

COMMENTARY

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# Decisions Deferred: Balancing Risks for Today and Tomorrow

By David W. Barno and Nora Bensahel

**D**efense Secretary Chuck Hagel's rollout last week of the Strategic Choices and Management Review (SCMR) left many questions unanswered about the future of U.S. defense. Although it was not designed to make critical defense decisions, the SCMR was widely expected to help set the terms of the Congressionally-mandated 2014 Quadrennial Defense Review (QDR). Instead, it simply generated a menu of options linked to various levels of budget cuts, while reaching few conclusions. The SCMR offered little guidance beyond further detailing the pain of sequestration-level budget cuts. But hidden within the SCMR's complex layers of options lies the key question that the QDR will need to answer: Should DOD keep investing heavily in today's force, or take greater risk now while shifting investment toward tomorrow?

Secretary Hagel described the purpose of the SCMR as an effort to "understand the impact of further budget reductions on the Department and develop options to deal with these additional cuts." Its three objectives were to prepare for sequestration in Fiscal Year (FY) 2014, provide insights for the service budgets for FY 2014-2019, and "anchor" the upcoming QDR. While it did examine various scenarios connected to budgets and sequestration, it did not provide useful guidance for the QDR. This may be the single biggest failing of the SCMR; The February 2014 deadline for the QDR looms ever closer while the actual process has yet to begin formally, now putting the participants months behind schedule. DOD now has much less time to chart its path forward as it disengages from 12 years of war and continues to navigate deep cuts to the defense budget.

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Even though the SCMR did not provide explicit guidance for the QDR, its budget-driven scenarios did identify the principal question that the QDR must answer: Should DOD invest in size and capacity, or in capability? Are the risks of the current era so dangerous that investment should focus primarily on maintaining the size and

capacity of current military forces? Or does the United States face less risk now than it may face 20 years from now, and thus should invest more in developing future capabilities? In essence, should the United States primarily invest in today to buy down risk now, or tomorrow to offset greater risk then?

This is a stark choice. With sequestration cuts remaining in place – and most experts outside the Pentagon believe that they will – the Department must choose between today and tomorrow, between current capacity and high-end capability.

This inevitably leads to the central, tough decision about prioritizing current risks or future threats. Large cuts in force structure, modernization and global military posture hang in the balance.

In some ways, today's strategic environment for the United States harks back to the 1990s. At the end of the Cold War, the United States stood militarily unchallenged on the world stage. U.S. policymakers were eager to capitalize on the "peace dividend," and U.S. military end strength was cut by as much as 40 percent. The attacks of September 11, 2001 abruptly ended this optimism. Today, emerging from 12 years of war, U.S. policymakers see the world as much less stable than it was in the 1990s. The constant drumbeat of instability, revolutions, civil wars and terrorism around the world highlights that reality daily. Civil war in Syria, instability in Egypt and across the Arab world, threats of a nuclear-armed Iran and the not-yet-vanquished global threat of terrorism continue to gnaw at U.S. policymakers.

Yet no global military rival challenges the United States today. No major power is rapidly rearming and presenting an unambiguous security threat to U.S. interests. No existential threat to the well-being of the United States or its people is evident. But the daily demand for U.S. military power around the world – constantly driven by "requirements" from U.S. regional military commanders – is ever-increasing and seemingly insatiable. The demands of the *urgent* – today's headlines – risk distorting the longer range demands of the *important*, and perhaps someday, the existential. And it is far

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less clear who generates demands within the U.S. military system for winning the fights of the future, and weighs them against the strident demands of the geographic combatant commanders for military power here and now.

Given the 2014 QDR's charter to look out 20 years, how should the United States balance investments in military capabilities today to position the nation to fully deal with less clear threats of tomorrow? The wars of 2034 and beyond will likely be fought and decided with technology, systems and doctrines that do not exist today. And the stakes may be dramatically higher.

By 2034, the United States could well face one or more adversaries with capabilities that dwarf today's threats: vast economic resources, broad access to high technology, large capable conventional forces and deep capability in the cyber domain. China might become one such threat, but other rising or resurgent powers could offer varied combinations of the same dangers. At the extreme, such an adversary could potentially reach parity (or more) with the United States in both its technology and gross domestic product. A true 21st-century competitor would be fearsome were it to couple hostile intent with extraordinarily advanced military capabilities. It is unclear how much DOD is seriously focused on – much less investing in – how to prevail in such a future. Its current approach seems to prioritize inventing new and more expensive versions of today's weaponry.

These choices are clearly shown in the current DOD investment portfolio for tactical fighters, to take one example. The Air Force, Navy and Marines all have multi-billion dollar investments planned in a next generation short-range manned strike fighter – at nearly \$400 billion, the single largest line item in planned DOD modernization. Yet most defense thinkers expect future strike aviation to be dominated by long-range unmanned (and perhaps autonomous) strike platforms that are currently a low priority among all three services. This tactical aviation paradox is emblematic of the “today vs. tomorrow” investment, a capacity vs. capability dilemma that has a parallel in almost every DOD modernization program. There are simply not enough resources in future budgets to support both approaches.

The 2014 QDR must make this key strategic choice. As resources plummet – and sequestration levels of budget cuts make all manner of planned investments suddenly unaffordable – DOD needs to double down on building the tools of the future force, those that can win wars in 2034 and beyond. This will likely entail substantial cuts to current active forces with more burden shifted to the Guard and reserves, as well as careful but significant cuts to current modernization programs while increasing investments in leap-ahead

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technologies. Such technologies include developing unmanned and autonomous systems, in the air, on land and at sea; fully automating human-intensive staff processes; and revolutionizing training with technology, among many others. If the United States fails to strike the right balance now, that future will be mortgaged to meet the ever-pressing demands of every morning's headlines.

If the SCMR has illuminated this key strategic choice for the QDR, it may have ultimately served a very important purpose indeed.

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