

TRANSCRIPT

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DWG: We have two bonus guests with us today, and that was the source of delay, at least that's the story I'm going to stick to.

Thank you everybody for coming in. I do appreciate it. Our guests today are Commissioners with the National Commission on the Future of the Army, which as you all should know just released its final report yesterday, so we appreciate the timeliness and the quick turn-around for this morning's event.

To my right we have Bob Hale, Carter Ham, and Kathleen Hicks, and they will just briefly introduce themselves to you and we'll get right into it with the Q&A. As usual, we have 60 minutes, we are on the record, and we've got a lot to discuss so we'll jump right into it. Over to you, sir.

Secretary Hale: Bob Hale. I'm a former Comptroller, Department of Defense and the Air Force, now with Booz Allen. I chaired the Aviation Subcommittee at the Commission and the other damage that will become clear as the day moves on.

General Ham: I'm Carter Ham. The last job was Commander of United States Africa Command. For reasons that still astound me and I think mostly because I stepped out of the room, my fellow Commissioners asked me to serve as the Chairman of this Commission, and I also served on the Operational Forces Subcommittee that Dr. Hicks chaired, and the Institutional Subcommittee that General Shultz chaired, and I was the Chair of the Drafting Committee, the committee that [inaudible].

Ms. Hicks: I'm Kathleen Hicks, I'm a former Principal Deputy Under Secretary for Policy. In my day job I'm at CSIS and I was the Chair of the Operational Forces Subcommittee, also participated in the Drafting Subcommittee. The Operational Forces Subcommittee had the lead, but not full responsibility for the [inaudible], shaping portions of the report.

DWG: Thanks again to each of you for coming in. On behalf of everybody in the room we appreciate you making the time.

Let me begin with a budget question. Because it's Washington, DC everything always comes back to the budget, especially when we've got a new request coming out in just a few days here.

In a very shorthand version, I'll say your report makes a case for the minimum in Army manpower, more force structure in Europe, more aviation capability, et cetera, et cetera. Is the plan that you're outlining here affordable given what you know about the current budget requirements here in the United States?

Secretary Hale: Let me start, then I'll turn to my two partners here who have more depth in this area.

In the law that established the Commission one of the many tasks that we were given, we were also charged with making our assessments and recommendations consistent with anticipated levels of [inaudible] sources. None of us knew what that meant. [Laughter]. It was pretty difficult to predict what [inaudible] levels of resourcing meant. But what we chose to interpret that as was that this was not an unconstrained effort. If it was unconstrained obviously we would have had many other recommendations about size and capabilities, but we felt that it would be responsible for us to stay within reasonable bounds of what we anticipated the level of resourcing might be. And as you'll see, or have seen in the report, the number that we kind of came to was the level of funding of the President's Budget for FY16. We thought that was, in our assessment that was the minimum level necessary to sustain the Army at levels, at levels of readiness and modernization necessary to meet the nation's security objectives.

With regard to specific funding issues. I think of our recommendations in several categories. The first one mentioned modification of the Aviation Restructure Initiative to keep some Apaches in the Guard. That has specific costs that we laid out in the report, and we offered a specific offset to pay for those costs involving the Black Hawk helicopter fleet. That will be contentious, but at least we felt that we owed, the Congress indicated hard choices are necessary.

There are a number of other recommendations in the aviation area, for example. More flying hours. We were worried about the training levels. They've gone from a cost standpoint, keeping an 11th Combat Aviation Brigade that would be in Korea and improve wartime capability. Many outside of aviation as well for air defense, missile defense, combat enablers. And we costed some of those, not all of them, and offered general offsets, for example disestablishing two Infantry Brigade Combat Teams, more

use of efficiencies in the Army. But I think the report's also clear if you tried to do all of those options to make up shortfalls that we identified, even with our offsets, adding funding where they need it for the Army.

And I'd just say it's always darkest just before the dawn. I'm not sure, the Defense budget is cyclical, has been since World War II. We're toward the end of this drawdown. It's actually probably at the bottom and starting up. I think in another administration there's a possibility of a broad budget deal that would [give] added funding for Defense. So the Commission felt it was reasonable to suggest priorities even though some of them would require added funding.

Ms. Hicks: In any case if we, [inaudible] key enablers. What we really recommend is that we pointed to the areas we saw as potential risk areas. The classified portion of the report goes into more detail on that, but we asked the Army [inaudible] direct the Army to look at these areas that we are concerned that these are areas [inaudible].

We didn't give specific recommendations that one would cost in the future. There are a few like the 11th CAB that we knew would be pricey, or pricier than IBCT, you know, infantry units. But we could tell enough from our analysis that we knew those were necessary if we're going to keep the kind of strategic guidance that the Army has today.

