

HOUSE ARMED SERVICES COMMITTEE

STATEMENT OF

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19TH CHAIRMAN OF THE JOINT CHIEFS OF STAFF

DEPARTMENT OF DEFENSE BUDGET HEARING

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HOUSE ARMED SERVICES COMMITTEE

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Chairman Thornberry, Ranking Member Smith, distinguished members of this committee, thank you for the opportunity to join Secretary Mattis in appearing before you today. It is an honor to represent the men and women of the Joint Force.

Today, the United States Armed Forces have a competitive advantage over any potential adversary. We are capable of meeting all the requirements associated with defending the homeland and our way of life. And we can meet every one of our alliance commitments. I am confident we can prevail in any armed conflict. That said, one of my greatest concerns as Chairman is the erosion of our competitive advantage over time.

Last summer, I testified that after years of sustained operational commitments, budgetary instability, and advances by our adversaries, our competitive advantage was eroding. I assessed that, without sustained, sufficient, and predictable funding, within five years the U.S. military would lose its advantage in projecting power—the basis for how we defend the homeland, advance U.S. interests, and meet our alliance commitments.

I estimated that arresting the erosion of our competitive advantage required real budget growth of at least three percent above inflation across the FYDP, and restoring it would cost more. This figure represented the minimum investment necessary to rebuild readiness and modernize key warfighting systems while continuing to meet operational requirements.

Driven by the National Defense Strategy, the FY19 Budget Request builds on the FY17 and FY18 budgets and supports rebuilding the U.S. military into the lethal and ready Joint Force the nation needs. However, we cannot reverse a decade-plus of erosion in one fiscal year. The Joint Force must continue to receive sufficient, sustained, and predictable funding for the foreseeable future to restore our competitive advantage and ensure we never send our sons and daughters into a fair fight.

Strategic Environment

The 2018 National Defense Strategy recognizes that “The central challenge to U.S. prosperity and security is the reemergence of long-term, strategic competition by... revisionist powers.” The Joint Force must face this long-term threat while still managing the immediate challenges posed by rogue regimes and terrorists. With China and Russia as the priority, we continue to use North Korea, Iran, and violent extremist organizations to inform our planning, force design, force development, and risk assessments.

Our adversaries, particularly China and Russia, continue to modernize and invest in concepts and capabilities specifically designed to counter our advantages, and they are intent on outpacing us. As noted in the National Defense Strategy, we are in a fierce competition to maximize the benefits of emerging technologies including hypersonics, artificial intelligence, directed energy, and biotechnology—as these developments fundamentally change the character of war. China and Russia are also increasingly active and adept at what we call ‘competition short of armed conflict’—integrating economic coercion, political influence, criminal activity, military posturing, unconventional warfare, and information and cyber operations. Through these activities, they seek to coerce opponents, advance their interests, and create strategic advantages without triggering a conventional armed response.

China intends to become a global military power and is currently building the capability to do so. Militarily, China seeks to limit our access and undermine our important alliances in the Indo-Pacific. While modernizing their nuclear enterprise, China is also developing a full range of air, maritime, space, and cyber capabilities. Their continued militarization of the South and East China Seas accompanies expanding sovereignty claims that have no basis in international law. They leverage diplomatic and economic influence through the Belt and Road Initiative, and China’s military interests have followed these initiatives into the Indian Ocean, South Asia and beyond. And while we

continue to seek Chinese cooperation on a number of fronts, especially with respect to North Korea, their projection of a state-controlled, ‘strong-rule-the-weak’ global order is incompatible with U.S. interests and a rules-based international order.

Russia also continues to modernize and invest across the full range of military capability, including new aircraft, submarines, armor, counter-space, and air defense systems, while also modernizing conventional and nuclear strike capabilities. These investments and activities are specifically designed to limit our power projection capability and undermine the credibility of U.S. alliances, especially NATO.

While modernizing and preparing for long-term strategic competition and potential armed conflict with these revisionist powers, the Joint Force must also manage the ongoing challenges of rogue regimes.

Although I remain cautiously optimistic about the potential for talks in the near future, North Korea’s reckless pursuit of nuclear and missile capability is perhaps the most immediate threat to the security of the United States and our Allies. In 2017, North Korea conducted an unprecedented 17 ballistic missile test events, two of which overflowed our treaty Ally, Japan. Last year also saw North Korea’s first successful tests of Intercontinental Ballistic Missiles (ICBMs) capable of ranging the continental United States—and they tested a nuclear device that they claim can be delivered by ICBM. I have testified to Congress several times in recent months about Pyongyang’s accelerated capability development and the threats this poses to US interests, to Allies in the Pacific, and to the homeland.

