



## Defense Issues for the Next Administration

By Thomas Donnelly and Tim Sullivan

*The events of the past eight years have clarified the military challenges and tasks facing the United States. While many of the new “facts” do not reflect good news—the attacks of 9/11, the invasions of Iraq and Afghanistan, the rapid development of Chinese military power, and the spread of nuclear weapons and know-how—all have provided a firmer basis for planning. We can now, after fifteen years of post–Cold War uncertainty, begin to answer better the classic question of defense programming and budgeting: how much is enough?*

There remains a critical problem in policymakers’ approach to defense planning: confusion about the definition of “defense spending” and what makes up the defense budget. There is a crucial distinction between the baseline defense budget—the costs of raising, training, equipping, and otherwise readying U.S. military forces—and wartime costs—the additional expenses that come with employing the forces, including the costs of resetting them to original readiness levels. Indeed, the constant debates about the unanticipated and escalating (though still relatively low, as discussed below) costs of operations in Iraq and elsewhere have obscured and delayed a much-needed evaluation of the requirements for and costs of the force needed now and for the future. This *Outlook* will make an initial assessment of the primary security challenges facing the United States, the force requirements necessary to address those challenges, and the programmatic and budgetary implications of the U.S. military’s efforts to prepare for future threats.

### Capabilities and Challenges

In 2000, the incoming Bush administration assumed that the United States had entered a period of “strategic pause,” during which the risks

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of war were low and would remain so for several decades. It therefore appeared prudent to contemplate a “military transformation,” which meant accepting risks in the near-term to prepare for longer-term dangers. The corollary was that we might skip a generation of defense investments and maintain relatively small forces. With this in mind, the Defense Department gradually adopted a capabilities-based approach that measured the projected capabilities of future U.S. forces against those of current forces, rather than against those of potential adversaries. Developments in the international security environment during the Bush years, however, demanded a more traditional approach, derived from an evaluation of American strategic goals and an assessment of the corresponding threats and risks.

The grand strategy of the United States has remained remarkably consistent through the Cold War and post–Cold War eras, and none of the current presidential candidates of either party have offered more than a rhetorical departure. Americans are committed to continuing their position of international leadership and to preserving the favorable military balances that are at the core of this leadership role. The primary distinctions between the parties and candidates have been over ways and means, rather than strategic ends.

Three major developments strike at the foundation of U.S. global leadership and threaten to tip

the current balances of military power; these have been broadly recognized and were given formal expression in the 2006 *Quadrennial Defense Review*.<sup>1</sup> The most immediate and pressing of these—what has been called the “Long War”—is the struggle to build a durable order in the Islamic world. It is a challenge of staggering scope, subject to many shifting variables, and it subsumes the ongoing operations in Iraq, Afghanistan, and the Horn of Africa. The second and perhaps greater long-term challenge is the rise of the People’s Republic of China, a state that is already a global power and perhaps will soon become a peer competitor—another superpower, but one

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quite different from the former Soviet Union. The third challenge—the accelerating spread of nuclear materials, knowledge, and weaponry—threatens to undermine the traditional ways in which military balances and international security are reckoned: the prospect of a weak and otherwise derelict state—or even terrorist or criminal organization—in possession of a nuclear weapon menaces the entire international state system. A final point is that these three challenges are not really distinct but intertwined. The energy resources of the Persian Gulf are as critical to China as they are to anyone. In an increasingly globalized world, how can it be otherwise? Yet as unsettling as these threats may be, they can be assessed with reasonable clarity, and they offer a sound basis for both short- and long-term U.S. defense planning.

## Requirements for the Long War

Obviously, the first demand of a long war is to build robust and sustainable forces. This tenet runs contrary to the recent enthusiasm among some defense policymakers for rapidly deployable, expeditionary forces, but there is now general agreement that in today’s conflicts, how long we stay is more important than how fast we get there. U.S. military experiences in Iraq and Afghanistan have made it clear that sufficient land forces are essential for

carrying out the missions that will characterize the Long War, but the massive size of the theater and the diversity of operations within it (including maritime surveillance and sea-control operations from the Gulf of Guinea to the Straits of Malacca and many years’ worth of air operations in support of no-fly zones) cannot be discounted. A sizeable portion of all U.S. military forces must therefore be designed with persistent presence in mind.

