANLON: I like it. It's going to frame a lot when we come back to it. I'm definitely

going to use that myself. Maybe be a title for a book one day. I'll give you full credit. (Laughter)

Congressman Bacon, thank you for being here as well. I'd love to hear your overall thoughts on threats facing the country as well as the defense budget context.

CONGRESSMAN BACON: Thank you, it's an honor to be here. I appreciate the invite. It's great to be with you this morning. I don't fault you for not knowing my first name, I did 30 years in the air force and no one knew my real name. (Laughter) I had a call sign. I was Bacon Bits, or Bits Bacon. People try to find me on the computer and they never could because it's Don Bacon. (Laughter) But it's great to be here.

What I really wanted to open up with was to say when I came into 1985 and the '90s we flew as an air force -- I was an electronic warfare officer -- flew two to one hours over what the Russians or Chinese aircrews were flying. We had undoubtedly the strongest, most lethal air force military joint force in the world. I would still say we are the preeminent military but it's been eroded.

Today the crews that are flying are flying one-third of the hours that I used to fly. Think about the impact that has on training and readiness and operations. When folks are flying one-third of the hours -- and folks are getting out because it's not rewarding to fly the minimal hours. It's just one indication. If you hear what the chiefs are telling Congressman Larsen and myself when they come in, out of 50 southern combat brigades only 3 can deploy tonight or be ready to fight tonight. Only half the navy aircraft are able to fly on any given day. You can just take that example after example. We're struggling.

Readiness is a huge issue, one of the three parts of the tension of the triangle there. It's been impacted significantly by the budget caps. I think the budget caps were a punch to the face of our military. But the 31 continuing resolutions has been a kick in the gut as well. You put those two together and the military is hurting.

So, that's the first point I wanted to make. The second part is I think if you look around the world -- and when I came in it was the Soviet Union that was a big focus and frankly it was a shock to me in '89 when, boom, it collapsed. But as we look now we're back into this big power tensions again with Russia, China. And I think they're looking at changing the world international order that we have helped build since World War II, that's focused on individual liberty, democracy, free enterprise, free and

fair trade, if you will. But that's not their vision.

And then we have North Korea and Iran. And then we have ISIS and Al Qaeda. We have significant threats out there that we're having to deal with with a military that is much weaker today than it was 10 years ago or 20 years ago. That concerns me.

But what I'd really like to close on for opening comments is I think our gravest threat is our partisan divide. I think if you look at republicans and democrats most -- I'm not saying all, we have not unanimity on both sides of this -- but I think consensus wise know that we need to do more for the military, that we need to increase spending. But because of the partisan rancor and the vitriol we have not been able to plus up military spending in recent years though we know we've needed it. Basically, it's sort of been held hostage for the debate over domestic spending, and do we spend more, cut more, and that's impacted what we've done on the military side.

I think that in years past we've had partisan divides too but we've always known defense I job #1 for the federal government. We've been able to overcome that, at least agree on that. I mean, I could go look at examples from Eisenhower, Kennedy, and Nixon. Partisan divides but we knew that defending our nation was one of the first things that we should do in the federal government and come together.

So, we're always going to have debates and partisan rancor but national security shouldn't be subjected to it and held hostage to it. So, thank you.

MR. O'HANLON: Thank you, Congressman. I want to come back later to this issue of readiness and how things got so bad and why they're so bad because on its face the budget doesn't look that small. But we know we're asking a lot out of the military.

CONGRESSMAN BACON: 550 billion. Hopefully, yeah.

MR. O'HANLON: Which is if you add in the contingency budget we're actually above the Cold War average in real terms and that frames the whole discussion. So I'll come back to this issue of the readiness crisis and the triangle of tension in a minute, but I wanted to ask you both to try to handicap for us where you think the budget debate will likely wind up. This is something that I'm trying to figure out. I don't claim to have any real clairvoyance on this.

We know that President Trump requested a modest increase in the military budget that

would have been 54 billion above the sequestration level and about maybe half that much above what Obama's budget implied. Now we know that Chairman Thornberry and McCain with the committees in general have been promoting a budget about $40 billion or so higher than Trump. But neither of these is actually allowable under the Budget Control Act unless you do it all through contingency operations funding and sort of abuse that account for purposes it wasn't intended for even more than we are today.

So, I guess my question is a two-part question. If Trump is sort of in the mid-600s with his budget, once you add in all the defense budget, you know, the Department of Energy, nuclear weapons, Department of Defense-based budget, overseas contingency operations, if you had all those together President Trump has proposed a little bit over 650. The HASC and the SASC proposed something around 700 billion each.

CONGRESSMAN BACON: Yeah, 698, you're right.

MR. O'HANLON: So, where are we going to end up and how do you handicap the odds? Maybe since you're in the majority on this one, Congressman Bacon, I'll start with you.

CONGRESSMAN BACON: Well, I think when you look at the Senate -- and you have to have a bipartisan approach because when you start looking at the filibuster that's where the center of gravity is going to be at in this discussion. I like where the House and the Armed Services Committee came out. We were sitting around 640 plus the contingency funding which does take us to around 700. I think that paid for most of the unfunded requirements that the services gave us. So, I'm an advocate for that spending level and trying to hold it at that level with inflation.

