Deputy Secretary of Defense Ashton B. Carter
Remarks as Prepared for Delivery
John F. Kennedy Jr. Forum, Harvard University, April 23, 2013
Co-sponsored by the Institute of Politics and Belfer Center for Science and International Affairs, Harvard Kennedy School

"Turning the Corner: Strategic and Budgetary Choices for U.S. Defense"

Thank you, Graham [Allison].

I did grow up here, and it is so wonderful to be back, and to see so many friends and so many colleagues that I've worked with over the years.

It's Graham who built this place, and who continues tirelessly to work on behalf of this institution. Graham, it's a pleasure and a privilege to be here with you.

It's also a pleasure to see all the faces in the audience. Every day I see the fruits of my labor, of our labors, in the students who work for and with me. My special assistant is a Kennedy School graduate and the Secretary's special assistant is a Kennedy School graduate. Everywhere I go – to camps, posts, stations, and across our federal government – I see our people. And I'm so proud of them and what they're contributing.

This is also the case overseas. A couple of years ago, I was in Tokyo, meeting with the Minister of Defense of Japan. He said, "Hey Ash, come down the hall with me. I've got a surprise for you." So I went down the hall and he opened the door, and there was a room full of my former students, about half civilian and half military working for him. So I see my students wherever I go and it makes me so immensely proud.

This is a week where if you're a part of this community you feel that especially. Even though I was not in Boston last week, this is where I spent a lot

of my life, raised two children, have many friends, and I love Boston. So I took personally what happened last Monday. It's not the subject of my talk tonight, but I wanted to say that it is personal to me in that sense, and in one other sense: my wife Stephanie and I go on Saturdays to the hospitals, and we've been doing that for four years now, and also to Dover, where the fallen return. I've met with many wounded by IEDs and their families, and with the families of fallen heroes when they come home. You never get used to it, and you can never fully know what they are feeling, try as you might, but I do have some idea of how the folks directly affected by the IED last Monday are experiencing that. We now know those injuries very well. If there's anything at all good about being at war uninterruptedly for ten years, it's that we've learned a great deal, and particularly in the matter of amputations.

I'll tell you a story: I was down at Brooke Army Medical Center, which is our principal medical center in San Antonio. I was talking with the medical director of the center that works with amputees and prostheses in which we've made absolutely fantastic progress in the last ten years. And he told me that he used to try to answer the question, "Will I be able to…skateboard, play tennis, go swimming, ride horses." Now he says, "I've stopped trying to answer that question. I just say, 'If you want to, you will.'" And to an extraordinary degree that proves to be the case. So I hope the people that were affected last Monday benefit from that experience.

The last thing I want to say is that we in the Defense Department were not the lead in terms of the federal response, and of course it was mostly local first responders who answered the call, but I just wanted to salute members of the Massachusetts National Guard who were ours who made their contributions, but above all, salute the state and local law enforcement here in Boston. They are real heroes and have amazing talent and dedication.

***

The last time I spoke here at the Kennedy School a couple of years ago, I focused on the surge in Afghanistan and how we were trying to manage and execute that major strategic move.

Tonight I want to talk about the imperative for us in the Defense Department to turn a strategic corner from that era, dominated by Iraq and Afghanistan, to the challenges and opportunities that will define our future in security. This great strategic transition, which we need to make, coincides with a need to absorb some reductions in defense spending in the interest of the nation's overall fiscal situation.

For the better part of a decade, we in the Department of Defense have been riveted, of necessity, every day, on two wars of a particular kind – counterinsurgency – in Iraq and Afghanistan, and also on assembling strong defenses against terrorism, all of which we accomplished with considerable ingenuity and success. Whatever you thought about those wars in their inception, I hope you agree with me that the performance of our force was exceptional.

But now one of those wars has ended. The other, in Afghanistan, for sure has not ended, and I can't take my mind off of it. As long as there are people in harm's way, that will be a major preoccupation of mine.

On the other hand, we do have a plan to transition security to Afghanistan over the next couple of years, and wind that war down.

As for countering terrorism, that will always be a priority for those of us charged with providing security. As long as there is humanity, there will be the problem of the few against the many, and the aberrant against everyone else, and those who would seek to disrupt civilization, as we saw here in Boston.

