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HOW THE NDAA INVESTS IN AMERICA'S DEFENSE: A CONVERSATION WITH HASC CHAIRMAN ADAM SMITH

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PROCEEDINGS

MR. O'HANLON: Good morning, everyone and welcome to our Brookings discussion today. I'm Mike O'Hanlon with the Foreign Policy program and I have the privilege of welcoming back Representative Adam Smith, the chairman of the House Armed Services Committee, now serving in his second term in that distinguished role in this third year. And also his 13th term representing the people of the 9th district of the great state of Washington.

A couple more words of introduction and then Chairman Smith will have a couple of words of his own to say greetings and to set the framework for today's discussion. We'll then proceed with a conversation between him and me for about a half hour and then appreciate audience questions that are already coming in in great numbers at events@brookings.edu. I'll try to feed some of those to the congressman in the second half hour.

But just an additional word, many folks who are watching this will remember and understand very well that we are -- one month away from the end of the current fiscal year, fiscal year 2021 and by October 1st, we need a new source of funding for the Department of Defense. That is the start of fiscal '22 year and there is still a big lively debate about what size defense budget as well as what composition defense budget the United States should have for that fiscal year. A debate that continues and will be, I'm sure, quite lively this week.

I just want to add one additional substantive note if I could, Mr. Chairman, that I really look forward to your thoughts on this as always. Not only because of your important position which is just crucial in the process clearly but also because your voice is informed as your biography on your website underscores. My previous service on the Foreign Affairs and Intelligence Committees and a very broad view of U.S. foreign policy and national security where you go out of your way to emphasize the new threats as well as the traditional threats and I know you take them all seriously.

So as we wrestle with domestic challenges, COVID and climate challenges, national security priorities of the more traditional type, I know that you are constantly thinking about how to weigh the relative importance of all of these. And so, I think your voice on how to think about what the defense budget should be and what its components should be is more important, perhaps than ever. So thank you for joining us and over to you, sir.

MR. SMITH: Well thank you, I really appreciate Brookings hosting this conversation. I think it's really important with our markup coming up tomorrow for the defense bill. And I think the overall theme of where we're at on national security policy is transformation. There is a lot of change going on. You know, certainly, you know, we've seen 20 years of the military being forward leaning present in combat situations in Iraq and Afghanistan. Now that we've pulled out of Afghanistan, we're out of Iraq, we are pivoting away from that sort of direct forward, you know, military engagement and combat zones. And that's a fundamental shift.

Also, we have seen certainly the rise of China and Russia with Russia's activity, you know, not just in eastern Europe but they are pushing out into the Middle East into Africa, China, similarly. You know, what is our defense posture.

How do we meet the threats that are in front of us today and how do we deter our adversaries which, I think, is the fundamental focus of national security. And that's going to require a whole lot of change, you know, some of it obviously some of it not so much. You know, but it really is different than what we've been doing for the most of the last 20 years.

And then second, there's the technological challenge that survivability has become the biggest issue in terms of platforms, in terms of warfare. Information warfare, we've seen the effectiveness of cyberattacks against us. You know, all the platforms in the world don't do you any good if someone can, you know, sit in their basement with a computer and shut down your command and control system.

So how do we rebuild that command and control system to make it more robust, more survivable. You know, what platforms are out there now that are going to be more survivable and more useful. We've got the whole swarm of drone's issue. A, how do you protect against that, B, how do you use it? How do we develop that technology so that we can have that deterrent effect on our adversaries as well?

And that's the main theme of what we're trying to do here and where Mike Rogers and I are 100 percent in agreement. We need to transform our national security and then there's the other issue that you alluded to which is we need to start better using other tools in the tool box. Military confrontation always comes at a high cost. How can be better integrate that with partnerships and allies, with diplomacy. You know, how can we work together with things like climate change in a global sense. So big transformations going on here and the bill we've put together is trying to reflect those transformations.

I guess the last piece before I turn it over, because I know there's a ton of questions so I don’t want to just go on here, I want to get to answering your questions; you know, how can we build systems better? You know, I wrote an op-ed a little a while ago that sort of summed it up.

But the bottom line is, the last 20 years we have far too often not gotten our monies worth for the platforms that we are trying to develop and I think we've learned some lessons from that about what the right way to develop new technologies is but we've got to apply those lessons. The pace of change is what gets you in trouble here. You come up with an idea and then you start to build it. Two to three years into it, a whole bunch of stuff has changed, how to adjust to that.

I think we've come up with some better ideas in terms of how to deal with that. But we've got a lot of work to do to sort of reset national security policy and reset defense policy and I think this bill will be a significant part of that process.

MR. O'HANLON: Thank you. And I want to pick up on the transformation theme and ask you to place it in a little bit of historical context as well. You did with the Iraq and Afghanistan and broader Middle East change that we've been seeing in recent times. But I also wanted to ask you, in your time in your influential positions on the House Armed Services Committee, we have changed some of our posture overseas, right, in response to Russia and China.

So, we've had a much greater U.S. military presence now in Poland and NATO partners have put forces in the Baltics. We have the Navy now documenting in its tri-service maritime strategy document that came out last year, that they've shifted to 60 percent of the Navy being in the broader Indo-Pacific region as promised a decade ago by President Obama's pivot or rebalance strategy.

I wonder how much you see those as already constituting important transformation at least in terms of where the footprint is around the world. And so now you're sort of talking about maybe transformation 2.0 which is more the hardware and weapons and cyber side. Is that how I should think about your use of the term transformation? In other words, just how important were those previous shifts that we've already now made in shoring up our deterrents of Russia and China?