We thought it was our responsibility to point out this mish-mash. We have set forth a set of conditions and missions for the Army to participate in through the Joint Force, and the way we have it set up, including in modernization, but also in structure, is probably not sustainable over the long term. So that's how we came to our conclusion on affordability.

Secretary Hale: The last comment with regard to funding, of course, it's not just the level of funding but the predictability of funding. [Inaudible] focus [inaudible] how many senior officials from the Secretary of Defense on down talk about that. The funding, the level of funding has got to be right, but it's also got to be predictable. The repeated use of Continuing Resolutions, the uncertainty of the budgets for the future, those also wreak havoc with the Army.

DWG: I'm not going to ask about Apaches. I'm going to ask a little bit more about something I understand a little less, but just recommendation number 61, the Secretary of the Army should put aside the delegation of authority from the Chief of the National Guard Bureau to the Director of the Army National Guard, and Army regulations for force structure allocation among the states, territories and DC.

Not understanding a lot about force allocation with National Guard, can you describe to me what this recommendation will accomplish. What will change from how we do things now, and what are your goals with that?

Secretary Hale: Again, in the law we were tasked specifically to address the process by which Army National Guard forces are allocated amongst the states and territories. So we took a look at that process. We found the process is generally sound. All of the

stakeholders have a voice. The Army, the Department of Defense, the states, the governors, the Chief of the National Guard Bureau. All of those who have a vested interest in the geographic allocation of Army National Guard forces have a role in that.

What's changed since the policies were established is the statutory role of the Chief of the National Guard Bureau. When the process was developed, the Chief of the National Guard Bureau was a three star, was not a member of the Joint Chiefs of Staff, did not have the entirety of the authorities and responsibilities that have been subsequently delegated or assigned to the Chief of the National Guard Bureau. So some of this frankly, Jenna, is administrative housekeeping. It is keeping, it is just simple recommendations that update the policies, the procedures that are used to recognize this changed role of the Chief of the National Guard Bureau, and frankly, a bit of a changed role between the Chief of the National Guard Bureau and the Secretary of the Army given the Chief of the National Guard Bureau's role.

DWG: Thank you very much.

I wanted to ask you if you think the Army has a good sense of how much capacity it needs, how much capability it needs. That seems to be a question that a lot of people ask. In the Pentagon they always say well if you take, if you increase capacity you have to take away capability. If you increase capability you have to reduce capacity.

So how do you see the Army balancing that? Do you think they have a good plan for the future?

Ms. Hicks: If I can dive into some of our earlier recommendations which are pretty technical. They're very important in this regard, which is to say for the analysis that we did and for all that we can tell the department, so Department of Defense level and the Army itself, have to do to figure out what the right tasking capabilities and time lines [inaudible].

There's a lot of data that's not kept up to date. It seems like a very technical issue, but it ends up affecting your ability to assess effectively exactly what the capacity and the capability mix and the time line needs to be. So some of our early recommendations get to this point that in particular the contingency planning process inside the department, the war planning process, if you will, needs to ensure the data is updated so that when, for instance, the Army changes designs of BCTs or changes different units moving in different locations, that that information is fed through the planning process. So that on the back end when you're trying to decide okay, what are the forces I need, for instance, to defeat a North Korea, you're looking at the right data.

We saw, it's much messier than it should be for an organization of this importance and size, to not have the right decision-making tools available.

So my answer to that is it's not an Army issue so much. I don't think this department is as well positioned as it needs to be to make these capacity/capability decisions with as much rigor as it should. That is why so much is often left to professional judgment,

particularly the professional military judgment, and certainly to combatant commanders.

So one of the things that was very important to us early on was to talk to every one of those combatant commanders about their view of how well they could execute different missions in their regions and in areas of operation with the Army forces that they had. And our recommendations reflect a lot of what we heard from them.

General Ham: I would also say in this that the capability/capacity discussion, many of the capabilities which we identify as significant shortfalls, that's the [intention]. So for example, short range air defense. The Army has a capability for short range air defense. In our judgment it has insufficient capacity. Part of that is how short range air defense is allocated amongst the components, where it's assigned and how it's modernized and the rest. But it's really a tough balance.

It also plays out in the issue that Secretary Hale mentioned with regard to our recommendation that the Army consider reducing two Infantry Brigade Combat Teams in the Regular Army. In our assessment, while that's a terrible decision to have to make, in our assessment, in the modeling that we did, Infantry Brigade Combat Teams while very very important, were among the lesser stressed capabilities that the Army possesses, and it was our judgment that if forced to make those kinds of very difficult tradeoffs to acquire increased capacity in other areas, that the capacity of the Infantry Brigade Combat Teams was a place where we felt the Army could take risk. Again, not a great choice, but if forced to make those kind of tradeoffs we felt that was a place that could do so.

DWG: I bet that caused all sorts of problems.