On the other hand, it is also true that since 9/11 we have very greatly improved our capabilities. There is almost no comparison in any dimension between how good we were on 9/11 and how good we are now. I'm not saying we can stop improving and innovating, but the level of preoccupation that we had in the first post-9/11 decade is not required of us in the next decade.

While we've been engaged in these conflicts, the world hasn't stood still. Technology hasn't stood still. And our friends and our enemies haven't stood still.

Now it's time to turn that strategic corner and focus on the future, and, in some ways, to catch up with those changes.

With that in mind, the President introduced last year new strategic guidance to us in the Department of Defense on how we should make that transition from the era of Iraq and Afghanistan to the opportunities and challenges that will define our future.

The President's new strategy has a few key tenets, and I want to share them with you and then focus on one in particular.

The first tenet was that as we draw down from the wars in Iraq and Afghanistan, our force needs to make a very difficult transition from a large, rotational, counterinsurgency-based force to a leaner, more agile, more flexible, and ready force for the future.

That's not to say there's anything wrong with the force that we built for Iraq and Afghanistan—it was the right force for the period. This is a different period.

As we make this transition, we want to preserve what we have worked so hard to achieve in the last decade:

First, the tremendous strength that the all-volunteer force has brought to this fight over the last 10 years, and the qualities that they embody.

Second, the use of special operations forces and their integral application in modern operations.

Third, the contribution of the Guard and Reserve. We used the Guard and Reserve in this era in a way never foreseen, and they performed superbly. I've been to Iraq and Afghanistan many times, and you can never tell the difference between an active duty and reserve component unit, in terms of their proficiency and dedication.

Fourth, the fusion of intelligence and operations – an area in which we have unrivaled capability.

And fifth, new and disruptive technologies, all conceived and fielded over the past decade.

This is the legacy that the President wanted to make sure that we preserved, even though we move on to apply it to other needs.

The second key tenet of the new strategy has to do with protecting and prioritizing key investments in technology and new capabilities. President Obama insisted that we go out of our way to protect our newest investments because these kinds of investments tend to have the shallowest roots, and are therefore most susceptible to being bureaucratically uprooted. Because these investments are so important to keeping the technological edge upon which so much of our national security depends, the President wanted to ensure that we didn't eat our seed corn in the process of reducing our budget.

In this regard, we are continuing, even in our current budgetary environment, to grow our Special Operations Forces. A portion of this somewhat larger force will be redeployed from Iraq and Afghanistan to locations around the world. The remainder of our Special Operations Forces, not unimportantly, will have a chance to reset and be home with family more than they have been able to be over the past decade.

Next, we are increasing our investments in cyber, in recognition of the growing threat that cyber poses to our national security and critical infrastructure. Our Fiscal Year 2014 budget request repurposes and adds manpower to create cyber teams in three primary functional areas: defending Department of Defense networks; degrading adversary cyber capabilities, and supporting the defense of our critical infrastructure.

Space, like cyber, is also an area where we also have a large installed base upon which we depend, and we need to figure out either how to defend it or where that is not possible, because of the nature of orbital dynamics and the inherent

vulnerability of an object in space, how to operate without it if we need to. We are also developing options to counter the space capabilities of potential adversaries.

Another area the President wanted protected is countering weapons of mass destruction. That's an area that the Belfer Center and Graham have been leaders in for a long time. We still have a Nunn-Lugar program – it's not denuclearizing Ukraine, Kazakhstan and Belarus anymore – but it's still very active and operational.

We're also investing in Intelligence, Surveillance, and Reconnaissance platforms. You see the Predators and Reapers at work, you see the Global Hawk, which is the higher altitude platform. Then there are other things you don't see. We have an innovative effort there to increase the range of our unmanned vehicles to operate unmanned vehicles from ships, and other areas of innovation in ISR that don't involve unmanned aircraft but other techniques.