The first step toward establishing this kind of presence is having the ability to deploy and sustain an adequate number of forces in theater. In order to do this, the size of U.S. active-duty land forces (Army and Marine Corps) must be increased from the current total of 750,000 to between 900,000 and 1 million—roughly 1990 strength. Even an initial U.S. Army expansion to 775,000 troops would yield valuable results. The expansion would optimize the force for its future missions; restore the unique value of the U.S. Marine Corps; and return the Army National Guard to its traditional status as a strategic rather than an operational reserve, as it functions now. (Indeed, recent overreliance on the National Guard has proven to be an expensive, ineffective, and socially disruptive tool for generating forces for the Long War.) The structure of U.S. land forces also needs to be rebalanced in order to make them more durable. This can be accomplished in part by trading firepower for diversity, persistence, and presence; improving situational awareness and sustainment; increasing headquarters and command nodes; and emphasizing operational and tactical mobility rather than strategic mobility.

Elements of U.S. naval and air power will need to be expanded and refined in order to meet the challenges of the Long War. The size of the U.S. Navy must be increased in ways that improve its surveillance of and presence in littoral areas, thereby denying terrorists and other adversaries both maritime and land sanctuary. Air support to Long War operations has been clearly defined and is well understood: the demands on strategic and theater airlift are skyrocketing, as are the requirements for unmanned aircraft with reconnaissance, surveillance, and strike capabilities. And while the air defense environment is relatively benign, the need for responsive air support remains, particularly where land forces have sacrificed a measure of their organic firepower (often in areas where forces are widely dispersed, as in Afghanistan).

The newly introduced concept of building partnership capacity, which promotes an interagency model for delivering simultaneous military assistance and governance support to states susceptible to internal

destabilization, should be expanded over time to include the prospect of creating some number of allied forces capable of deploying and fighting alongside U.S. forces in contingency operations.

## Requirements for Hedging against China's Rise

Responding to the rise of China as a global power with growing military strength presents an increasingly complex operational puzzle. The immediate focus is the balance of military power in maritime Northeast Asia—a problem set that engages not only naval and air power issues, but also space and cyberspace—but it is clear that the size of the potential “battlespace” will expand in fairly short order. Yet it is likely that, as the Fulda Gap defined the strategically and symbolically central front during the Cold War standoff with the Soviet Union, maritime Northeast Asia will occupy a central role in hedging against China's rise. This puts increasing demands on the ability of the United States to project elements of naval, air, and space power to the region, combining the problems of persistence and sustainment with those of lethality and firepower.

The size and posture of U.S. Navy surface fleets in the western Pacific and the Indian Ocean must therefore be increased to maintain a day-to-day presence of two carrier or surface action groups in the Pacific and, in time, a third in the Indian Ocean. Carrier air fleets must be modernized more rapidly to meet the requirement of projecting constant combat air patrols and strike missions at greater ranges and in an increasingly hostile air defense environment.

At the same time, the U.S. Navy must improve its ability to conduct antisubmarine warfare operations across this vast maritime expanse. The most immediate requirement for enabling such operations is to increase the size of the U.S. attack submarine fleet in theater, but further demands—for airborne antisubmarine patrols, undersea sensors, unmanned undersea vehicles, satellite surveillance, and improved surface antisubmarine warfare—are emerging more rapidly than the supply of U.S. capacity.

Furthermore, the threat of nuclear ballistic and cruise missiles, either from a small rogue regime such as North Korea or from a larger and more modern Chinese arsenal—one that transforms China's nuclear stance from minimal deterrence to a more militarily significant counterforce posture—requires a more urgent response. This is not only a theater threat, but one that extends to the U.S.

homeland. This development has implications for the size and structure of U.S. nuclear forces as well.

China's military modernization now places U.S. military access to and exploitation of space and the electromagnetic spectrum at risk; the assumption of superiority on these “battlefields” can no longer be taken for granted. In addition to finding ways to protect current U.S. assets, a hedging strategy increasingly will demand the development of counteroffensive capabilities (the space and cyberspace equivalent of U.S. doctrine in the late Cold War) and an expanded ability to reconstitute satellite or information networks that have been attacked or partially destroyed.