But the real debate, as I mentioned earlier in the opening comments, will be about what do we do in the domestic spending area, or as well as in entitlement spending? I would prefer taking the national security side and say let's do the right thing there, let's have these debates over here. I think that that's where the debate will be at in the Senate primarily.

And it's going to take compromise. I think if one side or the other side thinks it's going to get everything they want on the domestic and entitlement side we're going to end up where we're at right now which is a gridlock. So, I think that we're going to have to reach across the aisle and get this done.

MR. O'HANLON: I'd love to get your thoughts as well.

CONGRESSMAN LARSEN: I think this is where Don and I will differ and probably pretty

strongly in some respects. As members of the Armed Services Committee, from a committee perspective we have a responsibility to the committee and the work that we do. As members of Congress we've got a broader responsibility to the budget and to the function of government and the debate about the function of government.

I say that as a premise to say that I don't believe we should separate the domestic budget debate from the non-domestic or the defense budget debate because we have to pass an entire budget, not a budget. Picking one part of the budget out and setting it aside and say it's special versus these other things that are not special undermines other aspects of our national economic security, the investments that we make in transportation, the investments we make in higher education, and so on.

So, this idea that we can somehow separate parts of the budget in this debate and say that we're going to first deal with one and not deal with the other in the context of the first seems to be a bit irresponsible. We've had this debate in the past, we continue to have this debate, and what we have settled on largely is that if we blow caps on one side we're going to blow caps on the other side. If we blow caps on non-domestic or defense we're going to blow the caps on domestic; that everybody is in the pool together.

That's where I am. That's where I think the democrats are going to be in the House and the democrats will be in the Senate as we move forward on this debate. And I think we ought to do that because if we separate the -- we're not actually talking separating the national security budget, we're talking about separating the defense budget.

The State Department in this debate would be in the not national security budget and would have to eat its 31 percent proposed cut that the administration has proposed which Secretary Mattis, among others, has said he's okay doing that so long as you give him more ammunition. That is, if you cut the State Department budget that much you're going to have to do a lot more in military in the defense side in order to make up for the lack of diplomacy that the U.S. would be involved in.

Again, I'm trying to make the other case, the bookend of this argument which I do stand for as well. You can't separate the defense budget from the domestic budget as far as a line, if you will, that's going to be part of this debate in Congress as we move forward. That is one of those lines that will (inaudible).

MR. O'HANLON: So, given your views which are both extremely eloquent and well-stated and yet also sound familiar because we've sort of been in this philosophical debate for a long time --

CONGRESSMAN BACON: Been doing this for 10 years.

MR. O'HANLON: What's going to happen? How is it going to end? I realize nobody has a crystal ball, but if we could just sort of wargame out the scenarios a little bit -- and I don't want to ask you to give away tactics within your caucus or anything but to the extent that you can roughly weight the odds of the caps being busted on both sides, for example, and that being acceptable to the republican caucus in both houses of Congress.

Congressman Bacon, back to you. Do you think that there is the potential for a compromise where the caps go up on both sides, or do you think that it's more likely that the caps stay where they are and ultimately we don't get the budget increase on the defense side that you want?

CONGRESSMAN BACON: Well, I think that we'll get to the point where the caps will be taken off, at least for defense because I think we can't continue having a military policy that has us at 550 and trying to do things in Iraq, Syria, Afghanistan, have a deterrence force for North Korea, be a deterrence force in South China Sea, be good allies to our Baltic states that are feeling under threat right now, in Ukraine come up with a policy there; it's unaffordable.

So, the last ten years has not worked. When you try to hold the defense hostage to a debate over domestic spending, that's what's happened, we suffer. The military suffers. We've had 42 fatalities this summer in training. If you talk to the service chiefs what I get from them is it's a combination of being stretched too thin on operational with lack of training. So, too few people, too much requirements, not enough training, you put it together and we've added risk to our servicemen and women out there. When you have low levels of readiness our military pays for it in blood. So we owe it to do better.

I would prefer trying to get our military in a healthy spot but we also have to work towards a fiscal responsible budget. That's why I would oppose a one-for-one equivalent raising of the caps for domestic over military. But I think to say that for every dollar we increase in the military we're going to have to lower a dollar for domestic, though I would prefer having that more as my vision, I don't think it's

tenable in this. We have to reach across the aisle to find a middle ground there.

So, I think that when it's all said and done it's going to have to be discussions between the executive branch and Congress reaching across the aisle with primarily Senator Schumer and team in the Senate side, I would presume, to get our military healthy and find what is that middle ground on domestic spending. I hope that's how it's going to end.

MR. O'HANLON: Congressman Larsen, do you see that as viable, sort of a one-for-two kind of compromise in terms of how high the caps go up on each side?

CONGRESSMAN LARSEN: I'm not going to negotiate numbers with anybody today. (Laughter) The one set of numbers that one could think about in the context of this debate is the tax cut package that's been proposed as well. Again, budgets don't happen in the context of themselves, they happen in the context of everything else that's going on and everything else we spend money on, and tax expenditures are part of that.

So, a proposal to cut taxes 1.5 trillion or 5 trillion or whatever the number is in the context of increasing domestic and defense spending or only domestic spending or only defense spending really turns congressional budgeting into a joke that we are actually telling and are the butt of.