Iran also continues to project malign influence and threaten freedom of navigation in the Middle East. They are also modernizing their space, cyber, missile, and conventional maritime capabilities which pose a direct threat to our Allies and our interests in the region.

We continue to grapple with the challenge of violent extremism, including ISIS, a resurgent al Qaida, and associated movements. Our strategy remains focused on cutting the flow of finances, foreign fighters, and their disruptive narrative, while working by, with, and through local partners to sustain pressure on their networks, disrupt attacks, and dismantle their capabilities.

Defending our homeland, our Allies, and our interests in the near-term while restoring our competitive advantage and building lethality, will require a focused and sustained effort over many years.

Where We Are Today

Fortunately, with your support, we have begun to arrest the erosion of our competitive advantage. The additional appropriation in FY17 supported immediate investments in readiness—including increases to end strength, funding for critical training, initial restoration of ammunition stocks, and continued modernization of critical systems.

PB18 builds on the readiness recovery started in FY17 and begins to balance the program. It allows the Department to meet operational requirements, begin rebuilding mid- and long-term readiness, and restoring warfighting capability and capacity.

While we are grateful for the FY18 appropriation, we spent the first six months of FY18 with FY17 funding levels. The flexibility provided in recent legislation enables the Department to execute these resources responsibly. This includes easing the 80/20 rule that requires the Department to obligate no more than 20% of a one-year appropriation in the last two months of the fiscal year, and raising the Below Threshold Reprogramming amounts. Though these measures help the Department effectively utilize FY18 funds, I remain resolute that sustained, sufficient, and predictable funding is required in FY19 and beyond to restore our competitive military advantage.

The Department's FY19 budget funds ongoing operations, builds on FY18 readiness improvements, and supports the National Defense Strategy by investing in modernization for high-end competition against near-peer adversaries. These investments are a necessary step in building the lethal, resilient, agile, and ready Joint Force directed by the NDS.

Operations. Our first budget priority is to provide our deployed servicemembers the resources they need to effectively accomplish their missions--whether in active contingencies, deterring adversaries, assuring Allies, or building partner capacity.

PB19 supports deterrence and assurance operations around the world. In the Pacific theater, this budget accelerates substantial construction projects to improve infrastructure and bolster our ability to project power in the region. It allows prepositioning of critical munitions, increased intelligence activity, and increased rotational troop presence. PB19 also improves missile defense by funding 20 additional Ground Based Interceptors, with redesigned kill vehicles, to be deployed at Fort Greely, Alaska across the FYDP. To deter Russian aggression, this budget fully funds the European Deterrence Initiative increasing the number and quality of exercises with our NATO Allies, deploying key U.S.-based enablers, and modernizing prepositioned stocks. It also recapitalizes the Integrated Undersea Surveillance System, enhancing our ability to detect Russian submarines.

This budget provides \$69 billion for Overseas Contingency Operations (OCO), the bulk of which funds operations in Afghanistan, Iraq, and Syria. In Afghanistan, we are working toward a sustainable approach to stabilizing the Afghan government and denying terrorist sanctuary. In Iraq and Syria, we remain committed to eliminating the remnants of ISIS and setting the conditions for the stabilization effort.

The FY19 funding for ongoing operations not only ensures our deployed servicemembers have what they need to execute missions in Iraq, Syria, and

Afghanistan, but also makes conflict less likely by assuring Allies and deterring aggression in key strategic theaters.

Readiness. PB19 builds on the readiness gains in PB18 by adding end strength and increasing capacity and training to extend our readiness focus to the mid- and long-term.

PB19 adds end strength to each of the services, allowing them to fill gaps in existing combat formations, address critical shortfalls in aviation maintenance, and increase manning in cyber and information warfare. The Air Force will address pilot shortages by adding two new training squadrons, enabling the production of 125 additional new pilots per year starting in FY19. PB19 focuses funding on readiness for ground combat and flight hour programs, funding most programs to near-maximum executable levels.

PB19 also increases available capacity and training for all of the Services by funding key readiness accounts at maximum executable levels. The Navy funds service life extensions for six cruisers as well as infrastructure, spares, and ship depot maintenance. The Navy and Marine Corps improve aircraft readiness by funding aviation spare and repair parts and depot-level maintenance. The Air Force upgrades training ranges and funds weapons system sustainment. The Army will create a sixteenth Armored Brigade Combat Team while accelerating fielding of four Security Force Assistance Brigades. This budget also adds necessary capacity in air defense, mobile rocket artillery, and operational command and control in Europe. Finally, PB19 funds munitions inventory levels sufficient to meet multiple demands across theaters.