To combat China's modernization efforts, more aggressive steps must be taken to increase the high-end military capabilities of U.S. allies and friendly nations in the region. While it is not yet necessary to assemble a NATO-like alliance, there should be an appropriate urgency about building partnership capacity for hedging as well as for the Long War. In particular, we must adopt a new approach to export licensing and defense transfers: it may be more important to put advanced and compatible technologies in the hands of our friends than to hide them from our enemies.

## Requirements for Counterproliferation

The spread of nuclear weapons, knowledge, and materials poses a profoundly different and more complex challenge than did the maintenance of nuclear deterrence during the Cold War. The emerging landscape involves an increasing number of actors—not just great powers, but smaller and weaker states, as well as so-called nonstate actors whose strategic goals may be uncertain, volatile, and even arguably irrational. These actors play out their roles in unfamiliar and distant theaters, and their weaknesses may be as important as their strengths: we must be as concerned with the failure to control nuclear devices as we are with their intentional or unintentional use. In response, the U.S. military must reshape its current nuclear forces and develop some useful capacity to respond to the nightmare of “loose nukes.”

The size and structure of U.S. nuclear forces should be driven not by a bilateral assessment of the “balance of terror” with Russia, but by a more nuanced analysis that accounts also for the certainty of a growing array of small-state arsenals (most notably North Korea and Iran, but also Pakistan) and a diversity of midsize forces

(particularly China and India) that will very likely number in the hundreds of warheads and include diverse delivery systems. There must be a counterforce element to this analysis as well as a countervalue element; indeed, the distinction between these two elements may be more opaque than in the past.

U.S. ballistic and cruise missile defenses must take these new developments into account. In particular, it is important to explore the nature of deterrence in a multi-polar nuclear-power context. The U.S. military must also develop, create, and hold in readiness distinct forces to respond to a variety of loose nuke scenarios with capabilities that run the gamut from long-range strikes to rendering safe nuclear materials, facilities, and personnel.

## Programmatic Implications

The demands of land force expansion extend well beyond simple personnel costs. Additional requirements include updates to the physical infrastructure; expanded educational and training needs; improved and increased command, control, communications, computers, intelligence, surveillance, and reconnaissance (known as C4ISR) capabilities; investments in new systems to maximize the effectiveness and survivability of individual soldiers and Marines; new crew-served, small-unit systems (such as unmanned aerial or ground vehicles); an acceleration of network capacity; more command nodes at higher echelons; and additional investments in ground combat and combat support vehicles. In short, the force must be better as well as bigger. Even if the pace of expansion is accelerated—which initially may be difficult—it must be framed as a ten-year project, continuing beyond the administration’s term of office and indeed beyond the Future Years Defense Plan (the Pentagon’s annual five-year spending forecast).

In the meantime, force modernization must continue apace: the U.S. Army’s Future Combat Systems (FCS)—which is not a program per se, but a sophisticated full-force modernization initiative—needs to be funded at approximately one-and-a-half times the current annual rate; the goal is to accelerate, expand, and diversify the effort, “pulling forward” and fostering the development of a more capable and larger force. Sustaining and extending the life of the current helicopter fleet is also a crucial element of U.S. Army modernization and recapitalization; any investments in fixed-wing lift capabilities should be rationalized with U.S. Air Force efforts.

The U.S. Marine Corps would also benefit from increased investments dedicated to improving the tactical mobility, range, and responsiveness of Marine units during land operations. The V-22 Osprey program should be expanded and accelerated, and there should be greater Marine involvement in the FCS program, especially the networking capabilities it offers; in the interim, the Marines should consider buying a modest number of Stryker vehicles to replace the service’s obsolescent and vulnerable amphibious assault vehicles and the versatile but aging Light Armored Vehicle. The planned number of Expeditionary Fighting Vehicles could also stand to be reduced.