I think that trying to have this debate in Congress on defense spending without the context of the entire budget including in what I would say a clean tax cut proposal given what all members want to do on domestic and defense spending is, you know, I've watched this movie several times, this is like I think the third sequel of the same movie I've watched and it ends up the same way. We try to finesse our way in Congress structurally through things like budget caps or sequestration without having to make difficult decisions. We're not going to make those difficult decisions by December 8, when the (inaudible) runs out. It will not have a clean nice package to hand to everybody. It will be something but it won't be clean and it won't be nice. And I'm really looking forward to that. (Laughter)

CONGRESSMAN BACON: If I could piggyback on that, that would be if we don't do that, if it happens we'll have a 30 second continuing resolution and our service chiefs and our combatant commanders have said that the CRs have been terrible for our military. No new starts, you can't give people pay raises, you can't start modernization. The things that you want to do to get our military healthy again are put on hold.

Now, I could buy it if it was the first or second time but it will be the 32nd CR in 10 years, and that's a sign of a dysfunctional government. We've got to make those hard decisions.

But I would say, again, our military spending is being held hostage to this domestic debate and our men and women in uniform are paying for it.

CONGRESSMAN LARSEN: Just to clarify, I'm not suggesting that we get a CR on December 8, I'm suggesting we get an omnibus done. It's just not going to be the nice package that people would want, that I want and Don wants.

MR. O'HANLON: Because it's unlikely to have tax reform as well or because it's -- I mean, if there's ultimately an omnibus --

CONGRESSMAN LARSEN: Because I think the time we're doing this is October 11 and that's less than two months away, December 8, and there's just not enough time to do this. I think we'll come up with an omnibus package. But I'm not going to predict if budget caps get blown or if we suspend sequestration. That's all going to be part of a bigger deal. There's a lot of pressure on the budget in the military, there's a lot of pressure on the budget on the domestic side as well.

And I would just note we're holding young kids in Head Start hostage as well. The budget holds higher-ed Pell grants hostage as well by cutting Pell grants for kids who are low income and trying to pay for school. So, it's not just the military being held hostage in this debate.

MR. O'HANLON: I'd like to now turn to the issue of the readiness crisis as it's described and what the service chiefs and others have been saying about this, and explore a little bit how seriously you see this problem. And I'll just be upfront that I've been a little bit of a skeptic as to -- I know things are tough, I know there's a strain on the force. When the army says it only has three brigades ready I have to ask myself why. And I'm sorry, I'm just going to pick on the army a little bit here. I won't pick on the air force. And I'm certainly not going to pick on the marine corps with John Allen recently named president of Brookings.

CONGRESSMAN LARSEN: Congratulations by the way.

CONGRESSMAN BACON: They're all over the place right now. (Laughter)

MR. O'HANLON: Exactly. So, let's pick on the army. We can agree on that. And with apologies to Washington State and our army friends out there.

But I'll say that when the army complains that it's only got 3 brigades ready out of, you know, 30 in the active force and another almost 30 in the National Guard I'm confused because the army has been getting -- even with the CRs the army has been getting 90 percent of the requested training budget or more for four to five years in a row. Sequestration only happened once, that was in 2013, and that's getting to be a while back.

Continuing resolutions to my mind I agree with you, they're very bad because they get in the way of innovation because you can't do new things. But readiness is an ongoing activity. And moreover the army, even though it is busy and our soldiers deserve kudos, I'm sure we all agree on that, nonetheless the overall number of brigades deployed or stationed abroad at this point is far fewer than at the peak of Iraq and Afghanistan. We have one in Korea which rotates through, we have one in the eastern NATO region, we have a couple in the broader Middle East, we have one in Afghanistan. We have basically about five army brigades deployed out of 57.

So, why can't the army get healthy? What I'm wondering is do we have to have -- some of these changes happen from within the services, that they have to look for new and innovative ways to be more efficient in how they employ their force rather than waiting for a $700 billion budget to ride to the rescue and allow a lot more money for everything. So, that's my question.

CONGRESSMAN BACON: Well, that's a good question. I think it's a myriad of things that come together. So, first of all, when you look at what the proposed budget was under President Obama in 2010 it was about $700 billion for this year and now we're sitting at 550. So, there has been a sizable difference in what we have budgeted out.

I think it's also our modernization has fallen behind. That's part of the readiness problem in that we have old equipment that you can't count on. So, the modernization isn't normally seen as a readiness issue directly but in the end it becomes one if you have 25-year old equipment that you can't maintain and get ready.

So, I think you have older equipment, you have folks that have been five, six, seven, eight rotations. I know people in the 55th wing in Omaha that have done 25 rotations in the Middle East and they don't do the full year of rotations, they're three, four, and five months depending on which crew position. But that takes a toll on people. I think you have a lot of folks who are not able for health

reasons to deploy now so that puts more weight on fewer groups.

So, I guess my point would be that the readiness levels is an accumulation of the training budget being cut, there were some rotations to the National Training Center that have been reduced in the air force. A few years back we cut deployments to Red Flag Weapons School. It's also that we have 25-year old equipment, at least in the air force. I think the army has roughly the same as well. Then you add in the people who have been on multiple rotations and there is a physical toll. I think you put that together and it's why we're at where we're at today.

MR. O'HANLON: Thank you. Congressman?

