

SENATE APPROPRIATIONS COMMITTEE – DEFENSE

POSTURE STATEMENT OF
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19TH CHAIRMAN OF THE JOINT CHIEFS OF STAFF
BEFORE THE 114TH CONGRESS
SENATE APPROPRIATIONS COMMITTEE
DEFENSE
BUDGET HEARING
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I. Introduction

Chairman Cochran, Ranking Member Durbin, members of this Committee, this posture statement addresses the state of our Nation 's armed forces, the current security environment, and the opportunities and challenges that lie ahead.

I am humbled and honored to represent the incredible men and women of our Joint Force. During my first five months as Chairman, I have engaged Soldiers, Sailors, Airmen, Marines, and Coast Guardsmen at every level. I am confident, and you should rest assured, that the United States' military is the most capable fighting force in the world. The character, ingenuity, competence, and self-sacrifice of the service members in our All-Volunteer Force remain our single greatest warfighting competitive advantage. I would like to express my gratitude to this distinguished body for its support in ensuring that we maintain the best equipped, trained, and led force in the world.

With the continued support of Congress, the Joint Force will continue to adapt, fight, and win in current operations while simultaneously innovating and investing to decisively win future conflicts. We must never send young Americans into a fair fight. Rather, we must maintain a Joint Force that assures our allies and partners, deters potential adversaries, and has unquestioned overmatch when employed. This requires us to focus on improving joint warfighting capabilities, restoring joint readiness, and developing leaders who will serve as the foundation of the future Joint Force.

II. Strategic Environment

The institutions and structures that have underpinned international order for the last several decades remain largely intact. However, the United States is now confronted with simultaneous challenges from both traditional state actors and non-state actors. The Department has identified five strategic challenges - Russia, China, North Korea, Iran, and Violent Extremist Organizations. Russia, China, Iran, and North Korea present two distinct challenges to our national security. First, they continue to invest in military capabilities that reduce our competitive advantage. Second, these actors are advancing their interests through competition with a military dimension that falls short of traditional armed conflict and the threshold for a traditional military response. This is exemplified by Russian actions in Ukraine, Chinese

activities in the South China Sea, and malicious cyber activities. At the same time, non-state actors such as ISIL, al-Qaida, and affiliated organizations are destabilizing parts of the international community, attacking our global interests and threatening the homeland. We must address these challenges to protect the stability of the international order and preserve U.S. influence.

Successful execution of our defense strategy requires that we maintain credible nuclear and conventional capabilities. Our strategic nuclear deterrence force remains safe, secure, and effective but is aging and requires modernization. We are prioritizing renewed long-term investments in early warning sensors; nuclear command, control, and communications; and our triad forces. Similarly, we are making investments to maintain a competitive advantage in our conventional capabilities. However, potential vulnerabilities to our national security extend beyond just conventional or nuclear threats. To preserve the security of the homeland, we must prevent the proliferation and use of WMD and associated technologies. We must also further develop our capabilities in the vital and increasingly contested domains of Cyber and Space.

Future conflict with an adversary or combination of adversaries is taking on an increasingly transregional, multi-domain, and multi-functional nature. This is a marked shift from how past conflicts were fought and will put significant stress on the Department's geographically-based organizational structure and associated command and control (C2) architecture. Future conflict will spread quickly across multiple Combatant Command geographic boundaries, functions, and domains. We must anticipate the need to respond to simultaneous challenges in the ground, air, space, cyberspace, and maritime domains. It is this type of operating environment that informed our investments in PB 17 and our efforts to more effectively integrate joint capabilities.

As the Joint Force acts to mitigate threats to U.S. interests against the backdrop of the Department's five strategic challenges, we do so in the context of a fiscal environment that hampers our ability to plan and allocate resources most effectively. Despite partial relief by Congress from sequester-level funding since FY12, the Department is absorbing approximately \$800B in cuts compared to the ten-year projection in the FY 2012 Budget, and faces an additional \$100B of sequestration-induced risk through FY21. Absorbing cuts of this magnitude has resulted in underinvestment in critical capabilities. PB17 takes necessary steps toward balancing the needs of meeting current and future operational requirements, investing in

capability development, and keeping faith with service members and their families. We must continue to work together to develop future budgets which provide the investment levels and flexibility needed to address our national security interests.