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Beyond land forces, the pressing priority lies with naval modernization efforts aimed at increasing maritime surveillance and patrol in littoral waters. The U.S. Navy has made a mistake in reducing the size and scope of its Littoral Combat Ship program, which had been intended to produce a series of ships with antisubmarine and antimine capabilities, designed for unprecedented coastal access. In addition to pursuing increased inshore patrol missions, it would be wise to expand the number of long-range maritime surveillance aircraft, both manned and unmanned. An alternative would be to expand the Coast Guard’s Deepwater program—an integrated system of naval and air platforms designed with the potential to capitalize on the Coast Guard’s latent expeditionary capacity.

Finally, widely dispersed irregular warfare operations involving lightly armed ground forces require increased levels of air logistics support—both in theater and at longer ranges. Both C-17 and C-130 cargo fleets are currently too small, however, and are being utilized more heavily than originally planned. Such land operations also require responsive and accurate air support, but the size and age of the F-16 and F-15E fleets are a concern, and the F-18 is a less suitable aircraft for such missions. It is unclear whether the F-35 Joint Strike Fighter will be available for such missions in a timely fashion or whether unmanned aircraft, or, alternatively, a reinvestment in artillery systems, can cover this mission set.

The immediate programmatic goal of a U.S. hedging strategy toward China is to reposition and retain—and slightly expand—current force structures to prevent the further aging and numerical collapse of the capacity of today's forces while preserving its technological edge. U.S. air and naval power are the decisive differences in the western Pacific and will be so in the Indian Ocean region, but U.S. Marine and Army land forces will be called on to play crucial roles as well.

The large swath of airspace from Japan to the Korean peninsula and southward over Taiwan is an arena in which the United States must maintain a favorable correlation of forces. This effort to maintain air superiority is already a challenging one and becomes more difficult every day as the People's Liberation Army increases the size and sophistication of its ballistic and cruise missile fleets, giving it a dangerous preemptive strike capability. Its growing strike aircraft fleet would allow China to capitalize on opportunities derived from initial missile attacks. Such scenarios deserve a more thorough and public treatment than they have thus far received. Beyond counterstrike operations involving cruise missiles and other standoff weapons (or the tiny B-2 bomber fleet), the ability of current generations of U.S. aircraft to survive and sustain operations in this hostile air defense environment is a troubling issue. The F-22 line, scheduled for termination after 2009, should be extended, and F-35 production accelerated; there are no other practical options at the moment.

The U.S. capacity to maintain sea control in greater Northeast Asia is tenuous. The limited range and survivability of the F-18E/F make aircraft carrier operations in these waters increasingly problematic. The F-35 will ameliorate this challenge but will do little to offset Chinese missile capabilities; surface fleet air defense is again a serious problem, and the expectation of unfettered access and an unlimited ability to strike land targets from the sea is becoming compromised. Further, the growth of Chinese submarine fleets requires a U.S. response. The recent U.S. trend toward building just one new attack submarine per year, which will soon reduce the total American fleet to just over thirty boats, is unacceptable. Additional investments need to be made in antisubmarine warfare, including undersea sensors, unmanned vehicles, and space surveillance, as well as the antisubmarine capabilities of surface fleets and maritime patrol aircraft. The projected growth of China's naval power demands a U.S. response—namely, new deployments, basing, and infrastructure arrangements,

and an adequate force structure to cover an expanding theater of operations.

One of the central elements of any hedging posture for U.S. military forces will be the ability to retain access to and full utilization of space systems, especially surveillance and communications constellations. After years of controversy, the Space-Based Infrared System, which will give enhanced warning of missile launch, will begin operating its first satellite in 2009. Arguably more crucial will be the Transformational Communications Satellite Advanced Wideband System (TSAT). A five-satellite, laser-based communication network intended to supplement and replace the current Milstar system and provide faster and more secure communications, TSAT is the central nervous system for global military communications networks. As noted above, prudence argues for creating the capacity to reconfigure and reconstitute these systems quickly in a crisis or wartime situation, as well as to develop ways to defend them from simple antisatellite weapons.