CONGRESSMAN LARSEN: I think that's part of the story for certain. I think another part of the story is this tension between the procurement and readiness and operations, and then of course the amount of money that's approved, authorized, and appropriated to the military. Then the choices that are made as the budgets do get squeezed, choices that get made in the Pentagon after the money has been approved and where that money goes to. If they have to make choices in the Pentagon does it go between training readiness or continuing the purchasing of X number of some type of platform or weapons system? What is the better choice, what is the better use of that dollar so that's it's worth a dollar as opposed to worth $0.90 on the dollar? In the case of platform weapons systems you back off of purchasing they lose the (inaudible) scale of that purchase.

You know, that's cumulative over these 32 or 31 CRs. At some point, as Secretary Mattis has said, that just comes and sits down on you. He didn't say it'd be the 2018 budget but he testified to us it will be the 2019 budget where this money problem just comes in and sits down in the Pentagon. And by that I mean it just makes it difficult throughout all three of those functions of operations and procurement and readiness to fund things to an adequate level.

I'd also say Congress is at fault for a lot of other reasons too. It's not just the CR issue. In 17 years of being on the Committee talking which is worth whatever you want to put into it, and Don can either back this up or dispute it which is fine, but it's a matter of Congress saying no, you won't retire that platform.

CONGRESSMAN BACON: I was going to piggyback on that next.

CONGRESSMAN LARSEN: Yeah. And this is especially an air force issue, but it's in the

army, it's in the navy, it's in the marine corps. Institutionally, members of Congress like things like if you can kick it and break your foot on it we'll fund it, right? That is, if it's steel and gray and floats then we want to fund it. But if it's an electron, like electronic warfare which is sort of this --

CONGRESSMAN BACON: That's really sexy stuff, by the way.

CONGRESSMAN LARSEN: Yeah, real exciting stuff. You can't see it, you can't touch it, you can't feel it, but the enemy can. But we underfund that because it's not a platform; you can't see it, touch it, feel it. And members of Congress don't want to not fund platforms and we don't want to retire platforms either. So, the House puts provisions in budgets so you can't retire a platform and then the Senate changes it to say you will study whether or not to retire platform and report back in 75 years. (Laughter)

So, we are to blame and not just because we don't pass budgets in a timely fashion but we put provisions in budgets. So, we contribute to that as well. It's not just -- I don't want to point to a bunch of Pentagon bureaucrats --

CONGRESSMAN BACON: I agree.

CONGRESSMAN LARSEN: -- in our military, but Congress is to blame as well for some of this.

CONGRESSMAN BACON: If I may give an example of that. I think it was 2013 or '14, I was a one-star in the Pentagon. I can't remember the air force size of the cut -- I want to say 15 billion but that's going by memory. I may be wrong on that. The air force was given a bogie to figure out how you're going to round that budget out with that kind of a reduction. So, the air force came back and said, well, we really want the Global Hawk, we want the A-10, but if you're going to cut that amount of money we're better off cutting a whole weapons system versus doing a peanut butter spread, because we've been traditionally doing that. So, the air force came back and said, let's cut the A-10 and the Global Hawk. Congress said nope, can't do that.

So, then the air force says, well, we'd like to maybe reduce some bases because the optimal base should have four, five, six flying squadrons in it; I know some bases out two flying squadrons, I know one with one. So, let's reduce some of the bases and Congress says nope, can't do that either.

So, we end up cutting training and that's how you go from one-third of the flying hours for aircrews today versus what I had as a captain because that was like the only area that the air force had agreement to make those reductions. I assume the army had much of that same process that they had to go through.

So, it's easier to cut training, operations, and maintenance, and readiness stuff versus as Congressman Larsen here says, you know, aircraft and bases. Boy, try to cut a base, that's the third rail. (Laughter)

MR. O'HANLON: I've got one more question to follow up on this readiness question and then I want to ask oen question about overseas threats and then turn to all of you for the remaining time. This is a little bit of a leading question, and I've been on a little bit of a tirade on this issue in my own writings, but should we be asking the services to think more innovatively about how they operate their forces? And some of the ideas that have been out there I've written about them and a lot of other people have too.

For example, with the navy under such strain is it time to be a little less slavishly devoted to a certain deployment schedule? Maybe we can occasionally have a gap here and there.

For example, in the South China Sea it's important that we do navigation exercises, that China understands we're going to do those. We don't have to them every week and we don't do them every week anyway. So, maybe you let the carrier presence gap or be delayed between one arrival and the next for a little longer period of time. Or maybe you recognize that these larger amphibious ships we have that can carry two dozen aircraft, that can sometimes suffice in a region that's a little bit less tense rather than have to send a flat tac (phonetic) carrier, so they can sort of complement each other rather than be seen as largely separate deployments.

Or with the army, is it time to actually station a brigade in South Korea and one in Poland rather than rotate? Because the rotating consumes the one that was already there, the one that's getting ready.

So, all these kinds of ideas. And the last one I'll throw on the table and then just see if you want to react to any of these or your own thoughts. Of course, the question is broader; the question is should the services be innovating more about how they operate the force?

So, the last one I'll put forth -- and General, I'd love your thoughts from your air force background -- I know how hard the air force is working in tanker transports support capabilities, and the whole air force is working hard. But what I wonder is could we have some more land-based deployments of fighter squadrons in the Persian Gulf region to take a little pressure off the carrier fleet? Because right now we do the occasional fighter squadron, we don't base anybody there in terms of fighters.

CONGRESSMAN BACON: We rotate them.