What We Must Do Going Forward

For decades, the United States held a competitive advantage through the unparalleled, unchallenged development of capabilities our Services brought to bear. Today, however, our adversaries' rapid fielding of advanced capabilities

combined with funding constraints imposed by the Budget Control Act, which have forced the Services to defer critical modernization, have resulted in the erosion of our competitive advantage. The restoration of our competitive advantage will require a joint approach to concept and capability development, coupled with sustained and predictable budgets beyond FY19.

PB19 begins to address this erosion through targeted investments that develop the lethal, agile, and innovative Joint Force demanded by the threats of 2025 and beyond.

The Joint Force must maintain the comprehensive readiness to address any potential threat across the spectrum of conflict, now and in the future. To enhance the lethality of the current force, we are modernizing key units and platforms, while implementing more flexible and dynamic ways to employ the force—ensuring our ability to project power. Our emphasis in doing so is on enhancing the survivability and maneuverability of existing platforms while rapidly leveraging emerging technologies. While the Service Chiefs have briefed you on specific actions to increase the lethality of their individual Services, let me offer a few important examples where PB19 will enhance the lethality of the joint aspects of our Armed Forces.

Nuclear. A safe, secure, and effective nuclear deterrent is essential to defending the homeland. In accordance with the recently published Nuclear Posture Review, we will invest \$24 billion in FY19 to sustain and recapitalize the nuclear enterprise. This is a significant step in a 23-year modernization program to recapitalize the entire enterprise--including all three legs of our strategic triad, our non-strategic nuclear forces, and command and control. Initial delivery of modernized bombers and dual capable aircraft (F-35) is slated for the mid-2020s, initial operating capability of modernized ground-based missiles will be achieved in 2029, and the first modernized ballistic missile submarine will be operational in 2031. This is the highest priority mission of the Joint Force and there is no margin remaining in the modernization

schedule. We must deliver these critical nuclear modernization programs on the established timelines.

Space. Space is now a contested domain. This budget builds on FY18 investments to address increasing threats to critical space systems with a focus on space resiliency and mission assurance. It accelerates procurement of the next generation of space-based infrared systems to field a modernized, resilient space-based missile warning capability. Other investments focus on resilient systems for navigation, communications, and situational awareness. Given rapid advances in our adversaries' capabilities, the space domain will require continuous investment in future years.

Cyberspace. FY19 investments in cyber capabilities continue to prioritize defense of DoD information networks, while improving offensive and defensive operations, building Cyber Mission Forces, and maturing command and control.

Electronic Warfare (EW). Competition in the electromagnetic spectrum has increased substantially. In order to maintain the ability of the Joint Force to project power, we are investing in offensive and defensive systems, while exploring new concepts to maximize the effectiveness of our multi-domain EW capabilities.

Missile Defense. To keep pace with the rapidly fielding of new capabilities and increased quantities of ballistic and cruise missiles we are modernizing our missile defense capabilities in 2019. In addition to increasing the number of Ground Based Interceptors at Fort Greely, this budget will invest in the procurement of additional Terminal High Altitude Area Defense and SM-3 interceptors.

In addition to investing in capabilities to increase the lethality of the force, the Department is developing concepts to maximize the effectiveness and agility of the force we have today. For example, the National Defense Strategy directs the Joint Force to "introduce unpredictability to adversary decision-makers"

through Dynamic Force Employment. Dynamic Force Employment allows us to develop a wide range of proactive, scalable options and quickly deploy forces for emerging requirements while maintaining readiness to respond to contingencies.

PB19 continues investment in cutting edge capabilities that extend the advantages of our current capabilities. For example, we continue to refine stealth and strike technologies such as the B-21 next generation bomber. However, the rapidly changing technological environment demands that we innovate by fielding and incorporating new concepts and capabilities with increased speed. PB19 will see increased investments in technologies such as hypersonics, artificial intelligence, directed energy, and biotechnology.

Across the Joint Force, PB19 starts, accelerates, or continues funding for critical modernization efforts. As our adversaries continue to advance, our future concept and capability development is critical to maintaining our competitive advantage in all domains. These programs will require years of sustained funding to deliver material results, but they are all vital to ensuring the future force is capable of defending the homeland and advancing U.S. interests in the competitive security environment to come.

Conclusion

To achieve the National Defense Strategy, the Joint Force requires sustained, sufficient, and predictable funding. The funding levels in the recent Bipartisan Budget Agreement are sufficient, providing the first years of real growth required to begin reversing the degradation of our competitive advantage over the last decade. I look forward to working with Congress to make this funding sustained and predictable over the coming years so we can fully restore our competitive military advantage.

PB19 represents a significant investment in the lethal Joint Force that the United States will need to prevail in future conflicts. We are committed to the responsible, disciplined, and transparent use of that investment. With your continued help and commitment, we will ensure we never send America's sons and daughters into a fair fight.