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With the development in 2003 of the *National Strategy to Secure Cyberspace*<sup>2</sup> and the derivative but still classified *National Military Strategy for Cyberspace Operations*, the Bush administration has responded to the threats against critical civilian and governmental information networks. The sources of these threats range from terrorist groups and criminal organizations—which increasingly reap large profits from cyberspace operations—to cyberattacks by adversary governments. It is difficult to determine the level of spending associated with the various departments' and services' cyberspace initiatives, but they are critical investments for any hedging strategy.

Beyond preventive efforts such as the Proliferation Security Initiative—a multinational effort designed to curb the transport of weapons of mass destruction and related materials—U.S. forces must retain sufficient capacity, separate and distinct from other ongoing or likely operations, to mount a range of potential operations rapidly in response to the potential employment or spread

of weapons of mass destruction and, most particularly, nuclear weapons. Further, force planning must take into account the larger geopolitical implications of such counterproliferation operations; they are likely to be first steps rather than decisive or last steps.

In the popular imagination, counterproliferation strikes are epitomized by the 1981 Israeli raid on the Osirak facility in Iraq, but any current or future analogous operation is likely to be much more demanding: the range, diversity, and “hardness” of targets is much greater. Penetrating enemy air defenses will be more challenging, therefore, and success will require a sustained strike campaign rather than a single raid. Pentagon contingency planners are constantly assessing the demands of such operations, but force generation and availability questions are not often discussed or generally understood. This uncertainty may result in a kind of “unfunded requirement” for a variety of air and naval forces—those best tailored to execute a hedging strategy in greater Northeast Asia—from cruise-missile platforms to the most capable strike aircraft and associated support capabilities.

There is an emerging requirement for the employment of significant land forces, either as a follow-on to strike operations or perhaps in reaction to any one of a number of loose nuke scenarios. Such missions could call for the full gamut of special operations forces as well as other rapidly deployable forces such as U.S. Marines or Army airborne and light infantry units—that is, the kinds of units most heavily taxed by Long War missions.

## Budgetary Implications

As noted above, assessing the long-term defense needs of the United States is a different question from quantifying the short-term costs of wartime operations. The fiscal year 2009 defense budget request of \$515 billion represents a baseline cost of raising, training, and initially equipping U.S. military forces. It also represents a mere 3.4 percent of U.S. GDP, a historically low figure. Defense Secretary Robert Gates has estimated that wartime costs for the 2009 budget year will be about \$170 billion, a reasonably

accurate assumption given the likely size and pace of military operations. It is unlikely that this figure will vary much—even if the incoming administration begins to withdraw combat forces from Iraq, the 2009 costs of withdrawal would be about the same as the costs of continued combat operations.

The Bush administration’s Future Years Defense Plan has done little to address the underlying mismatch between the likely strategic requirements for U.S. military power and the institutional deficiencies that have resulted from the force reductions of the 1990s and the continuing lack of materiel recapitalization. Put simply, U.S. military forces are too small and their equipment is getting too old to sustain the three challenges defined by U.S. defense strategy. The new president must address the strategy-resources gap.

Despite the current slowdown, the American economy is more than able to sustain a modest increase in defense spending. The incoming administration should consider increasing baseline defense budgets to 4 percent of GDP, as recently recommended by Admiral Michael Mullen, chairman of the Joint Chiefs of Staff. This is still a very low figure compared to past spending: during fifty years of the Cold War—a period of relatively constant economic growth and increasing widespread prosperity—Pentagon budgets averaged more than 6 percent of GDP. And, in a \$15 trillion annual U.S. economy, an additional one-half percent of GDP would translate into an additional \$75 billion per year, certainly enough to begin to meet the long-term requirements outlined in this *Outlook*. In sum, the need to strengthen U.S. military forces is immediate, and the cost is modest.

## Notes

1. U.S. Department of Defense, *Quadrennial Defense Review Report*, Washington, DC, February 6, 2006, available at [www.defense.gov/link/qdr/report/Report20060203.pdf](http://www.defense.gov/link/qdr/report/Report20060203.pdf) (accessed April 21, 2008).

2. White House, *The National Strategy to Secure Cyberspace*, Washington, DC, February 2003, available at [www.whitehouse.gov/pcipb/cyberspace\\_strategy.pdf](http://www.whitehouse.gov/pcipb/cyberspace_strategy.pdf) (accessed April 21, 2008).