MR. O'HANLON: So, these are the kinds of questions that are on my mind. I just wondered if you had any reactions.

CONGRESSMAN BACON: Well, when you asked that last question I don't think I did a good job answering that, so I apologize. I think innovation is important. I think when you have budget challenges it forces innovation thinking. I think we've done some of that, we need to do more of it.

So, we used to take whole fighter squadrons with their aircraft, deploy them, and then three, four months later you take another fighter squadron, aircraft and everything, you rotate them in. Now we're leaving the aircraft there so that saves a lot of wear and tear moving aircraft back and forth. So, you preposition equipment there and you operate that same equipment.

I think like on remote pilot aircraft, one of the most strained organizations in the air force right now because they've been working 6 days a week, 12-hour days, take 2 days off, so 6 and 2. You do that for five, six, seven years, take away vacation time, that takes a tremendous toll. Maybe those hours have changed a little bit but that's like six months old data there.

So, now we're bringing in enlisted aircrew instead of just having officer aircrew. So, we're trying to find ways to do it smarter and I think these challenges make you have to think that way and that's a good thing.

But I think when you start talking about reducing our presence in the South China Sea, reducing our presence whether it be the Korean Peninsula or our presence in Poland -- and I do believe we should have a permanent presence there after talking to the Polish leadership back in May; I know they're in favor of it. But I think what we're really saying is our strategy right now calls for a level of military up here but we're funding it here. At some point we're going to have to adjust our strategy or adjust our funding. You just can't keep asking the military to operate at this level with this kind of funding

and that's what we're doing right now, I believe.

I think with some of the things you're saying it's really more of a strategy question, and do we want to be the defenders in the South China Sea, the (inaudible) force with the Philippines and Australians? What is our role with the Korean Peninsula? What is our role in the Baltics? I think we should have a role. I think America withdrawing leads to a more dangerous world. If we're going to do that we need to fund the military at that level to do it.

MR. O'HANLON: And by the way, just to be clear, I'm not suggesting we pull back from Korea or Poland but I'm wondering if --

CONGRESSMAN BACON: I understood. But the presence in the South China Sea, if we do it once a year is that enough? I don't think it is. I mean, at some point it's a strategy question. And I didn't mean to put words in your mouth.

MR. O'HANLON: No, very good, thank you. Congressman Larsen?

CONGRESSMAN LARSEN: On the last point that Don made I agree. To answer your question, Michael, you need to start with strategy. What is our role, what do we want our role to be? What do our friends and our allies want our role to be as well? We need to I think continue to recognize there is a demand signal out there for U.S. presence and defining that presence and how we do that presence is important.

I will say this, we're not always going to meet the standard that our friends and allies believe we ought to have in terms of presence, and that should not define what our presence should be either. We're elected to define our presence; our friends and allies are not elected here in the United States to define our presence. So, we have to make that strategic decision.

But I think your question is fundamentally a strategic one. I believe, and Don noted, the U.S. helped build and lead a world order since the end of World War II. It has largely benefitted a lot of folks, it's certainly benefitted the United States. I'm not ready to give that up or to cede that to another model because I don't think another model will work as well. So, getting to your question as more of a strategic one.

The flip side of this is -- again, in 17 years people have been here longer and they're smarter than me and people have been here less time in Congress and they're smarter than me. I will

say this though, the only thing worse than giving the Pentagon too little money is giving it too much money. It is one of the least disciplined departments that I've run across in 17 years in Congress. So, a little tightening is not a bad thing for the Pentagon. They make decisions, strategic decisions, to force innovation, to force different ways of thinking about it. But I'm not now making the case that the situation the Pentagon is in today is the right situation for them. But for them to make decisions about how to change deployments, whether or not to preposition platforms and move people in and out, they should be looking at that anyway and they don't need our help to do it. But if they do need our help to do it then there is something wrong with the Pentagon, not in Congress.

CONGRESSMAN LARSEN: One of the areas where I think we can save money at the military tents (phonetic) if they have a problem they build a new headquarters or a new staff. And I think we have to review the staff levels of bureaucracy because you have the folks who are doing the warfighting are a smaller number. I think we've got to always review, are we building too many levels of staff up there and we really need more folks on the ground doing the job.

MR. O'HANLON: Thank you. By the way, just a quick plug for Congress, a former CBO staff myself, I've always thought Congress' role in defense policy is actually crucial and that Congress punches above its weight in terms of the number of people. And I don't expect the Pentagon to always get it right because they have cultural biases as well. And, of course, they always work for a president, whatever his name, that has his own political agenda. Everything is within that context. So, I think Congress is an indispensable --

CONGRESSMAN BACON: Goldwater-Nichols is a great example where I think it was a great change.

CONGRESSMAN LARSEN: I agree that Congress is indispensable. (Laughter)

MR. O'HANLON: The indispensable power. (Laughter)

So, my last question is hopelessly big and therefore I hope you'll each narrow it down to a specific thing that is most on your mind, but I wanted to talk at least briefly about overseas threats. You both alluded to them quite a bit already and you ticked off, Congressman Bacon, a number of the specific places where we are operating or deployed, but I wondered if either of you, or actually if I could ask both of you in turn to share with us your sort of most pressing concern, not necessarily the threat you think is

most acute, although you can do that if you want, but maybe the threat that we're least correctly understanding where you'd want to encourage us to think more afresh or more profoundly, more creatively about how to deal with it. So, if I could put the overseas threat question in those terms and start with you.