MR. SMITH: I think they've been very important, and I know Secretary Esper, when he was secretary of defense, was really focused on this. And what he was focused on was okay, Russia, China are rising so what do we do when those regions in order to better be able to deter them, how do we build partnerships, how do we shift our forces.

But Mark was also very focused on okay, if I'm doing this what else am I not going to be doing and then that's the part that frequently people don't want talk about. It's like well, we can't stop doing that. There's a finite amount of resources and a finite amount of focus. So I would say that that transition is continuing.

I was actually just in Eastern Europe in Poland, Romania, Lithuania and Ukraine and looking at that and there's still -- we have very willing partners in that part of the world. There is still more pivoting to be doing. So I would say we're sort of in the middle of that process.

And then the second piece of it is what are the systems challenges? What weapons systems do we need to deter the adversaries that we're now facing, how do we transform that? And again, the biggest change there is the increasing difficulty of platforms being able to survive in a contested environment. Whether you're talking about cyber threats, command and control threats, you know, the importance of our satellite systems and how robust that is or simply the ability of a fighter jet or, you know, a ship in the sea to be able to survive a missel attack.

All of that is much more difficult. All of that is much more vulnerable than it used to be. So how do we change that to make what we have A, less vulnerable but still lethal enough to be a deterrent threat.

MR. O'HANLON: You know, Secretary Esper last fall issued a new vision for the Navy which I wanted to ask you about. Because the funny thing was, you know, he was then unceremoniously dismissed by President Trump and we had a subsequent tri-service maritime domain strategy put out under the signature of a secretary of the Navy working for Donald Trump.

So I didn't see a lot of a reflection of Esper's naval vision in that subsequent document but it strikes me that Esper did put out a big idea. And he emphasized attacks on submarines and unnamed systems. I wondered if you agreed with that and if you thought his speech from last fall really should have some staying power in the current debate.

MR. SMITH: Oh, absolutely. And I think what Secretary Esper laid out was a vision of capability instead of numbers and I won't give you my long speech because most of the people on this call have heard it. But for most of my time in Congress, we have been obsessed with the numbers. Like somehow if we write down on a piece of paper that we plan to have a 400 ship Navy, as long as we're talking about the numbers of ships well than it's all good.

And what Mark did, you know, I think Secretary of the Navy Spencer did as well is said well wait a second, well what are we really trying to accomplish, what capabilities do we need. And let's look at the changing pace of technology missel technology being the biggest thing that's going to put in a tougher position or puts our ships in a tougher position to survive that.

So yeah, I think that vision as a ton of resonance going forward and we're facing some of those choices now. You know, you've got choices in terms of, you know, building new submarines that are more survivable, building unnamed systems. Even the new frigate that is coming online is a different ship. A ship that is more survivable, more dependable, you know, and we're facing the choice between really investing in that and trying to prop up aging, creaking systems that don't really help us too much. So I think that vision is incredibly relevant right now.

MR. O'HANLON: Before I get to more nuts and bolts to the defense policy and budget questions again, I wanted to ask you whatever comment you'd like to make on this historic day about where we stand after the Afghanistan withdraw. It's obviously in the news, I know you've been on other TV shows discussing this issue. I don't want to ask a question to relitigate the decision. You know, there has been time for that, there will be more time for that.

But I wanted to ask the question specifically about how does the Biden administration and the United States more generally, how do we make sure that our withdraw whether you were for it or against it does not hurt our broader global position. And our ability to maintain American resoluteness, credibility, deter adversaries like North Korea, China and Russia.

Is there anything that has to be done now or is worry overblown in the first -- after all, we just lived through four years of President Trump constantly deprecating our alliances and nobody attacked in a major way in that time. So maybe we've got a robust enough force posture that people won't over --

MR. SMITH: Well let me say this. First of all, the legacy of that decision and the recriminations that are going on, I think it is really important that we have that conversation for a reason that I'll get into in a second. Second of all and sorry, I'm very particular about how things are phrased. And when you say, how do we make sure, I will tell you the answer to that question is always we don't.

That's not the way the world works. And I say this because I think this is a central problem. People seem to not realize that that's not the way the world works, you know. You have to put in place a policy that guarantees, no, there are no guarantees. We don’t make sure, okay. You know, every day something can happen that we didn't anticipate. We have to manage risk as best and as intelligently as we can.

And I emphasize that point because much of the analysis that I have seen about our historic moment when we're finally out of Afghanistan is this sort of general notion that it was just an epic disaster in one degree or another. He's sort of implying that all along the way there were some simple answer that was right in front of us and if we had just chosen it, everything would have been fine. And that again, is not the way the world works and I'll get into that in a moment.

But look going forward, I think it's pretty straightforward. If I'm remembering correctly, there are three big challenges. Number one, what is our counter terrorism strategy in South Asia. Now I do think that people are saying that it's, you know, September 10th all over again, are completely wrong. I mean, a ton has changed in the last 20 years. A ton has changed with al-Qaida, with ISIS, with the radical Islamic extremism how it has spread out. The threat now is much more great coming out of Africa and the Middle East and some other places.

A ton has changed. The Taliban are different. They are still horrific, don't get me wrong, but they are clearly different. And also, our capability to contain terrorist threats from a distance is a thousand times greater now than it was on September 10th. But nonetheless, we have to come up with what is our counter terrorism strategy for South Asia. What's going to happen with ISIS, what's going to happen with Al-Qaeda. What's going to happen with the various, you know, violent extremist nut jobs who are floating around that part of the world and what they might do to us.

How do we contain that? We absolutely need a strategy. I've had numerous conversations with Chairman Milley about this in the last couple of weeks. We definitely do have a strategy and I think we'll be able to implement it but that's one.