Ms. Hicks: We haven't heard it yet, but I'm sure we will.

General Ham: Certainly I would guess that that recommendation that the Army consider that will be strongly opposed by many, but there will also be those who say that's not enough. You ought to be more aggressive in reducing that kind of capability.

But I think what it does, in my view what it does, that particular issue highlights the very hard choices that the nation is going to have to make.

Secretary Hale: I just want to underscore what General Ham said. When we felt we should pose some hard choices to Congress and the administration so they recognize that the ups are nice, it's always, and I know this from long experience as a comptroller, it's always hard to get people to talk about offsets. We need to raise that issue unless the budget is going to go up significantly.

DWG: I'm sorry, Kathleen, when you say the data is not up to date, what's responsible for that?

Ms. Hicks: It's not one single person [inaudible] and the Chairman really. The services have a piece of the data. There's two major such recommendations in here. Combatant commanders set up that process in a way that they are ensuring the data they are receiving from the services is most up to date, and we were focused on the Army so we also have a recommendation that the Army ensure that it's sending its most up to date information to the COCOMs which then feeds the whole process for analyzing the plans and the ability to --

DWG: Thanks.

General Ham: And it importantly affects mobility also. If you don't have the right data, if you haven't populated the correct data based on unit configurations, modernized equipment, number of troops, then your mobility estimates are then offset by some number.

DWG: You did a lot of reporting in putting this together. You had a unique opportunity to talk to all the combatant commanders and some of the other people. I'm interested in what you can tell us about what you heard in terms of threats, obviously in an unclassified way. I'm not so much looking for a list of countries of concern, but you know, was there something that was a common theme that you heard? What was the most worrisome thing that you've heard? Maybe something that people aren't focused at all on or not focused enough on. Is there anything you can share along those lines?

General Ham: I'll start and ask the other two to come in.

My view is what we heard from national level leaders, from combatant commanders, was the array of threats would not be unfamiliar to you. It's kind of the list of the geographic areas where the risk is, where the threats are emerging, and certainly the persistent threat of countering violent extremism in its many forms.

I think what I heard from the combatant commanders was it's the complexity, the diversity, and the ever-evolving nature of the threats that we have to face in the time with which we have to face them.

If you think back to, just in our lifetimes the campaigns that the U.S. military has engaged in, in most cases there has been time to prepare for and respond to a threat. One of the concerns we heard is that in this emerging security environment what we anticipate for the future, that time may not be there.

Ms. Hicks: I'd just add a few things. One things we heard a lot that I mentioned yesterday, the diffusion of technology and the fact that that's happening in terms of thinking through how a land force can engage in the world. The concern that the U.S. can't count on the modernization edge in many types of, not entirely, but in many types of conflict. You have to make sure you have the leadership training and the agility, really. To the points that Carter was mentioning, the agility in your leadership mindset and in your structures to be able to adapt quickly.

Then I think it's really the persistence of, for lack of a better term, the human domain. The persistence of the physical environment and the context in which the U.S. will be engaged. So this gets to the issues of can you conduct operations from the air and things of that sort.

The view that we are continuing and should expect to continue to find ourselves in conflicts or concerns that [inaudible] contact with foreign populations and how we think our way through those problem sets. That's enduring.

Secretary Hale: I'll just bring that back to budget. I mean it is the reason I think there's some reasons to believe we will see higher defense budgets. They're typically tied to threats. And we heard a broad theme, that there's concern about the threats that are out there. All areas, Congress, the combatant commanders, most people at the Pentagon.

General Ham: And I'd say that while we have a tendency to focus on threats overseas, the requirements for Army forces in the homeland are also increasing. Demands of the governors not only for the traditional missions of disaster relief and humanitarian operations at home, but given the rise [inaudible] information, the capabilities of extremist organizations to strike at home, and we certainly have seen that over the past couple of years, that places an increased demand for Army forces in the homeland, and I think that's different than where we have been for many years.

DWG: For the armored brigade in Europe, I was curious how that in your recommendation would play out. Is that just adding a command element to what is already in Europe? Or would you staff that from a United States based armor brigade? How would that work? And what, I guess, what's lacking in the current rotational structure there?

General Ham: I'll start and then turn to the expert.

General Thurman addressed this a little bit yesterday if some of you heard. The Regular Army has nine armor brigade combat teams. In the current construct there are three rotational requirements -- Korea, Europe, and Central Command. That consumes all nine armored brigade combat teams with the basic model of three to make one. That leaves no additional capacity.

So there are two recommendations, and Dr. Hicks crafted these and can talk more specifically. We do identify armored brigade combat teams as a shortfall. One of the ways that you can mitigate that shortfall would be by forward stationing an armored brigade combat team in Europe, thereby eliminating the necessity of the tying of three to make one. There are other advantages to that as well.