CONGRESSMAN BACON: Well, I think we're starting to frame the Russian threat right I think we had missed that the last four or five years and I think we now realize their agenda. It's not our agenda, they're not our friend. I won't say they're our enemy but they're surely our adversary and oppose a lot of our national interests for sure.

And I think in China we have grounds for some optimism but also concern that we have a balanced approach there. They surely want to sort of control the countries around them and I think that would be a mistake for us to withdraw. I think our allies want us there, they want to maintain their independence.

I think we're starting to gage the threats accurately. The North Korea thing is a hard one to solve but we know a North Korea with 10 nuclear weapons or 50 nuclear weapons is something we can't -- just the threat is huge and we can't overlook that.

I think maybe if I had to put it on one area, the two things I don't know if we have quite right yet are still Iran which is not the immediate threat but I think it's the 10 year, 15 years threat, especially with their support of Hamas, Hezbollah. They are the world's leading terrorist exporter and I'm concerned about what that means 10, 15 years from now with Israel and the region there.

I don't know that we have our fight with ISIS or the Islamic extremism quite right. I think we tend to lean too much on the kinetic side or using force, but how do we stop the global recruitment? How do we undermine an ideology that attracts folks from Australia, America, Great Britain, Africa? How do we undercut that financing? I think that we've not really done a good job. I think we're talking about it now, but we need a holistic strategy to win this fight. Putting forces in Afghanistan, Iraq, and Syria it deals with a symptom, and we have to deal with that symptom because we don't want a terrorist state say in Afghanistan with the Taliban taking over. They're allied with 33 different terrorist organizations.

But I think if we only do the kinetic side in Afghanistan, Iraq, and Syria we're missing the boat. We'll be there forever. So, how do we undermine that ideology? How do we undermine the

financing? I've not really heard yet where we got that right. I think we owe it to really put some smart people together and have a holistic strategy that looks at all those tenets.

MR. O'HANLON: Thank you. Excellent. Congressman?

CONGRESSMAN LARSEN: I don't want to provide a country-to-country global perspective here. I don't want folks to go away thinking, oh, Larsen didn't answer that question. He didn't mention my country or he didn't mention what I was concerned about. So, I'm just going to focus on one thing that I think that we need to get right and better, and that is at times in Congress we lump together Russia and China as a single threat when in fact my subjective assessment is this, that Russia has a tactical view of the world and China has a more strategic view.

China has an idea of where it wants to be in the world and it's not necessarily a competitor in every sense with the United States, it's a competitor in some sense, but there is plenty of room for optimism and cooperation in a lot of areas with China and there are areas of concern. I think Russia's view is one of tactics only because they don't have the literal firepower, they're not the economic firepower, they don't have the diplomatic firepower to have a global role.

So, I think we need to approach our relationships with those two countries differently and not try to lump them together as if they're in some partnership or, cooperative partnership, against the U.S. or relative to the U.S. I just think that if we do that we're missing a lot of opportunities to work with a rising China, and we will also miss a clear view of the concerns that we ought to have with a rising China.

MR. O'HANLON: Outstanding. Thank you very much.

We've got about 15 minutes to bring you all into the conversation, so if you'd like to ask a question please get my attention and wait for a microphone, then identify yourself before posing the question.

CONGRESSMAN BACON: Ask him all the hard ones. (Laughter)

CONGRESSMAN LARSEN: Two and two is four.

QUESTIONER: Thank you very much. John Schwenk with BAE Systems. Thank you both for speaking with us this morning. You've probably guessed what I'm going to ask given your leadership roles in the Electronic Warfare Working Group, I wanted to pull the thread on something Congressman Larsen was talking about. That important capability, it's sort of a capability that's not always publicly

recognized but given some of the things that have happened more recently with things like Russia and Ukraine that kind of shone a light a little bit on it.

So, given your two roles in that community I'm wondering if you can comment a little more publicly about where do you think the services are doing well in EW and where should they be going in the future?

CONGRESSMAN LARSEN: So, I got involved with being co-chair of the Electronic Warfare Working Group which has been around Congress since the mid-'90s. Members of Congress created these ad-hoc groups every once in a while and this Electronic Warfare Working Group has been focused on EW. I have a district in Washington State with the naval air station Whidbey Island and that's where at the time I was elected to the Prowler community largely there, now the Growler community is largely there. These are the navy's electronic attack aircraft.

So, I got involved because the platform was in my district, the platform from which we deliver electrons to jam radar. And over time then that evolved into more of an interest in electronic warfare broadly.

What we did about seven years ago with the EW Working Group I will say is finally what the Pentagon is doing now, we looked at this problem of EW which ends up being a feast or famine type of budgeting. If we're in a war, if we're fighting a lot goes into electronic warfare. If the operational tempo goes down and we're not fighting as much then not as much investment goes into electronic warfare.

What we need to do is have a more consistent budget commitment to EW across the services. And that means training, that means developing leaders, that means research with our academic institutions and our federally funded research and development centers.

The Group produced a report about 10 years ago with these elements. The Pentagon has now -- that was a couple years ago, an executive committee or ex-com that is essential doing just that, essentially trying to make sure the services are developing leadership, they're developing training, and they're putting research into the next things as well as budgeting for the next things.