III. Current Assessment of the Joint Force

As directed in the 2014 Quadrennial Defense Review, the U.S. Armed Forces must be able to simultaneously defend the homeland while waging a global counterterrorism campaign, deter potential adversaries, and assure allies. If deterrence fails, the U.S. military must be capable of defeating one adversary while denying a second adversary's objectives in a different region. Due to shortfalls in capacity and critical capabilities such as ISR and long-range strike, as well as increased timelines for force movements, the Joint Force will be challenged to respond to a major contingency while simultaneously defending the homeland and continuing the counter-VEO mission. Capability and capacity shortfalls would be particularly acute if the force were called to respond to a second contingency on an overlapping timeline. Moreover, some allies and partners are less capable or willing to fill these gaps than in the past.

Today, Combatant Command assigned missions can be accomplished, but all Combatant Commanders cite resource limitations and capability shortfalls that may increase casualties, lengthen response timelines, and extend the duration of a future conflict. There are also shortfalls in our ability to conduct day to day shaping activities that serve to mitigate the risk of conflict and properly posture the force in event of conflict. These shortfalls include the number of ready response units in the Services' non-deployed force, theater ISR assets, Command and Control, intelligence, cyber operations, precision munitions, missile defense, and logistics.

Recovery of full-spectrum Joint Force readiness remains fragile. The adverse impact of budget reductions over the past several years combined with a persistently robust global demand for forces and capabilities continues to impede our ability to rebuild readiness after more than a decade of contingency operations. Regaining full-spectrum capabilities and appropriate levels of material readiness will take time, resources, and a healthy industrial base.

The Joint Force has maintained competitive advantage in technology for several decades. However, this advantage has been eroded by our adversaries' efforts to improve their warfighting capabilities and avoid or counter U.S. military technological strengths. Moreover, the rapid pace

of technological advances combined with the wide proliferation of new technologies has allowed our adversaries to more easily acquire advanced capabilities. This is highlighted by the increasing ease of access to cyber and space technologies and expertise in the commercial and private sectors. Adversaries are able to diminish the long-term advantage of key U.S. capabilities by leveraging access to commercial technology, targeting our defense industrial base with cyber espionage and sabotage, and developing capabilities within tighter development cycles than our bureaucratic acquisition cycle allows.

IV. Capability Trends for Key Challenges

The Department's five strategic challenges were the primary driver behind our risk assessment. For a classified analysis of these challenges and our response options, please review my Chairman's Risk Assessment and the Secretary's Risk Mitigation Plan.

Russia - Russia's actions threaten NATO cohesion and undermine the international order. Russia's military modernization and doctrine development aim to neutralize traditional U.S. competitive advantages and limit strategic options.

The Russian military presents the greatest challenge to U.S. interests. Russia is also the only actor aside from the United States that can project strategic power simultaneously in multiple regions. To assure our national security and reinforce international order, the United States and our NATO allies must improve our military capability, capacity, and responsiveness to deter a resurgent Russia. While Russia has not signaled the intent to directly attack the United States or our NATO allies, Russia's National Security Strategy identifies the United States and the expansion of NATO as threatening their national security. Moscow's strategic nuclear capabilities represent a potential existential threat to the United States, and their non-strategic nuclear capabilities threaten our allies and U.S. forward-based forces in Europe and Asia. Russia has also shown a willingness to use competition short of traditional military conflict - such as in Ukraine - to pursue its strategic goals.