Ms. Hicks: Right. So there are two recommendations and if I can do them in reverse order of the way we present them. We find a gap in armor. That's the issue we announced, we did a capability and capacity. We are concerned about armor capability. And let me just say, we had to look not only at the available information for the

campaigns that the department has been thinking about, but we also had to look towards the campaigns that are more emergent, because we're looking ten years ahead. So Russia is an obvious one in this case with regard to armor.

The gap in the area is sort of still emerging. We had to create a lot of our own work or work off of things that other think tanks or other parties have done in order to get an analysis.

So that analysis that we did indicated a definite lack in armor. And so we recommend that there be an increase in armor capacity. We are not specific in that recommendation about how the Army should do that, because I think more analysis needs to be done, and in particular the war planning and the requirements that it generates for Europe is still under way. We were not able to see any of that.

At the same time, we felt in particular the issue in Europe was so severe that it made sense and was not, and could help with the overall capacity issue, so you end up [linking it]. Positioning ABCT, one of the ABCTs we already have in Europe, and that's why we make the point that we don't think this requires much additional staffing. We've had ABCTs in Europe before. You don't get [inaudible] but we've had sufficient host nation support, that it's going to be a very inexpensive option. That doesn't mean it's politically easy.

So for us, as I said yesterday, it's a no-brainer to take one of these ABCTs and put it back in Europe where it had been and that would keep you from having to source from the U.S.. And we can talk about why Europe is [inaudible].

DWG: And when you say it would not be politically easy, you mean taking a brigade out of someone's district.

So it's additive in Europe, it's not additive overall.

Ms. Hicks: Overall.

DWG: Thanks for doing this.

We hear a lot of talk about the joint force, and going forward, you know, the Army is never going to really fight alone. I'm just wondering if you can deconstruct how you guys approached the deliberations from the standpoint of the joint force.

And just as an aside, General Ham, when you and I enlisted in the Army lo those many years ago, there were 900,000 people in the active duty force alone. I think we have run out of [inaudible]. Just my own personal opinion. But if you would address the joint force, I'd appreciate it.

General Ham: We do talk about this, and it is important to place that in construct that the Army is always part of the joint force. None of the services, none of the capabilities are designed to operate independently. They are very much intertwined in

all of the operations that are connected. I think that's actually a strength from the days when you and I began. There's increasing reliance, trust between the services and the capabilities that they bring.

We do mention in the report and identify that there are a number of functions and capabilities for which the Army is either in many cases the executive agent for the Department of Defense, but also provides significant base line forces for theater structure. Those are the less sexy parts of the Army, but they are nonetheless essential for joint operations anywhere in the world.

So while there is a tendency, I think, to focus on the brigade combat teams, aviation brigades, kind of the pointy end of the spear, the sustaining parts, the generating force, are equally important to the Army and we try to make that point throughout the report.

Just very briefly with regard to size. We deliberated a lot about what's the right number. What do we feel is the right number and how do we characterize that?

So the 980,000 force broken down into components as you know, the phrase minimally sufficient was carefully thought through. Meaning that if you go below that you start to increase risk pretty rapidly below that number.

DWG: Thank you so much for doing this. And by the way, congratulations on completing the report. I'm sorry I didn't have a chance to read the whole thing, I'm just getting it now. But I wanted to ask you a little bit more --

General Ham: It's a great cure for insomnia. [Laughter].

DWG: I'm wondering if I can ask you some more about the personnel piece. We have this thing called Force of the Future and Secretary [inaudible] involved in somewhere in the beginning, some of those stages, you know, [inaudible] attract the best and the brightest, mixing all of the personnel [inaudible] match the 21st century. How much did you guys get into that? What conclusions did you draw from your look into those issues? And does your work dovetail with the Force of the Future? Come to a different conclusion?

General Ham: We didn't have a specific mandate in the law to address this. We also didn't have the time or the expertise. We didn't want to duplicate the work that had been done by the Compensation Commission though we were certainly aware of that and certainly aware of that we had engagements with Secretary Carson as he was kind of leading the charge for the Department of Defense on Force of the Future.

So we were certainly aware of the efforts that are underway with regard to Force of the Future but it wasn't a specific focus for us. However, several of the findings and recommendations I think dovetail quite nicely with Force of the Future, yes.

We heard loud and clear from soldiers of all three components, across the Army, that they would like an increased flexibility to move between the components of the Army

based on their life circumstances. Sometimes, you know, if you're 18 years old coming out of high school looking for a great adventure, joining the Regular Army might make all the sense in the world. After a couple of years of that perhaps you want to get married, go to college, and maybe the Army National Guard might be the right choice for that circumstances. Then after a couple of years of that you learn about this thing called civil affairs and you say well, that's what I studied in college, that's what I'd like to do, I'd like to transition to the Army Reserve. Doing that today is difficult.