Two, you know, we've got somewhere in the neighborhood of 200,000 if you count the number of people that we got out in the last 14 days and the number of people that either got out before or that our allies helped get out. 200,000 Afghans to be relocated across the globe. The mission isn't over. Yes, we got them out of Afghanistan but whether you're talking about our base in Qatar where, you know, they're overwhelmed right now. How do we get those people resettled in the most responsible way possible that, you know, protects them? So, we've got to do that.

And then there are still people in Afghanistan, some American's, now it's a relatively low number but a ton of SIB holders and a ton of Afghan's that want to get out. We need to continue and, in this case, it's a diplomatic mission to try and get as many of those people out as possible. I think those are the three missions now going forward and where we build out of Afghanistan.

But the larger question of what happened over the course of the last 20 years is incredibly important. Because I think we have to make sure that we understand that in the right context so we can both avoid some of the pitfalls that happened during the course of that, number one. But also avoid, you know, unnecessarily tearing down our political system as we go here.

As you might have noticed in 2020, confidence in our overall political system and our government system is a little bit low. And when that confidence gets low, it becomes a problem. People show up at the capitol trying to overturn elections, that kind of thing. So, I want to make sure people understand what the choices were that were involved there.

Because look, I mean, I've heard a lot of people very, very upset that we haven't done a better job of protecting our Afghan allies. Well, the best job we could do if we wanted to keep protecting our Afghan allies would be to put another 50,000 troops in there and fight for them, okay. You know, I mean, if that's our number top, you know, nothing else matters concern, that's what you would do, all right.

But obviously, we've seen the cost of that over the course of the last 20 years, so we have to balance those choices and try to deal with Afghanistan, understanding just how difficult it is. And I think it's going to be incredibly important that we have that discussion, understand the policies that went into went happened and what we should do going forward.

MR. O'HANLON: How about deterring Russia and China? Do you sense that they're going to be looking for opportunity or do you think they're going to somehow take the read of President Biden and assume he's not as resolute as they might have thought before and test the waters around Taiwan or Ukraine or the Baltics or aren't you so worried about that?

MR. SMITH: Look, I mean, there's always a balance there, you know. I mean everyone is saying weakness invites aggression. Well, why don’t we just bomb everybody all the time and show them that we're not weak. Let's think our way through beyond just the bumper sticker thought that somehow, you know, because we didn’t decide to stay in Afghanistan for another 20 years, people are going to assume that we're not resolute. I don’t think it's that simple.

It is a broad deterrent strategy. And if you ask me okay just two big things we're concerned about. You know, what is Russia does something else in Eastern Europe. You know, what if they push further into Ukraine, what if they try to establish this land bridge to Leningrad across Lithuania. What if they try to carve out part of Estonia? What is their calculation in deciding to do that?

China, you know, what is their calculation in deciding whether or not to take Taiwan. I think anyone who thinks that their calculation has significantly changed because we just pulled the last 2500 troops out of Afghanistan, I really don't see that. I mean, there are a lot of other issues that go into whether or not Russia and China are going to feel like they have the ability to be aggressive in those parts of the world. But the fact that we're no longer tied down in Afghanistan, I don’t really think is going to be one of them.

MR. O'HANLON: So let me ask you if I could one more big picture question on the budget but I'm going to frame it in a way where I don’t force you to just, you know, necessarily have the same debate or conversation now that you're going to have the rest of the week and next month likely on Capitol Hill. Although, feel free to go there if you want.

But I wondered if you could maybe take a step back and speak to the general audience, some of whom are probably not following day to day House Armed Services Committee deliberations. And, you know, are trying to make sense of current American military capability with roughly a $740 billion a year national defense budget. And the request now from the Biden team for that to be $753 billion, including Department of Energy nuclear activity.

And you're on record supporting that but some people in the Senate and on your committee want to add $25 billion to those numbers for 2022. But last year, well, excuse me, last winter when you spoke with me earlier, you talked to me earlier, you talked about how it matters more how we spend rather than the exact amount.

I also had General Berger, the Commandant of the Marine Corps in a Brookings event discussion in May and he said something similar to what you said. He said he cared more about stability than he cared about the number. So I wanted, in that context, to just invite you to inform and educate the audience today. How should we be thinking about the adequacy of U.S. defense spending, you know, at whatever level of generality you'd like to address that question.

MR. SMITH: Sure. There's several issues occurring. I mean, number one there's the question, how we should be thinking about U.S. fiscal policy at large because that factors into it.

A lot of people who criticize, you know, how much money we spend on defense, talk about other priorities. You know, why are we spending all this money on defense we could have spent it over there.

I don't have an enormous amount of sympathy for that argument right now just because, you know, we just spent $6 trillion in the last year, you know, dealing with COVID. We've got proposals on the table to spend another, I think, almost $5 trillion on a variety of different other priorities. And we can get into a conversation about, okay, how does that work exactly. And there's modern monetary theory and I could way down a rabbit hole there on fiscal policy, but I won't.

Suffice it say that I don't think it's realistic, I don't support the argument that you look at the defense budget and say oh my gosh, we can't spend another $25 billion because we have all these other priorities. We spend a lot of money on all those other priorities so, you know, we can figure out -- if we ever decide we want to have a fiscal policy, well then let's have that conversation, you know.

Ten years ago, I spent a heck of a lot of time trying to tell people that we should have a fiscal policy and I lost that argument and it wasn't even close if I may say so. So, you know, it is what it is at this point.

Then the second question is okay what do we really need for defense and that gets to what we are trying to do? And, you know, I think it's pretty clear what we're trying to do. What we're trying to do is deter our adversaries and create a more peaceful and stable world. And our adversaries basically are Russia, China, Iran, North Korea, and transnational terrorist groups.