In recent years, Russia has undertaken a long-term strategic armaments program designed to develop military capabilities and systems that erode our competitive advantage across the spectrum of conflict. Russia has modernized its strategic nuclear forces, enhanced their force projection and anti-access/area denial (A2/AD) capabilities, and significantly increased its

proficiency in executing hybrid operations. Operations in Ukraine and Syria serve to demonstrate these new capabilities and increase their proficiency.

In the Cyber domain, Russia is a peer competitor of the United States and has demonstrated a willingness to exploit cyber to achieve its objectives. We suspect Russia has conducted a range of cyber operations against government, academic, and private networks. Russian cyber capability could potentially cause considerable damage to critical network equipment and national infrastructure throughout the United States and Europe. In the near to medium term, Russia is also modernizing its counter-space capabilities to defeat a wide range of U.S. space-based capabilities while seeking to secure Russian freedom of action.

In summary, Russia is improving its high-end warfighting capabilities and closing the gap on our competitive military advantages. Since 2008, Russia has demonstrated increasingly sophisticated military capabilities and doctrine. In these operations, Russia has broadly operated across the spectrum of conflict to include information operations and cyber warfare. Russia is the only actor that can project strategic power in multiple regions to threaten U.S. national interests and coerce U.S. and allied decision-makers.

PB17 addresses Russia's aggressive policies and military modernization through investment in a number of high-end capabilities. The budget request also quadruples funding for the European Reassurance Initiative (ERI) to \$3.4B in FY17 to reassure our NATO allies and deter Russian aggression.

China - China's rapid military modernization and expanding presence in Asia and beyond increase the probability for misunderstanding and miscalculation.

China is engaged in a sustained military modernization effort that is reducing our competitive military advantage against it. This effort is coupled with an ambitious foreign military-to-military engagement program that aims to acquire advanced tactics, training, and procedures from other developed militaries. China is also seeking to improve the joint capability of its armed forces to project power-enhancing its ability to fight and win a high-intensity regional conflict. Critical to Chinese efforts is the development of capabilities that specifically counter U.S. operational strength.

Over the course of the last year, China's military operations have expanded in size, complexity, duration, and geographic location. Additionally, China continues to make large-scale investments in advanced A2/AD capabilities, including short-, medium-, and intermediate-range ballistic and cruise missiles employing countermeasures to deny U.S. missile defense systems. China is also investing in land attack and anti-ship cruise missiles, counter-space weapons, cyber, improved capabilities in nuclear deterrence and long-range conventional strike, advanced fighter aircraft, integrated air defenses, undersea warfare, and command and control capabilities. China's nuclear-capable missile forces pose a military risk to the U.S. homeland. China's land-based missile forces continue to expand, increasing the number of nuclear warheads capable of striking the United States as well as bases in the Pacific theater.

The aggregate of China's expanding, well-resourced, and well-trained cyberspace forces represent a threat to the United States. China's use of computer network attacks in a conflict with the United States or our allies and partners could seriously limit access to cyberspace and further degrade deployment and sustainment of forces. In the Space domain, China continues to enhance its ability to support terrestrial operations. By pursuing a diverse and capable range of offensive space control and counter-space capabilities, China is also working to diminish U.S. space dominance.

In summary, China's rapid military modernization is quickly closing the gap with U.S. military capabilities and is eroding the Joint Force's competitive military advantages. China's military forces can constrain U.S. military operations in the Western Pacific and hold key U.S. infrastructure and facilities at risk. Its strategic capabilities are improving and present an increasing risk to the U.S. homeland and our allies.

PB17 is supportive of our commitment to the Asia-Pacific rebalance. It invests in high-end capabilities, particularly those needed to maintain undersea dominance and to counter A2/AD capabilities. The budget request also funds the buildup of Guam as a strategic hub, initiation of P-8 maritime patrol aircraft rotations in Singapore, implementation of rotational initiatives in Northern Australia, and positioning F-35 fighters in Japan in 2017.

North Korea - North Korea's nuclear weapons and ballistic missile programs, increasing asymmetric capabilities, and willingness to use malicious cyber tools threaten the security of the

homeland. These capabilities, alongside conventional forces, also threaten our allies in the region.