Let me give you one example and then I'll turn it to Don. This is not a criticism of the navy and it's not a criticism of the contractor or anything, it's just things take too long to get done. It's something called a next gen jammer, a next generation jammer. The next generation jammer in about

two years will be the last generation jammer, right? I was saying that a couple of years ago. It was just taking so long to get to the next generation jammer.

We're now getting there which is great, but if we use that model for the future, for developing the next generation's jammer, we're going to fall further behind our near competitors like China, for instance. We need to fix this commitment to electronic warfare throughout the Pentagon, and that's in part what the Working Group is about.

CONGRESSMAN BACON: I've been very honored to be a part of this working group. I just started. And it's something that I'm excited about. I was an electronic warfare officer in the air force and it's a passion of mine and I enjoyed doing that for most of my career.

In the '90s we had the preeminent electronic warfare capabilities in our military. We had a strong doctrine, strong advocacy, good funding, and over time we walked away from it. So, we let it atrophy and then the Russians and Chinese they saw what we did in 1991, for example, with a very potent electronic warfare and they invested a lot into electronic warfare. So, they've been working hard to beef up their capabilities while we were letting ours atrophy over time.

As I had a chance to have our most recent meeting with the Electronic Warfare Working Group, I think if you look back like five years ago we were going at maybe a 180 heading, if I can just draw a picture, but we needed to be going 000. I think we've made a course correction where maybe we're going 010 or 015. I think we've got more work to do, but we're turning he ship back around, going in the right direction in my view.

But problem number one is I don't think we have our doctrine right. The electronic magnetic spectrum in my view, and it's scientifically true, is a physical domain. And if we don't actually describe it as such, as a physical separate domain, and then you have a strategy how do you get superiority over that domain? If you don't talk like that you're not even on first base.

So, I think our doctrine right now, though it's been approved, it doesn't get to the truth yet. It's a separate domain. And then you have a separate domain, how do you win in that domain? There is a reluctance in DoD to call it that because I think that leads to more spending in this area and they don't want to put more money there. I just think it's an honest discussion, that we need to have that in our doctrine. I think advocacy levels, we used to have two-star generals in the Pentagon that

used to oversee electronic warfare. We don't have that today. We do have a one-star at STRATCOM that does the joint -- and I'm pleased that that's been put in place. But if you look in the joint staff it's very diffused, who is in charge of electronic warfare. I think there should be a single bellybutton that is an advocate on the joint staff as well.

So, I think we've made some progress. Here's what we're doing well. We have capabilities out there to make rapid acquisition in some areas. Not big weapons systems, but in some of the smaller ones, Big Safari and some of these rapid acquisitions programs are able to turn out some new capabilities fast especially in a wartime situation. We would encounter new IEDs in Afghanistan and Iraq and within one month have the counter to them which was electronic warfare oriented. So, that's an area where we're doing pretty well.

MR. O'HANLON: Excellent, thank you. Who else? Yes, sir?

QUESTIONER: (Inaudible) Samuels, CSIS. Do you think that DoD needs to more clearly define the metrics for readiness? I mean, clearly we're in the midst of a debate whether we're actually facing readiness challenges or whether we're in a crisis itself. So, I think a lot of that comes from conflating terms such as modernization and operational tempo with readiness itself. Do you think if we redefine it it will certainly alleviate the problem of looking at readiness in a political light at times? Thanks.

CONGRESSMAN BACON: Should I tackle it or do you want to tackle it?

CONGRESSMAN LARSEN: You can go first. I want to think about that one.

CONGRESSMAN BACON: I first would say I don't think there is really a debate that we have a readiness problem. It's probably, well, how bad is it. But I think it's clear that we have a problem in readiness. So, I just wanted to respond to that one comment first.

I think there are some clear metrics. How many aircraft can you fly today? What's the readiness rate or the operational status of your aircraft or ships? How many people are ready to deploy? Those are tangible, concrete readiness levels and there are probably a hundred of them out there, frankly.

But I think your question is, if I can read into it, what feeds into that loss of readiness? Oftentimes modernization feeds into that loss of readiness. When you have 25-year old aircraft, which is the average in the air force, you're going to have a drop in readiness because they're harder to maintain.

Our tankers today are 60 years old. You mentioned tankers. KC-135s, 60 years old; B-52s. I think the youngest B-52 was made in 1962, to put it in perspective. We have granddaughters flying B-52s today that their grandfathers flew. To me that tells a big story. So, modernization does feed into the readiness issue, so I think maybe that's the core of your question.

But I would just say there is very objective data and stats that reflect our readiness levels and I think all of them have been pointing the wrong direction.

CONGRESSMAN LARSEN: I think it is right to have metrics for what readiness is. At some point can everything be 100 percent ready? Well, no. Something will be broken. One thing somewhere will be broken and you can't deploy it, therefore it takes away from 100 percent. There's somewhere between that and where we are now with the right number, but I think you get stuck in the right number. We need the flexibility to not guess what the exact right number is for that, honestly.

What we ultimately have to be driven by is the broader strategy. Where do we want to be in the world? Honestly, in a really big picture debate, which is not really the one we're having here, we are literally having that debate about what is our presence in the world right now. It is one I think was hoisted on us but it is one we're having nonetheless.