And there are a lot of different things that go into deterring that, it's not just the military, I understand that. I also understand that climate change is a major threat and we need to make investments there. But I do submit that Iran with Korea, Russia, China, and transnational terrorist groups threaten the planet as well, okay, or at least they threaten the humans on the planet in a way that we need to be concerned about.

I believe in economic and political freedom. Russia, China, Iran, North Korea, and transnational terrorist groups do not believe in economic and political freedom. They believe in the subjugation of people for their own personal desires. Not good, not what I want to see happen. And our military is part of deterring that.

You know, if we didn't have the presence we have in South Korea, North Korea would have invaded a long time ago and looked at the economic and political freedom that has been developed in South Korea and looked at the human conditions there versus the human conditions in North Korea. And that should tell you everything you need to know about why we're trying to deter those five groups that I keep mentioning.

You know, we don't want what's happening in Hong Kong to be happening in Taiwan. We don’t want what's happening in the Eastern Ukraine to be happening in Estonia and Lithuania and Poland. And I believe it does affect us, okay, so we need to be in a position to deter that.

Now I say all of that because there's a fair number of people who want to cut the defense budget who are like, that's not our concern, not our problem, don't need to deal with it. I disagree with that. So, at that point, you know, we do need some resources in order to be able to offer that deterrent.

So, let me also emphasize here it's deterrents. We do not want to go to war with China. I and I don't think anybody else on the committee is planning on going to war with China. But part of the way we prevent that is we build alliances. You know, we make sure that China doesn't think that they have cart blanche to just take whatever territories in their neighborhood because they feel like it.

And that is part of building this broader deterrent strategy. Now you can go through the defense budget and say okay, well what does that dollar need to accomplish that objective. And in some cases, yeah, you'd probably have a little bit of an argument there but that's the overall strategy.

Last thing I'll say about this, that's a very broad question and I want to make sure I address it is, you know, I have pointed out a lot of the money that we've spent at the Department of Defense that has not been effective. You know, the overruns of the F-35, the overruns on the Ford carrier. Gosh, systems like the expeditionary fighting vehicle and future combat systems that never bore fruit at all and we're working very hard to clean that up. I think that's important.

But to say that because some money has been wasted at the Pentagon, we therefore shouldn't spend any money at the Pentagon I think misses the point of what national security policy is about. And I will point out when it comes to waste, fraud, and abuse, you don’t want to take too close a look at Medicare or Medicaid or the unemployment system is you're concerned about waste, fraud, and abuse.

And I am not for one second going to say that we should slash the unemployment and insurance system because somebody ripped off $500 million from it in the State of Washington during the course of the pandemic. We should go in and make sure we don’t waste that money the next time but that's not a reason to say that we don’t need to spend money on unemployment just like it's not, you know, just because the F-35 is over budget is not a reason to say that all of the sudden we don't need national security.

MR. O'HANLON: I'll come back to the F-35 in a minute as you probably guessed and also things like the nuclear triad. But I also wanted to ask you to comment now on general U.S. national security policy and two specific questions. You can address either or both as you wish.

One is Secretary Austin's concept of integrated deterrents that he's been using a lot in speeches and I wondered if you had a reaction to that. If you feel like that is really a major initiative which seeks to integrate economic deterrents, diplomatic measures, alliance responses along with military options for scenarios like Taiwan, as I understand the concept anyway.

And then secondly, any advice to the Biden team as they are trying to write their national security strategy which, of course, then precedes the national military strategy and the whole process that's supposed to occur every four years. And whether there is any conceptual idea that you think needs to be emphasized or one they might be missing from what you've heard so far. Maybe that relates to Austin's concept of integrated deterrents or maybe it's distinct.

MR. SMITH: No, it absolutely relates to Austin's concept. And I would say two things and the Biden administration has been saying this. Then candidate Biden was saying this when he was running for President. And I think the two things are number one, the integrated defense idea. And I completely agree that, you know, diplomacy, alliances, a whole bunch of things other than the military are going to deter Russia and China. It's not just the military.

And, you know, one of the most tragic public policy mistakes of my lifetime, of my service in politics was our, you know, that the post-Cold War decisions that were made by, and this is a gross oversimplification here, but by neoconservatives. If you remember back to the New American Century paper that was written, one of the dumbest damn things that has ever been put forth.

The idea that the key to the world's success and our success was that the U.S. had to remain as dominant in the world in the next 100 years as we were at the end of the Cold War. Words cannot adequately express the degree to which I think that was idiotic. And, you know, it led us to make a whole series of very bad decisions.

And I think what Secretary Austin and the Biden administration are laying out is the idea that, you know, dominance is not the answer. A, it's not achievable, even if it was it comes with way too high a cost. We need to work with people. We need to build partnerships and alliances and build a globe that is a rules-based system which is kind of what we did after World War II.

Now it certainly helped that after World War II we had a very strong military and we were the economically dominant power in the world. But we also, you know, we worked with the United Nations, the IMF, the World Bank, all manner of difference alliances, NATO. We didn't just come in here and say we're the United States of America, you will do what we say when we say. We built up Europe, we built up Japan, we built up South Korea, we helped built up Taiwan. We strengthened partners.

So, the integrated idea is absolutely at the core of what we need to do in our national security part not just rely on the military because that's number one. And then number two is sort of what I said earlier. That the system of alliances and deterrents. The one thing that I would add to it is what we've been trying to emphasize which is to really understand modern warfare.

To understand where we need to make our national security investments to deter adversaries. You know, it's not just the number of ships. You have to have survivable platforms; you have to have the ability to place your oppositions platforms in jeopardy as well which means we need better cyber capability. We need, you know, stronger satellite systems. So, to understand modern warfare and everything that goes into it as we're making those budget decisions is the other piece that I would urge the Biden folks to look at as they're developing their national security strategy and their nuclear posture review.