North Korea has an opaque and confrontational national leadership, the fourth largest army in the world, and increasing nuclear and ballistic missile capabilities. The regime represents an immediate threat to U.S. allies in the region and an increasing threat to U.S. territories and the homeland.

The United States maintains a competitive military advantage against the relatively low-technology North Korean military. However, in the event of a conflict on the peninsula, North Korea may be able to seize the initiative and rapidly escalate hostilities utilizing special operations forces, mass, and long-range fires. Risk of large numbers of civilian and military casualties remains high.

North Korea continues to develop its offensive and intelligence-collection capabilities aimed at exploiting U.S. and allies' cyber domains. North Korea's current cyber capabilities remain modest and pose the greatest threat to poorly defended networks. We expect North Korea to continue investing in more capable cyber tools to develop asymmetric options which can be effective against more sophisticated networks.

In summary, North Korea's ballistic missile and nuclear developments, willingness to conduct malicious cyber activities, and potential to seize the initiative in a conflict on the peninsula pose risks to the security of the United States and our allies.

As previously noted, PB17 is supportive of our commitment to the Asia-Pacific rebalance and accounts for the challenges posed by North Korea. The budget provides additional funds for conventional munitions and continues investment in missile defense.

Iran - Continued expansion of Iranian malign influence in the Middle East threatens the stability and security of key regional partners. Iran is increasingly capable of restricting U.S. military freedom of action in the region.

Iran is improving the quality and quantity of select conventional military capabilities. Specifically, Iran continues to leverage its position on the Strait of Hormuz to pursue an area denial strategy with increasing capability and capacity of ISR, anti-ship cruise missiles, fast

attack craft, fast inshore attack craft, submarines, and mines. Iran augments its maritime patrol capacity with unmanned aerial reconnaissance systems and is developing an armed unmanned aerial system capability. Improvements in the quality, quantity, and lethality of Iran's military capabilities threaten both U.S. interests and freedom of action within the region.

To date, Iran has not demonstrated the capability to strike the continental United States with a ballistic missile. However, Iran has made significant strides in its missile development programs since 2009, when it successfully launched its first satellite. In 2010, Iran unveiled a new space launch vehicle that - if configured as a ballistic missile - would be capable of reaching the United States. In the Cyber domain, Iran's capabilities present a limited but increasing threat to the United States. Iran has demonstrated some degree of success in targeting vulnerable critical infrastructure networks.

In summary, Iran and its malign activities present the greatest threats to U.S. interests in the Middle East and North Africa. Tehran has demonstrated the ability to project influence across the region and presents an asymmetric threat to the United States and its regional partners. Iran's conventional military modernization is not likely to compete with U.S. capability, but its ballistic missile force can hold key regional U.S. infrastructure at risk.

PB17 addresses Iran's malign activities through investments in capabilities that improve our posture, enhance regional partnerships, and provide options in the event of a contingency. Specifically, the budget funds additional capabilities for power projection, sea control, and regional missile defense.

Violent Extremist Organizations - VEOs threaten the stability and security of key regional partners and many of our closest allies. Their ability to inspire attacks threatens the security of U.S. citizens and interests at home and abroad.

VEOs are distinct from the other four threats, representing both an immediate and long-term risk. Counter-VEO operations will require continued focus and resources even if the Joint Force is called on to respond to a contingency involving Russia, China, Iran, or North Korea. While VEOs do not pose an existential threat to the United States, they continue to increase their abilities to inflict harm upon our vital interests. Several of our partner nations - from South Asia to the Middle East and Africa - are battling VEOs that have established territorial control and are

directly challenging existing governments. U.S. values and the rules-based international order are also threatened by VEOs. Additionally, VEO-driven conflicts have generated mass migration and significant flows of foreign fighters to and from conflict zones, which poses risk to the United States and our allies and partners in the Middle East, North Africa, and Europe.