MR. O'HANLON: One last footnote from me before we'll take our last question and wrap up. CBO, when I was there, one of my colleagues did a study with the sexy name of Selected Indicators of Military Readiness 1980 through 1993. You can still Google it. It's a great study. It gets to sort of what you guys are talking about. It's mission-capable rates for several dozen categories of equipment, major equipment. It's funding for readiness and who has been to which major unit exercises or rotations recognizing you can't track each and every little unit and its daily activity but you can maybe look at a few bigger exercises. It's the quality and adequacy of the people in the force and at various staffing positions.

So, it's trying to find that middle ground between just a data dump and something that is still rich enough and textured enough that you can look for individual problems and try to fix them. To me that's the right level of data. But I think in this century we've classified a lot of it and the services have frankly gotten out of the habit of trying to organize it very well even for their own purposes.

And it leads to a problem that my former Brookings colleague and Columbia professor Richard Betts wrote about, he did a book on readiness five years ago. He had this one chapter which

was entitled "Lies, Damned Lies, and Readiness Statistics." (Laughter) Because you can always cherry-pick whatever story you're trying to tell if it's not fairly systematically organized and regularly presented.

And the last thing, if you do a data trend over time then you could compare us to where we were in the '90s, where we were in the '80s, because you're never going to have 100 percent readiness. You need some kind of perspective, what's a reasonable standard. I think that's the kind of report that I'd love to see Congress request again of CBO. And then Congress can use its clout to pressure the Pentagon to come together and get this data. Anyway. That's just an advertising thought form a former CBO staff.

Please, last question of the day.

QUESTIONER: Thank you both for coming. My name is Aaron Keesler (phonetic), I'm from Louisburg. Can both of you talk to us from your roles on the Committee threats that you see coming off on the horizon that you think we should be preparing for today?

CONGRESSMAN LARSEN: No. (Laughter) Threats, you're looking at like five to ten years down the road or so on?

QUESTIONER: Yeah.

CONGRESSMAN LARSEN: I think the threats are really more how we handle today's threats. I don't know if anything new comes up, but how do you handle -- and I don't want to be condescending here to folks in China because no one wants to be handled. How do we best manage the U.S.-China relationships of which there are many, there is not one. There are many relationships that we have with China. And how do we best manage those to assure allies and friends as well as to continue to maintain U.S. presence in the region. Because that can be mishandled on China's part and on our part. If it's mishandled that could turn into something worse.

I'd mention North Korea but frankly North Korea is today's problem. I can't even think about ten years from now right now on North Korea. I know what I'd want it to look like, what I'd want it to be on the Peninsula; denuclearize, unify, and so on. But that is today's threat. So, I don't have an answer for you ten years from now. We're trying to figure out the best way to take care of that right now.

CONGRESSMAN BACON: The threats that I think we should be most nervous about, first of all space. We are very dependent on space; space communication, space intelligence. We're

going to be in a warfighting domain over time where we're it's space superiority.

Russians and Chinese are putting a lot of investment into targeting our key space nodes and we're very dependent on that. If you take away our space capabilities, which they're trying to do, in a big conflict I think it's going to be a very tough fight. So, we're going to have to be thinking ahead ten years out how do we defend space, how do we build redundancy, and how do we use deterrents to counter that. So, I think that that's an area that's going to require a lot more attention.

I would say this is old news but it's not, it's future news. Cyber. The Russians are very good at tactical use of cyber. Right now they're very aggressive in Ukraine's tactical networks, economic, strategic, they are in their systems owning it. That's what they want to do to us in a current fight. So, we have some of the best cyber offensive capabilities bar none, but we're also the most vulnerable. As I heard a general say, we have the racks and the biggest glass house when it comes to cyber.

So, that's an area that we cannot take for granted, especially with some of the systems we're wanting to field that links all of our tanks. That's an open door for someone like Russia to try to get inside those networks and create mischief.

Now, when you look at technologies 20, 30 years out we need to be thinking about that too. Here is an area that we're behind in, hypersonics. China is ahead of us in that area and that's extraordinarily hard to defend. So, we need to be pushing that envelope out there and investing on our own hypersonic capabilities but also how to defend against it.

I think you're going to see miniaturization of weapons down the road. What does that mean? How do you use that? Can you image what you can do with a drone the size of your hand or even smaller, the size of a fly? That's what we're talking 30, 40 years out so we need to be working that now.

So, there are a lot of these areas that I think we have to have our eyes on now to be prepared for what the future has. So, thanks.

MR. O'HANLON: That's a great note to finish on. Let me also mention that for those of you that thought that today's big sports event in the Washington area was the Nationals game, there's actually a Congressional football game tonight. (Laughter) Democrats and republicans united against the security staff. I'm not sure where I'm going to put my money. (Laughter)

CONGRESSMAN BACON: I know where you should put your money.

CONGRESSMAN LARSEN: Listen to this, I'm not playing. That should give you some hope. Don is playing so you decide who you want to bet on.

MR. O'HANLON: Well, exactly. I was going to say we've heard a number of names for Congressman Bacon today, some of them actually accurate, some of them invented by me. But in addition to Bacon Bits and in addition to Congressman Don Bacon he is also apparently wide receiver Don Bacon of the Congressional team. And he survived several practices without pulling a hamstring which to me is already a victory.

So, please join me in thanking these two gentlemen. (Applause)

CONGRESSMAN BACON: Thank you. Appreciate it.

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