MR. O'HANLON: Well, as we get into more specific matters of defense policy, let me pick up where you left off on command and control and, I mean, you talked about a lot of things but that was the last point you made. And this new Pentagon acronym, joint all domain command and control has become popular.

MR. SMITH: JADC-2.

MR. O'HANLON: JADC-2. And I wondered if you wanted to comment on that. Now I'm going to permit myself a tiny editorial comment which is, this sounds like one of those impossibly long acronyms that anybody outside of defense for 5 minutes forgets or doesn't understand. And even with DOD, it becomes potentially all things to all people.

The good thing I'll say about it is at least it's a little bit more precise than multi-domain operations, sort of the predecessor concept. Multidomain operations to me sounded like all things to all people at all ranges in all dimensions. So, I didn't really know what it prioritized. At least all domain command and control seems to be prioritizing command and control.

The cyber systems, the satellites, the fiber optic cables, the vulnerable eyes and ears and nervous system of our military that if you were to take that down would really paralyze us. So how do you think about joint all domain command and control and is it right, is it the right priority if that has become the overarching sort of slope in or, you know, bumper sticker for defense modernization today, is that the right one.

MR. SMITH: Yeah. It's absolutely the right one and I will PG this for the purposes of this conversation. You just have to make sure you don't mess it up. You know, and I'm going to start in an odd place here, but I think it makes sense. And the way it makes sense was best explained to me and actually I visited Palantir out in Silicon Valley a few months back.

And they just integrated a system and I may be getting the details of this wrong. But it was basically looking at the personnel system – I want to say within the Army, but it could have been the Marine Corps – and it was a very simple question. It was like on any given day, we have this many people working for us. Where are they and what are they capable of doing?

Well within, I think it was the Army, within the Army, you had literally a thousand different systems for this. They actually tell the story there was somebody who had been working on the civilian side, I think it was some base in Tennessee. They had been there for like 50 years and they had these, like, Post-it notes all over the place that said well, when I type these two little squiggly figures that means he's sick. So, they had to go and grab all of that and integrate it into one system and they did.

So now if you're in the Army and you want to know, you just to go your, you know, your website, you click on that and you go okay there we go and it makes sense and you can see it. Instead of, like, it being like all over the place, it is integrated so that anyone can walk in, touch their computer, go to the website, understand it, and make it work. That is a huge part of what the integrated system idea is.

Now the other piece of it, of course, is making sure that those systems are not vulnerable. And there are a lot of different ways to make sure a system isn't vulnerable. First of all, you want to set it up so it's not as hackable but also you want to make it, I can't think of the word right now, you want to have more than one. You don't want to have a single point of failure. Like oh clip that wire, everything goes. No, we're going to have backup systems, we're going to be able to make sure that it survives.

And at the end of the day what it really means is when I keep talking about survivability's of platforms, survivability of communication, set it up so that you can actually use everything that you have so that someone can't come in and cut off the information. This can be people as well as platforms. Let's say, you know, you need the information on the battlefield and you want to communicate that information to the infantry people who are up front doing that. And then all of the sudden, phone doesn't work.

You know, so you make sure that that system doesn't go down and you get that information. I think that is absolutely the right thing but again, you've got to be really smart about how you implement it. Just throwing around the acronym and saying that we're going to have all domain awareness but what does that mean okay and how do you actually implement it. How do you buy the right software, how do you make it upgradeable, how do you get the right people? That's where it gets difficult. I think the goal is correct and do not underestimate the difficulty of achieving it.

MR. O'HANLON: Does that mean in the scheme of things, command and control is even slightly more important than lethality in the sense that we already have a lot of weapons but the greater the vulnerability is.

MR. SMITH: Yeah. It's like, you know, no one is going to know who C.J. Prosise is but he was a running back for the Seahawks draft in like the third round. And over the course of like six years, you know, he carried, I think he had like eight carries and he averaged like 10 yards a carry which was great, but he was hurt all the time. Everything you could conceive of went wrong with him and he didn't work. So yeah, you know, you'd rather have a guy who can get, you know, four yards a carry, you can actually put on the field then someone who is getting 10 who you can't put on the field.

MR. O'HANLON: If he happens to be on the call, I'll prioritize any question or response from him.

MR. SMITH: It's not his fault, by the way, it's not his fault. You know, the body is the body and football is a tough sport. I'm not saying that. I'm just saying you want to make sure whatever weapons you have you can actually employ.

MR. O'HANLON: So, let me ask you now about nuclear forces and then come to the F-35 and maybe one or two other things. And now I'm integrating questions from the audience as well. There are maybe two aspects to nuclear force question that I'll put before you.

One is do you have any comment on the likelihood that China has a nuclear modernization plan that may dramatically increase the size of its arsenal. There's been some reporting and debate about that. We know they're modernizing we just don't know if they're also substantially growing the force. We've found these ICBM silos, et cetera. I just wondered if you had any comment realizing that you may know things you can't say in this open call.

But then the flipside would be American triad modernization and you've been instrumental in trying to promote and push that debate and you've been, I think, a co-signatory on a letter about the ICBM replacement, the ground based strategic deterrent and whether the cost estimates for that are correct. Whether we need that in the first place is another question people have raised, whether the triad itself is still crucial. So Chinese forces and American triad modernization if you could please speak to those.

MR. SMITH: Sure. And there isn't any question that China is to some degree modernizing their nuclear forces. Exactly how, how much I don't know. At the moment, they still have a relatively small number of nuclear weapons, something less than 300.

But the larger question to me is how many nuclear weapons do you really need regardless of how many your adversary has? You know, and that's what, you know, China lived off of that for a long time just having a couple hundred nuclear weapons knowing that that was enough to inflict enough pain that people aren't going to go messing around with you.