The PB17 submission funds our ongoing counter-VEO operations. PB17 OCO funding will help establish counterterrorism platforms in South Asia (Afghanistan), the Middle East (Levant), East Africa (Djibouti), and an enhanced presence in North/West Africa. These platforms will provide sustainable, flexible, and scalable nodes from which to conduct planning and synchronize operations within the U.S. government and with allies and partners.

V. Crosscutting Sources of Military Risk

The Joint Force faces a variety of crosscutting sources of military risk: gaps and shortfalls that impact our ability to accomplish our missions and objectives, both in today's operations and in tomorrow's potential conflicts.

Multiple, overlapping contingencies

In accordance with the 2014 Quadrennial Defense Review, the U.S. Armed Forces must be capable of simultaneously defending the homeland while waging a global counterterrorism campaign, deterring potential aggressors, and assuring allies. If deterrence fails, U.S. forces must also be capable of defeating an adversary and denying the objectives of - or imposing unacceptable costs on - a second aggressor in another region. The Joint Force will be stressed to execute a major contingency operation on desired plan timelines with available assets, while simultaneously defending the homeland and continuing the counterterror fight against VEOs. Response to aggression by another adversary at the same time would be further limited due to capacity shortfalls, force movement timelines, and the dedication of enabling forces and capabilities elsewhere.

Intelligence, Surveillance, and Reconnaissance

A lack of theater ISR surge capacity diminishes the Joint Force's responsiveness and flexibility to support emergent crisis or contingency. Current theater ISR assets and associated analytic support capacity remains short of Combatant Commanders' increasing requirements.

High Demand - Low Density Capabilities

HD/LD capability and capacity shortfalls affect our ability to achieve assigned missions. We continue to operate systems in several critical mission areas and deploy personnel with specific specialty skills at high rates, resulting in minimal to no surge capacity in those areas. Similar to ISR, this negatively impacts the Joint Force's responsiveness and flexibility to support emergent requirements. HD/LD capability shortfalls that pose significant military risk include: missile defense systems, naval expeditionary forces, personnel recovery assets, airborne command and control systems, explosive ordnance disposal assets, air superiority and global precision strike units, and cyber mission forces.

Munitions

Key precision guided munitions shortfalls are exacerbated by ongoing operations and may impact potential contingency response. Additionally, our current global inventories are insufficient for theater missile defense (TMD), standoff, and air-to-air munitions needs.

Logistics

We are seeing increasing risk associated with the Joint Logistics Enterprise's ready and available capacity. Critical logistics enablers lack capacity and responsiveness: 79% of such units report reduced readiness levels which affects mission accomplishment flexibility and increases vulnerability. A majority of these elements are motor transportation, engineer, and cargo handling units necessary to support the deployment and sustainment of combat elements. Of these units, the vast majority reside in the Reserve Component (RC). As such, any contingency that requires responses on a timeline faster than that designated for RC mobilization will face risk from the lengthened timelines for combat forces and their sustainers to arrive in theater.

VI. PB17 Summary

PB17 addresses the Department's five strategic challenges - a resurgent Russia, a rising China, North Korea, Iran, and VEOs - by balancing the demands of readiness, capacity, and capability within the resources provided by the 2015 Bipartisan Budget Agreement. The total FY17 topline, which is approximately \$17B below what we planned in PB16, required us to defer modernization in favor of near-term readiness and force structure. These reductions and delays in

modernization will exacerbate the procurement bow wave we confront at the end of the Future Year Defense Program (FYDP) and compound risk to the overall balance of the Joint Force.

PB17 also contains fiscal risk. The budget assumes higher topline in FY 18-21, continued favorable economic factors, and future efficiencies. We also continue to depend on OCO funding for ongoing contingency operations and Joint Force readiness recovery.

Key Capability Investments

Given a constrained topline, PB17 prioritizes investments to modernize the future Joint Force while balancing capacity and readiness.