The first transition from the Regular Army to one of the reserve components is pretty easy, but beyond that it's pretty difficult, and it's pretty difficult to move between the components. So some of the, I think that dovetails again pretty nicely with what Force of the Future is. One of the things that Force of the Future --

DWG: Are there any other recommendations that you had that fall into that category?

General Ham: We talk a lot about training and leader development for both soldiers and civilians and we think that there's work to be done to gain efficiencies, but also to increase effectiveness by merging the efforts in some cases the various components of the Army have separate programs. We think that's inherently inefficient but it also detracts from the sense of the total force.

Secretary Hale: I'd just add that broadly, the Commission expressed concern about the all-volunteer force. For example, that fewer are eligible now to serve. It wasn't an area of focus. We didn't make a lot of specific recommendations other than the very first one in the report which is that the United States must maintain an all-volunteer force. I think in that sense we support what Secretary Carter is trying to do to accomplish that goal.

General Ham: We did make a specific recommendation with regard to the Integrated Pay and Personnel System Army, IPPSA. Those of you who follow this know that right now the three components of the Army cannot see one another's databases, they can't explore personnel options. It's overly complex. So we think continuing to fully fund that IPPSA [inaudible] is also a contributor to the total force.

Ms. Hicks: We have a chapter on the future challenges and at the end of that we list attributes essentially of the force that we want to draw from, looking at the future, one key piece of which is cyber which links in of course some of the intended, hopefully, efforts under Force of the Future.

DWG: A couple of clarification questions. I thought I heard Kathleen say that it was going to, because you're going to keep the 11 combat brigades, the Commission recommendation was to drop one to ten.

General Ham: The current plan for the Army is to go to 10, and then a rotational Combat Aviation Brigade to Korea. They're distinct, but two separate recommendations from us are one, retain the Combat Aviation Brigade forward stationed in Korea. You

can do that with 10 brigades, but that would mean some place inside CONUS would be without its Combat Aviation Brigade for some period of time.

Another distinct recommendation is to retain the 11th Combat Aviation Brigade in the Regular Army, and that is, as Secretary Hale mentioned, that's significant additive cost.

DWG: The Apache, you give the Guard their four brigades, but give them a smaller number. And the report seems to say that they've got to then somehow gain back the number they need. That seems like it delays the ability of that brigade to be deployed and the additional, where do they come from? Who do you steal from?

General Ham: One comment, then I'll turn to the expert.

It would be better if the Army National Guard battalions were equipped with the same number of aircraft, 24, as the Regular Army battalions. As a matter of cost we felt we had to, again, address the matter of cost. It would be about a billion dollars to man the Army National Guard Battalions at the same level as the Regular Army.

Secretary Hale: But the 18 will work. The way the Guard does it is, they call it cross-leveling. When they mobilize and prepare to deploy they borrow aircraft from another unit. That works especially in the Guard because they're not all going to be mobilized and deployed at the same time, and this is something they do routinely.

They actually, the National Guard in its proposal also recommended 18 aircraft in four of the six battalions they would have kept in the Guard for the same reason that General Ham mentioned. If you go to 24 you've got to buy more Apaches and it just doesn't seem that we can bear that bill at the moment.

General Ham: It is important. The National Guard battalions, as we proposed, would be manned with 24 crews. They would have the manning for 24 but they wouldn't have the aircraft.

Secretary Hale: So when they deploy they'd have the people. They'd borrow the aircraft. They just fly them to the unit essentially.

DWG: It's harder to get trained crews than it is to get airplanes.

Secretary Hale: And you can train the crews, again, this is something the Guard knows how to do. They are very comfortable with it. I mean they'd prefer 24 also but they understand the budget situation. They feel quite comfortable they can train adequately, man for 24 with 18.

DWG: Kathleen, cutting the infantry brigades would seem to be counter to what we've been doing for the last 14, 15 years. But you said it's the expectation that the environment's going to change and we're going to need to go to more conventional, maybe pure conflict. Is that what your conclusion was?

Ms. Hicks: No. I think the gist of your question is how do you justify cutting IBCTs if that environment is still very stressful.

We looked very hard, if you will, at the war time peak demand for BCTs of all types, all kinds of units but BCTs in particular. And at the enduring peace time, I use that [inaudible], demand for forces.

What we found is that in the war time and peace time demand, particularly the war time demand, there is less risk in, if you had to make tradeoffs, you want combat aviation. You need more capacity in combat aviation. You need more capacity in armor. We need things like CDRME capability. We mentioned a series of these in the report. Air defense artillery. These are things that are at we think greater risk right now than having the number of active IBCTs that we have. That's the tradeoff we make.