And I think in a nutshell, that's the calculation that I've always felt and that is that you don't need as many nuclear weapons to be an adequate deterrent as most people say you do because well, they're nuclear weapons. They've got pretty big punch and, you know, if you have a certain number of them and then the issue is really making sure that they're survivable. And this comes back a little bit to the command and control question. I mean, we can obsess about how many nuclear weapons we have but if we have a command and control system that can be shut down in the blink of an eye, it doesn't matter how many you have. So, let's make the investments to protect the command and control system.

So that's basically what I would be looking for in our nuclear posture review. Now, you know, there are new technologies, okay hypersonics, missel defense, you know, but my understanding of missel defense is it has limited ability to truly stop incoming missiles. You can stop a few, you can't stop a couple dozen much less a couple hundred. So, do you really need a couple thousand?

That's the calculation I want to make is what's the most effective use of our dollars. Nuclear deterrent is crucial and important. We don't want Russia, China, or anyone else to get the idea that somehow they can, you know, launch a nuclear attack and survive it. We have to deter that. But do we have to deter it with four, five, six, 10,000 nuclear weapons or is there a better, more cost-effective way to do that. Those are the questions I hope we'll look at in the President's posture review.

MR. O'HANLON: And that leads to one more specific question from the audience on one aspect of nuclear weapons modernization which is the Department of Energy's piece. And I know that being from the great state of Washington where DOE has important facilities at Hanford and also with your responsibilities on the House Armed Services Committee where you do provide oversight for the National Nuclear Security Administration you've got views on this as well.

The question is about the pit production facility that's being proposed for Savannah River. And in the context of the Trump administration's overall nuclear posture review where they, I think, asked to have the capacity to produce up to 80 or 85 pits per year.

MR. SMITH: 80.

MR. O'HANLON: 80. Is that an excessive goal and do you support the Savannah River program?

MR. SMITH: Well, the good news for me at this point is we are in sort of a tactical pause on having to answer that question. I think it's 18 months from now they're going to come back and give us their 100 percent cost estimates for what Savannah River would cost. And also, we'll have gotten through President Biden's nuclear posture review at that point, so we'll have a better idea how many weapons we need.

The 80 pits was based on President Trump's nuclear posture review and their, you know, projected beliefs in terms of what they were going to need. Also a belief on, you know, our inability to use the pits that we have right now. All of that is going to be better answered in the next 12 to 18 months and we'll get a better idea.

If, in fact, we need more than 35 or 40 pits a year, then we are going to need a second facility. You know, Savannah River sort of gives me like an involuntary twitch after the whole MOX disaster. I don’t trust them. We sent about $8 billion their way that was never going anywhere and was a colossal waste of money. So, but this is a different thing. This is, you know, building pits and we will need to have pits in order to have an adequate nuclear deterrent.

I doubt it's going to be 80 but Los Alamos, you know, seemed capable of doing 30, you could probably get it up to 40. But getting above that would be very difficult and then we've got to look at those broader questions. So that's a to be determined in all likelihood once we get back the information from the next 12 months or so.

MR. O'HANLON: So now if I could, let me ask a couple of related questions on the F-35 fighter program and you've been eloquent on this topic before. And I wondered if you could address two or three dimensions, some of these coming in via the audience and some of them are following on our earlier conversation from last year and your longstanding work on this program.

I know you've been concerned about the program to put it mildly. But do you favor reducing the number of planned purchases at this point or do you feel like for all the mistakes that have been made, at least we're finally doing a little better with the program, so that's question one.

Question two, there have been proposals to get a second manufacturer of engines into the mix, is there any utility to that conversation. And question three, if we are going to reduce the F-35 purchase what should replace those planned airframes? Is it just a smaller Air Force, Navy, Marine Corps force structure, is it more unmanned systems, longer range unmanned combat aircraft off of aircraft carriers? You know, what are some of the things we should be looking at?

MR. SMITH: Well engine wise we are going to -- they're in the process of developing a new engine and some of this is contemplated for the NGAD and other future platforms. But we are going to up the investment in that. These are engines that could potentially be used in the F-35 as well. We have the ability now, I think, to create engine competition going forward. I forget I think it was in GE and I'm spacing.

You know, I think we are going to push engine competition because that's one the big things. The engines are burning out faster and taking longer to fix than we expected. I think we have the ability to push engine competition and we're going to do that.

The other thing that we're going to do is, you know, the number of F-35's that we're going to buy is going to be directly related to the sustainment costs. We've got a series of proposals in there to say that. If you bring the sustainment cost down, we'll buy more. If you don’t, we're not going to simply because of the cost that is involved in that.

In terms of what replaces it, the national defense strategy is going to have a lot to say about this. You know, certainly we've seen the purchase of more F-15's, the NGAD is coming. And the other thing and this is the whole back to my little swarm of drone's issue. What we've discovered is because of missile technology, the F-35 is not going to be as survivable as we had hoped. Now that's not to say that it's not more survivable than an F-16, it is by quite a bit. But it's also got some environments that it's not going to be able to get into because of how much missile technology has improved since we started building the thing.

So, what is survivable? And this is why drone technology is so important and we've seen this play out in some of the fighting that has happened in Syria and the Army and the Azerbaijan conflict. You got this undetectable swarm of drones that can still pack a pretty powerful punch. You can't see it coming and you've got a devil of a time shooting it down. That's why we make investments in that.

In many ways, that can accomplish a lot of missions that some of the bigger platforms can't because they're easier to see. So, I think the answer is, you know, smaller more survivable platforms and in many cases, unmanned platforms are what's most likely to be more effective at accomplishing some of the mission that we envision for the F-35.