TACAIR

The Air Force accepts risk in the "air" domain in order to invest in nuclear enterprise, space, and cyber priorities. Cuts in fifth generation fighter aircraft procurement create risk in the mid-2020s, which will be mitigated by 4th generation fighter aircraft enhancements. PB17 funds 54 Air Force combat-coded fighter squadrons in the base budget and one squadron supporting the European Reassurance Initiative in the OCO budget (a total of six more squadrons than the PB16 plan for FY17). The Department of the Navy will procure additional F-35C (+ 10), F-35B (+3), and F/A-18E/F (+ 14) over PB16 levels. The Department of the Navy will also complete its planned buy of 109 P-8A by FY19.

Cyber

State actors will remain the most capable threats to computer network operations. Non-state actors - VEOs, ideological hackers, and cybercriminals-have demonstrated high-level network intrusion skills against the U.S. government and private entities and will continue to develop sophisticated tools to achieve their objectives. Developing and growing the Cyber mission force will require a long-term concerted effort. PB17 invests in both quantity and quality of cyber capabilities. It funds \$6.78 in FY17 (a 13% increase) and approximately \$34B across the FYDP in cyber posture and capabilities - including investments in strategic cyber deterrence, cyber security, and offensive cyber.

Space Acquisition

PB17 makes significant investment in space posture and capability. We are funding \$7B in FY17 and approximately \$38B across the FYDP, including space situational awareness, space launch capabilities, and command & control of critical space architecture. Other budget items will harden follow-on communications and warning satellites, accelerate GPS replacement to assure targeting accuracy and ability to resist jamming, and add security features to prevent exploitation and increase overall system resilience, safety, and stability.

Airborne ISR

There is an ever-increasing demand for ISR assets to inform and enable our current and future warfighting efforts; PB17 invests in aircraft procurement and ISR support infrastructure. This is an area where we must increase both capacity and capability in the coming years. Continued shortfalls will stress the force to meet current requirements and do not provide any surge capacity to address near-peer challengers or overlapping contingency operations.

The Navy is reducing planned Unmanned Carrier Launched Airborne Surveillance and Strike program capabilities in order to deliver a low-end, permissive-environment tanking and surveillance capability (saving approximately \$680M across the FYDP). The Air Force projects no significant change from PB16, maintaining its plan for 60 M Q-9 Combat Air Patrols and JSTARs Recapitalization.

Power Projection

PB17 addresses critical power projection capabilities and related assets required to operate in non-permissive environments stemming from adversary advances in A2/AD. PB17 leverages ongoing initiatives to improve survivability of critical assets and enhance offensive strike capability. It invests in hypersonic vehicle concepts, flight demonstrations, infrastructure, and advanced conventional warheads. It also funds improvement in critical base and missile defenses through expedient shelters and multispectral camouflage. Finally, it increases the survivability in the undersea domain by investing in Maritime Strike Tactical Tomahawk capability, Unmanned Undersea Vehicle capabilities, additional Virginia Payload Modules, and Acoustic Superiority Program upgrades on OHIO- and VIRGINIA-class submarines.

Shipbuilding

Joint Force shipbuilding investment is on track to meet fleet goals in PB17. The Navy continues to grow the size of the fleet toward the goal of 308 ships to meet warfighting and posture requirements. PB17 continues procurement of 10 DDG-51 Flight III destroyers across the FYDP but reduces planned Littoral Combat Ship procurement from 52 to 40. It also invests in undersea capabilities as described previously.

Munitions

PB17 invests in rebuilding depleted stocks of precision guided munitions and in future critical munitions capabilities and enhancements. Specifically, the budget includes \$1.8B for precision guided munition replenishment due to usage during ongoing operations. Looking toward the future, the Navy is maximizing production of SM-6 missiles while maintaining required levels of other advanced munitions. It is also beginning development of follow-on torpedoes and modernizing Tactical Tomahawk to enhance maritime strike capability. The Air Force will continue with last year's plan to convert unguided bombs into all-weather smart weapons. The Marine Corps and the Army are funding RDT&E to support FY20 development of area effects munitions compliant with the Departmental cluster munitions policy. Finally, the Army plan procures an additional 80 Army Tactical Missile System (ATACMS) Service Life Extension Program missiles, which bridges the capacity gap until the Army can develop and procure improved capability ATACMS.