Now when we looked at the peace time demand there is no doubt the Army is using a lot of its force right now churning up, if you will, in peace time demand. There we still found there was an ability to take risk and in particular we pointed to the linkage of the use of the active with the concern that the reserve BCTs are not being used to the full extent that the Army could use them. So if the Army made greater use of its Guard IBCTs and undertook some other efforts, we indicate that we think they can take these two IBCTs at less risk than doing other things.

But we say that as a contingency, right? I mean we're not arguing that the Army has to do this. We're saying that, to the Congress and the President, if you want the ends you want, and your means aren't going to change, you're not going to get modernization any healthier, readiness is right to keep as a priority, but you're going to have to make some tradeoffs we think if you're going to have the kind of fighting capability that we think you need as an acceptable risk.

DWG: But to do the other, that will augment the other ones that you think have deficiency and to keep the two ICBs --

Ms. Hicks: You're going to need manpower. Let me clarify, too. What we said on there with BCTs is this brings up a lot of manpower bills, 8600, something like that. So we think you can buy back in a manpower sense these other capability areas. The 11 CABs, et cetera. What you can't do is offset the cost because IBCTs relative to, for instance the CABs, are much cheaper. So there is, we make very clear that there is a bill to pay even if you ask the Army to assort the end strength tradeoffs inside its current end strength.

Secretary Hale: It wasn't only the two IBCTs. We also urged the Army to look more, and the Congress to go with them, on efficiencies. For example, closing unneeded facilities -- BRAC.

[Multiple voices]

Secretary Hale: -- health care reform, it could save the department, and part of it would go to the Army, substantial amounts of money. We haven't talked about it and it wasn't done primarily for this reason, but we talked about integrating recruiting in the Army among the three components would probably have some savings. There are a number of issues like that. I mean the Army and all the services in DoD need to continue to push to stretch defense dollars. One, they need the money; and second, they need to be fair to the taxpayers if they're going to ask for more total.

DWG: Sidney Friedburg, Breaking Defense. Hello again.

To follow up on something that Otto in particular was teasing at, the bottom line question, what do we have an Army for now in the world as it stands? Is that ultimately some kind of idea like [it has to shape] what we're building for? For almost a century we had, we were for a large land war in Europe, we had the Germans or the Russians. Then we had a decade of confusion. Then we had a decade of I guess we're for counter-insurgency in the Middle East, gosh, this sucks. Now we have it looks like another decade of confusion with threats popping up up and down the spectrum and it's been very hard, earlier you were saying this is the thing we designed for when we designed for the Fulda Gap for so long.

Is there a coherent clear mission for the Army that is at the root of this report? Or is that something you also are fumbling in the dark for like everybody else?

General Ham: I think the necessity for an Army, the roles and missions for an Army I believe are clear. It's not as simple as it was through most of my career when we had a Cold War, we were in a Cold War. We had a very clearly identified series of nation state adversaries. It was certainly exceedingly dangerous, but it was also simpler than the array of threats that exist today. So there was perhaps a unifying principle that was more easily articulated in the era of the Cold War than exists today. But the need for an Army, the roles for an Army are no less significant today than they were in the era of the Cold War, and we've tried to address this in the very beginning of the report, the second of why Army? Why does the nation need an Army?

Ms. Hicks: That's exactly right. The quality of the problems that you just laid out, Sidney, that's true for all the services. They're all having to fight at the high end, fight at the low end, you know, both spectrums.

The challenge I think that the Army faced, in my view, particularly that may have attributed to things [inaudible] mission, is that the Army I think had a very hard time articulating its focus, a mission focus.

I think it got sidetracked, and most of the debate has been sidetracked in the end strength discussion. How many, what size. So if you ask why you have an Army or what should the Army do you get an answer with a number, which is not a helpful way to describe the mission.

When we did our work we do, just as Carter said, in the very early chapter on why an Army, and then in the future challenge chapter, come back to the fact that the Army has the same basic missions it's always had as far as the joint force, as does the joint force overall. Deterring threats to U.S. interests, defending the homeland which for the Army is the most taxed of the services with that particular mission. You know, defeating adversaries and undertaking other actions that the United States civilian leadership believes are important are [inaudible] interest. That's a very broad [glitch]. It's the same across the joint force. It just stresses different parts of the force differently.

We did come back to a belief based on looking at the [inaudible] that it is a full spectrum set of challenges. Now national leadership can decide we don't want to worry about that whole spectrum, correct? And that's a debate to be had. But for the Army at this point, given the way it's being used in the projection of threats and the way the national security strategy is played out, it does have to play across that whole spectrum, just as it always has. So that's really the challenge, is how do you bring that goal set in line with the resources available, and the answer is not just structure and end strength. And even though that was our primary mandate, we do try to make very clear that we're worried about, very worried about the modernization trends in the Army which are not good. They're fairly positive, I guess at this point. And we understand the Army's view that it needs to be ready. We think that's a must-pay bill for the Army which creates a lot of stress on how you resolve this force structure conundrum given the security environment.