MR. O'HANLON: Your mention of the F-15 as well in that answer though leads me to want to ask one conceptual question before I come back and have a couple more specifics. And that's about this term legacy systems which has always struck me as a malleable term that, you know, it's a little bit in the eye of the beholder. What's a legacy system, what's a good legacy system --?

MR. SMITH: You will notice, I don't use that word.

MR. O'HANLON: I have noticed that and by the way, I appreciate your correcting me on the conceptual and semantic point earlier which I'm going to use in class as a way to talk about realistic goals for strategy when I start teaching tomorrow at Georgetown so I appreciate that. But I also wanted to help the audience and myself understand how to think of this term legacy or maybe just discard it all together for the reasons that I was just mentioning. That it doesn't really lend itself to a good interpretation as to which systems that have been around awhile are no longer useful and which are. So, could you add a thought or two on that.

MR. SMITH: So, I mean, it depends on the mission, okay, it depends on what you're trying to accomplish and the capability of what you're looking at. And in terms of what you're trying to accomplish if a given tool is a hundred years old or six months old, if it's going to work for what you're trying to do then that's fine, legacy has got nothing to do with it.

You know, I mean the B-52 obviously is a legacy system that works quite well and then missions evolve and change. You never know what's exactly going to be useful. Now that doesn't mean you keep everything lying around just in case, okay, just in case something comes up and you have to make cost effective decisions about what is most likely to be useful. But I'm not obsessed with whether or not it's a legacy system, I'm obsessed with what capabilities it brings to the fight and whether or not they are capabilities that meet our needs.

And I think thinking of it as legacy systems is the wrong way to think of it. It's, you know, what is the fight, what is the battle right now, what are the capabilities that we need to accomplish our goals and objectives. And that's why the national security strategy say here's what we're trying to do.

And then you look around the toolbox and you go okay, well what tools do we have to accomplish that. And it's that matching of those two things and again, I really want to emphasize this is incredibly complicated, all right. You know, what are we trying to accomplish? We don't want to go to war with China but what if we had to, okay. And you don’t know exactly what's going to happen, you know, what the fight is going to be. IEDs and how they emerged as an incredible threat and then we had to adjust and pivot.

So, you want to give yourself as much flexibility as possible and you want to be smart about that. Yeah, I don’t find the legacy system discussion to be useful. Again, it's about capabilities. What's the mission, what do we need to be able to accomplish that.

MR. O'HANLON: And now to address one of the questions from the audience and apply this to a specific case, the broad framework that you just proposed. What about aircraft carriers? Do we think of these as a system or capability that is becoming less useful because it's less survivable?

Do we enhance the survivability by building more long-range systems, unmanned systems perhaps to operate off its decks so we can stay further off the coast of China or Russia? Or do we just have a different mix of naval assets with maybe a little bit less role for the carrier recognizing that it probably can't go toe to toe against high end threats anymore but still using it let's say more in the Persian Gulf. How should we think about the future of the aircraft?

MR. SMITH: I think that's a pretty good description on how we should think about it. You know, the aircraft carrier isn't going to be able to get as close to the fight as it used to be able to. On the other hand, it is still a mobile platform, you know, and it gives you the ability to get closer to targets than if you're simply relying on (inaudible) okay. And so yes, you can used unmanned systems, you can use a variety of survivable systems.

So, you can certainly envision it being able to move platforms closer to the fight even if not as close as they used to be able to be moved there. And then also, you know, presence does still matter. You know, and the ability of the aircraft carrier to give us a presence in the Persian Gulf, you know, or in the South China Sea. It does send a signal to our partners of our commitment to an area. So, I do think there is still some utility in aircraft carriers even if they will not be able to get as close to the fight as before.

However, the one big thing going against the aircraft carrier would be the $12 billion price tag. Are there other ways to get closer to the fight to get unmanned systems closer to the fight that don't cost $12 billion? You know, that's something that we have to analyze in the national security strategy. I haven't done the math on that one personally so, you know, those are the types of things we need to consider as we're looking for how to spend scarce resources going forward.

MR. O'HANLON: One simple question, I think, from the audience on South Korea and you alluded to the importance of that alliance earlier. But previous defense bills in the latter Trump years often mandated that we keep a U.S. troop presence of at least, I think, 22,000 so that President Trump who did not value the alliance as much as you or I couldn't just pull the forces out precipitously. And, of course, today the number is, I think, 29 or 30,000.

Some people are wondering why there isn't any discussion of this in the current draft defense authorization bill for 2022 if I'm correct in understanding that you've left that language out. Do we just not need it while we've got a President Biden in the White House or is there some other explanation?

MR. SMITH: Well two things. I think it is that. I think we don't need when there's a President Biden in the White House. But also, and I could be wrong about this, there are 700 and some odd amendments submitted. I know there is amendments about troop levels in Eastern Europe in Eastern Europe and elsewhere. Typically, I think it's Congressman Gallego who handles this issue. So, it's not inconceivable that we might have an amendment on that even if it wasn't in the base bill but I'm not sure.

MR. O'HANLON: Thank you. Now there's a question, this is a broader question about technology CFIUS, the Committee on Foreign Investment in the United States and also gets at the question of our strategic dependency on China and certain other countries for key elements in global supply chains or in commodities or rare earth metals. That's a big basket of topics I've just thrown on the table after this question.

But I wondered if you had any thoughts about how we're doing in terms of building up our own resilience against the possible disruption of key strategic commodities that we need. For not just our economy but our defense and what this could be the rare earth minerals that come out of largely China still today.