Nuclear Enterprise Sustainment and Recapitalization

Because nuclear deterrence is the highest priority of the Department of Defense, PB17 enhances investment in all three legs of our aging nuclear triad. Within the nuclear enterprise, the budget funds \$ 19B in FY17 and approximately \$108B across the FYDP, adding \$9.8B (an increase of 10%) to sustain and recapitalize the nuclear triad and strategic command, control, and communication systems. It invests in legacy strategic bomber modernization, ground-based strategic deterrence, incremental funding of the first ship of the OHIO-class replacement program, long-range strike bomber, long-range standoff cruise missile, and the security helicopter replacement.

Counterterrorism

The FY17 budget request includes approximately \$ 13.B to support counterterrorism efforts in South Asia (Afghanistan), the Middle East (the Levant), East Africa (Djibouti), and an enhanced presence in North/West Africa. These capabilities are essential to implementing a new framework to counter terrorism, particularly against ISIL, that more effectively synchronizes counter-VEO efforts within the Department and across the government.

People and Institutions

Talent and Leadership

Beyond budgets and technology, the All-Volunteer Force remains our greatest asset and true warfighting competitive advantage. The future operating environment will place new demands on leaders at all levels. Our leaders must have the training, education, and experience to meet those demands. We are undertaking a series of significant changes to the personnel systems which have previously underpinned the Joint Force: military pay and compensation modifications, retirement reforms, talent management initiatives, and diversity integration efforts. These changes aim to make the Joint Force an inclusive, more agile, and stronger force by leveraging the talents of all qualified citizens to meet the challenges of the future. The Services are responsible to assess and execute these changes; not all will be easy. However, we are committed to preserving standards, unit readiness, and cohesion, and we will steadfastly adhere to our principles of dignity and respect for all service members over the continuum of their service and beyond.

End strength

Our end strength is driven by strategy but is also constrained by current fiscal realities. PB17 projects the force end strength consistent with the 2014 QDR forecasts. However, the emergence of ISIL and Russian revanchism has changed the strategic environment since the QDR was published. Force availability shortfalls hamper our ability to rapidly respond to multiple, overlapping contingencies. End strength reductions below the current plan must be carefully weighed against the end states sought by the Department.

Active Duty Service end strengths in the proposed PB17 remain relatively constant across the FYDP (less than 0.7% overall reduction by FY21). The Active Component will be reduced by 9,800 personnel across the Services by FY21, with most of that reduction coming in the Army by FY18. Reserve Component end strength will see negligible decreases. Specifically, the Army will maintain end strength and capacity to meet operational requirements, and build a rotationally focused and surge-ready 980K Total Army (450K Active Component), consistent with the 2014 QDR. Both the Navy and Marine Corps will maintain Active Component end strength numbers at 323K and 182K, respectively. The Air Force will maintain Active Component end strength at 317K.

VII. Conclusion

PB17 reflects difficult choices made in the context of today's security challenges and fiscal constraints. Our budget submission balances investment in the high-end capabilities needed to counter major power competitors, the capacity to meet current operational demands and potential contingencies, and the need to rebuild readiness after an extended period of war. However, to accommodate a constrained topline, PB17 defers near-term modernization which will only exacerbate a coming wave of strategic recapitalization and other procurement requirements. More broadly, the cumulative effect of topline reductions over the past several years has limited the flexibility and resiliency of the Joint Force, and looking ahead I am concerned that the demand for future capabilities and capacity will outpace the resources available, forcing even more difficult decisions to match strategy and resources. I am grateful to Congress for your continued support, and I look forward to working with you to ensure the United States maintains the most capable fighting force in the world – and to ensure we never have to send American men and women into a fair fight.