DWG: It's good to see you guys again.

I wanted to get your response to Dave [Burno] and Norah [inaudible]'s critique which is the Commission missed its main charge of healing the deep rift between the Active and the National Guard; and did not present fresh thinking on integrating the two in multi-component units. And [inaudible].

Then also I wanted to ask how countering violent extremism factored into your recommendations, especially on force structure [inaudible], propaganda, information battle space, how does that factor into your recommendations?

General Ham: One of the great privileges of living in a free country is people can say what they want to say.

I think the report stands on its own. Certainly there will be critics that say we didn't go far enough in various areas. There will be others who say we went too far. But what I hope this report does, frankly, is foster and perhaps further the debate.

In a perfect world what I really would hope for is that all 63 recommendations receive serious consideration by those charged with making these very hard decisions. In the Army, the Department of Defense, in the administration, in the states and in the Congress. That to me is the best outcome.

Others will offer their opinions on the report, and that's fine. I believe the report does in fact emphasize the necessity of the total force in the proper interdependent role of each of the components. I think we offer some very concrete examples of how that relationship between the regular Army, Army National Guard and Army Reserve might be strengthened in the future, but it's perfectly understandable to me why others might have a different view.

Secretary Hale: Let me give you some examples of the specifics, if I may. One of them is the Apache transfer issue itself. We didn't do it for that reason. We applied cost and war time capacity issues, but I think it will be one more area of connective tissue where the Regular Army and the Guard can train together in peace time and fight together if they have to in war.

We strongly recommended more use of multi-component units where one's in the Guard or Reserve, and one in the Regular Army, and gave a specific example in the aviation area where we urged or recommended that the Army establish a pilot program within a year, or design it within a year and implement it within a year after that, to look at some new ways of doing multi-component units. For example, appending a company of Guard aircraft to a Regular Army battalion. So you can deploy the Regular Army battalion if you have to, but [inaudible] and collocating them I might add, so they can train together.

The IPPSA, the Pay and Personnel, Integrated Pay and Personnel System may sound minor, but it's not. I think the ability to reach across the components in terms of who's there and what kind of skills they have which IPPSA would provide is important.

So those are just a few examples of what I thought was an overarching theme and therefore I'd be stronger in saying I'm not quite sure how they reach that conclusion.

Ms. Hicks: I'm going to pile on. [Laughter].

I agree with everything that has been said but very specific, I suspect they did not read through the report. It's a long report.

Secretary Hale: I was thinking that same thing.

Ms. Hicks: -- page 67 and 68 of the report very specifically states that the Commission recommends that the Army pursue multi-component unit approaches. There are three recommendations, one of which [inaudible] on aviation specifically about multi-compo. So we look forward to hearing, you know, if they have a specific proposal that they want and that might be something good, as Carter said, to generate a debate. Maybe they want to put a proposal on the table and we think that would be great. We're very supportive of the Army pursuing multi-compo. There are pilot programs now. We don't think they're sufficient, but we had a change of chief and we have been led to believe they're doing more piloting, so we basically encouraged them to keep at that and suggest that's an important key component of improving the integration of the Active and Guard and Reserve.

Secretary Hale: With regard to that, the enduring nature of the counter-terrorism mission, we do believe that this is a mission that the Army and indeed the joint force will be engaged for many many years. This is an enduring requirement.

We don't talk a lot about it and we don't talk a lot, for example, about Army Special Operating Forces principally because we did not hear significant concerns from the combatant commanders and others that that force was insufficient. Generally, the sense was the Army Special Operating Forces as a major contributor to the Joint Special Operating Forces is sized, trained, equipped, modernized about right. Is there always more you can do? Certainly. But there was not a strong voice that said the Army used to do much more in the Special Operations Community.

Ms. Hicks: We do have a specific recommendation of force design that the Chief of Staff of the Army along with the Joint Staff and OSD ought to be looking hard at innovative ways to design the force for the future for missions like counter-terrorism? Again, that was not in our charter, but we thought it was important to point to the fact that, you know, while we were asked to look at overall size and structure there are ways to get at this mismatch between resources and strategy, and one of those ways is probably looking at some force design ideas.

DWG: It's time for a quick PSA with our remaining eight minutes. We still have four reporters I would like to get to if we can. So in order it's going to be Paul, Dmitry, Brian and Dan. If you guys can limit yourself to one question and we'll go straight into the speed round.

DWG: Paul Shenklin, U.S. News and World Report.