It could be certain, you know, electronics in a global supply chain where we've developed a dependency on China or some other country. It could be pharmaceuticals where we've developed dependencies that we shouldn't have. I wondered if you had any thoughts about how well we're doing at casting a spotlight on these issues and then starting to take steps to mitigate our vulnerabilities.

MR. SMITH: Well, we're doing a good job of casting a spotlight on it but, you know, we've got a long way to go to get there. And I think the simplest way to think about it is how dependent we are on the global supply chain. It's the nature of the global economy. No one is self-sufficient anymore. Stuff is coming from everywhere.

So as a starting point, I think it's really important that we have allies and partners and that we do begin to diversify that supply chain. And efforts, steps have been taken and that's why some of the alliances that we're developing in other parts of Asia with countries like Vietnam, certainly Taiwan, India. Other places where we can begin to spread out and diversify.

Because you know, I mean, starting in the '90s when China really, you know, boomed as a manufacturing center they really came to sort of dominate a fair number of areas. You know, we are beginning to diversify that. I think it is incredibly important we diversify that. I think it also points at the fact that the world is a better place if we can find a way to get along with China.

Now I understand some of the limitations there, I do. But I don't think we should look at this and say, China is not the Soviet Union, okay. We weren't engaged in much of the way of trade with the Soviet Union during the Cold War. We have a lot more interconnections with China which is why diplomacy is part of this as well.

I don't think we should just say okay, China irreconcilable differences let's go. It's much more of a balanced effort there but absolutely diversify the supply chain, look for other options. And the pandemic has taught us a lot of lessons about that. About where some of those vulnerabilities lie and where we need to shore it up and I think we're just getting started in that process.

MR. O'HANLON: So very last question with again, gratitude for your joining us today as we near the top of the hour. But this gets into a little bit of nitty gritty on defense oversight and management that you've alluded to. You talked earlier about lessons we had learned on acquisition and how to avoid some of the mistakes we've made. Recognizing we're never going to live in a perfect world without waste, fraud, and abuse at some level at the Pentagon. I'm paraphrasing but some of the concepts that you've previously alluded to.

And this one gets to the specific question of how OSD, the Office of Secretary of Defense, has been restructured in recent years. When you were on the committee and Chairman Thornberry and others pushed, you know, breaking apart of the undersecretary job for acquisition and logistics. And also, other kinds of reforms that you've been promoting since.

I just wondered if you could give us sort of an update on how that's going, why you're now a little more confident perhaps than you might have been before about how we'll perhaps do a little better next time, even recognizing the challenges ahead. So, what's been most important out of those reforms and what do we need to do next to keep the process going?

MR. SMITH: Well in terms of the details of how, you know, we structure the Pentagon, how do you move acquisition reform to different pieces, this is where I wish it was, on the who wants to be a millionaire, I would phone a friend. I would give Maximum Berry a call and say hey Mac, you want to explain this? He knows a lot more about the nitty gritty details of that than I do and, you know, we've worked out some of it.

I would say the best and most positive thing that has happened is what you've seen starting with Secretary Esper when he was Secretary of the Army and they did their night court blank slate review. And now you see what Commandant Berger is going in the Marine Corps and the Air Force Chief of Staff Brown is doing.

You know, and really sort of relooking at what the mission is and understanding the importance of rapid change and rapid employment and new technology. And how they are fundamentally changing or trying to change the culture at the Pentagon to, you know, empower people to make better short term decisions and, you know, not get trapped in process and say well, this is the way we've done it for 10 years. We've got to go through all this.

So, I think that overall cultural shift that you've seen which is a recognition that we can't keep doing things the way we did on the development of the Ford carrier and the F-35 and the whole laundry list. We've got to be better, quicker, more nimble. We put in some acquisition, we've increased the flexibility and now we've got to implement it.

So, I would say at this point, I think we have done the acquisition reform that we need to do and now it's matter of well, the three things that I always talk about. I mean, it's a decent place to close. You know, the Pentagon, defense contractors and Congress all have some blame in this that doesn't have anything to do with the FARS or the acquisition reform or anything.

You know, the Pentagon tends to reward conformity. You know, and as long as you check all the boxes and you go up through the 15, you know, layers of decision making, we're all good. Instead of you saw a problem and you figured out how to solve it. One of the coolest things that I learned when I went and visited the packing for defense program that they have at Stanford about a month ago, they assign students in the class, here's a real world problem that the Pentagon has, go solve it.

And what the students came back and they said every time we did this, we figured out that the problem they were asking us to solve wasn't really the problem they had. So, we went out and said no, no, this is what you want to do. That would never happen in the Pentagon. It's starting to happen. So that's what the Pentagon needs to change.

Defense contractors, God bless them, they have to understand that you're trying to make money and that's okay, all right, but we don’t have to believe everything you say to us and I won't tell you anyone of my many stories about that. You know, but, you know, it's just you can't keep sucking money out of us just because the money is going to you. We have to be smarter about how we do this and actually create a program.

And Congress, let me say this loud to every single member of Congress and particularly to the members of Congress and the Armed Services Committee. It is not your job to bring home every last dollar you can to your district. Believe it or not, that is not what your constituents elected you to do. Now maybe in a given instance you'll have 2, 300 of them that would like you to do that, but the broader group, that 700,000 you represent, it is not, if the program is in my district, it's good. That is not the way to do your job. If we do those three things, that gives us the best chance to get more bang for the buck that we're spending in the defense budget.

MR. O'HANLON: Well, Chairman Smith, it's always a privilege and it's always lively and educational and inspiring. So, thank you again for joining us today on behalf of myself and everyone at Brookings. And best wishes for the days and weeks ahead. Thanks for all you're doing for the country.

MR. SMITH: Thank you. Thanks for the opportunity.

MR. O'HANLON: Signing off from Brookings.

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