It was so interesting in reading a report about the future of the Army to see so many, frankly, archaic threats, the idea of pairing tanks to offset Russia, short range air defenses. I mean that's what sort of stuck out to me so much, and is the fact that those are seemingly new threats. That wasn't a problem two year ago.

I'd be interested to get your insights on sort of what challenges that posed by itself, the fact that just that changed so drastically.

And then to what extent should the Army see those recommendations as going back in time? Going back to when those were threats but now they need to be [inaudible].

Secretary Hale: I don't think it's looking back. I think it's just indicative of how rapidly the global security environment can change. You're right to point out that a couple of years ago there was not a view that Europe, that there would be much of a threat to Europe. That condition has changed. So I think part of this is making sure that the national security decision-making process that yields strategy, that translates into operational objectives, force structure, capabilities and capacities, that that is an ever-evolving process and the challenge is, how do you manage that system without, knowing that you'll never be precisely right. No one will ever be able to precisely predict

the nature, time or place of the next conflict. But to be generally right and to be prepared for a host of contingencies. But it is the recognition that this is constantly evolving.

Ms. Hicks: It gets back to the question Jim asked on the joint force. I think if someone were looking at our report and trying to think, looking at it through the lens of did this mission put forward an Army structure that can defeat the Russian force in a force on force ground combat campaign in Eastern Europe, the answer is no. And we didn't look at the problem in an archaic way at all. As a matter of fact we looked very much through the lens of the joint fight and how today the United States should be deterring and if necessary defeating Russia in all kinds of dimensions -- space, cyber, et cetera.

What we tried to bring to it is what is the unique ground component piece that is at a minimum essential to that? The enablers. Armor is a key piece of that because the Russians do, unfortunately for us, have very advanced armor and short range air defense was probably the biggest notable item where we saw incredible advances in Russian capability. Not backward looking at all. Where we need to make sure we have those same kinds of capabilities. But we did not try to design a force that fought the Fulda Gap fight of years ago. That doesn't mean there won't be some continuity through time, and armor is still a piece of the picture in the future.

DWG: Where do you propose to put that additional armor brigade specifically?

Ms. Hicks: We didn't make a recommendation on where to put it specifically.

DWG: All right. And the other point is, is it an additional to the one that is being currently rotated through Europe or how does it work?

Ms. Hicks: No, that would be permanently stationing forward the one that --

DWG: So you're going to have one that's going to keep rotating and --

Ms. Hicks: No, I said the opposite. The one that is currently rotating, if you will, would become the permanently stationed.

DWG: All right. I see. Thanks.

DWG: So when you talk to several combatant commanders they say they cannot get enough ISR. If they had one more dollar to spend, that's what they would want it on. And recently the Air Force has dropped down its Combat Air Patrols and the Army has picked up the slack a little bit with its Gray Eagles.

In the future, how do you see this role playing out? Army force structure will be a growth area, and what's needed to get that job done?

Secretary Hale: It is, I think, an area where the entirety of the joint force will continue to focus. And in the Army's lane, the manned/unmanned teaming of the aviation units of the Army is an important developing arm. It's one of the reasons in the aviation proposals that we make there are costs to modernize the Apache fleet so that all of the aircraft are capable of manned/unmanned teaming. But certainly this is an area that's going to require a future investment, and again, one of the areas why we emphasize there's got to be at least a modest level of modernization to keep pace with these technological advances.

DWG: I think recommendation number nine was a reassessment of risk associated with some modernization programs and probably you can find tons of people that would argue there are more than the ones you listed [in support]. And sort of the Army's focus is now to invest in readiness and look at modernization sort of down the road. But as you point out, that leaves an industrial base problem.

So are there things that the Army can do specifically to support the industrial base? And is that an Army problem or is that a department one?

Ms. Hicks: To be honest with you, we felt that was outside of our charter. We wanted to include modernization. Of course you have to think about all pieces of the triangle. But we did not, and we were concerned about the industrial base but we did not put it inside our target to look at. I think it is a mission for the Army specifically but then of course for the department overall.

Secretary Hale: If you try to buy more Apaches you're probably okay for the main line. You would probably have problems with some of the subcontractors who produce particular parts of that, and have stopped producing them.

DWG: Unfortunately, we are out of time so let me say thank you to Kathleen, Carter and Bob. We do appreciate the fine work of the report and your willingness to come in and speak on it. Thank you.

DWG: Have you all got your invitation of when to appear before Congress?

Secretary Hale: We have one. We have the Tactical Air and Land Forces Subcommittee of the House Armed Services Committee has scheduled a hearing for the 10th of February. We believe that the subcommittee will present an invitation to all the members of the House Armed Services Committee. We'll see how that plays out.

We did have a discussion with both Senator McCain and Senator Reed yesterday, both of whom indicated that the Senate is interested in having a hearing, but it is, as of yet, unscheduled.

DWG: Thank you all very much.

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