Finally, we're increasing our investments in certain areas of our science and technology portfolio, such as electronic warfare, anti-jamming capabilities, and command, control and communications. It's always been the case that the Department of Defense led innovation and contributed to innovation at the national level. That isn't inherently less so than it was in previous eras because there's a larger commercial technology base relative to ours than there used to be. And of course the technology base is global. Still in all, there's a leadership role for the Department of Defense, and despite our fiscal challenges, this is an area that will remain a priority, and it includes the industrial base that supports us.

As Graham mentioned, there are several million employees in DoD. There are also several million employees who work for us in the defense industry. The weapons and services they provide, second only to our magnificent men and women in uniform, are what make our military great.

I always remind people we don't make anything in the Department of Defense: industry does, and so the excellence of that industry is something that we also want to, need to, and will protect in the coming era.

The third tenet of the President's strategy that I really want to focus on tonight is our so-rebalance to the Asia-Pacific region.

Our rebalance is predominantly a political and economic concept, and not a military concept. But since I'm the Deputy Secretary of Defense, I'm going to concentrate on the security side of the rebalance.

The logic of our rebalance in the security sphere is very simple: the Asia-Pacific region has largely enjoyed 60 years of stability and peace.

Today there is only one exception to that general proposition, and that is of course North Korea. It's an important exception, and we are responding to North Korea's threats and provocations. We're doing it by defending ourselves and our allies. We're taking a firm but measured approach. But the principal point I wanted to make in the context of this speech is that North Korea is an exception, really the only exception in terms of imminent nation-state aggression in the Asia-Pacific region.

This climate of peace and stability has prevailed in the Asia-Pacific region for so long despite the fact that there's been no overarching security structure—no NATO—to make sure that historical wounds, which were deep in Asia, were healed after World War II. And during those years, first Japan rose and prospered, then South Korea rose and prospered, then many nations in Southeast Asia rose and prospered. And now, today, India, and in a different way, China rise and prosper. All this has been welcomed by the United States.

But none of this was a foregone conclusion when you consider where Asia was at the end of World War II.

While the Asian political and economic miracle was realized, first and foremost, by the hard work and talent of the Asian people themselves, it was enabled by the enduring principles that the United States has stood for in the region and by the pivotal role of American military power.

These principles include a commitment to free and open commerce; a just international order that emphasizes rights and responsibilities of nations and fidelity to the rule of law; open access, by all, to the shared domains of sea, air, space, and now, cyberspace; and the principle of resolving conflict without the use of force.

We believe that our strong security presence in the Asia-Pacific has provided a critical foundation for these principles to take root. And in one sentence, our rebalance says we're going to continue to provide this foundation for decades to come.

Our partners in the region welcome our leadership and our robust engagement, and the values that underlie them, and therefore I believe that our rebalance will be welcomed and will be reciprocated. It's good for us, and it's good for everyone in the region. And it includes everyone in the region. And by the way it's not aimed at anyone in the region – no individual country, or group of countries.

Our rebalance is reflected in much that we are doing today as the era of Iraq and Afghanistan comes to an end.

First, with respect to our force structure, the rebalance means that a higher proportion of our assets will be in the region. Last year, we announced last year that 60 percent of our naval assets would heretofore be assigned to the Asia-Pacific region by 2020 as opposed to the Atlantic theater –which is an historic shift.

The Air Force, for its part, will increase its posture and presence in the region, to include tactical aircraft like the F-22; space, cyber, and bomber forces; and ISR assets like the MQ-9, the U-2, and the Global Hawk, many of which are coming back from Iraq and Afghanistan, and some of which never existed and were never seen in this theater before.

We will also able to leverage more capacity from our ground forces. This may surprise you, but the countries in the region will see more of the U.S. Army and the U.S Marine Corps in coming years than they have seen in the past decade.

Why is that? Because they've been in Iraq and Afghanistan and they're coming home to the Asia-Pacific.

Next, we are modernizing and enhancing our forward presence across the region in cooperation with our allies and partners. Let me start with Northeast Asia, which has historically been the center of gravity for U.S. presence in the Asia-Pacific theater.

In Japan, we have added aviation capability with the MV-22 Osprey deployment, we've upgraded our missile defense posture with the addition of a second TPY-2 radar, we are in the process of realigning the Marine Corps presence in Okinawa, and in particular the Futenma Replacement Facility, and we are working together to revise in a history way the Defense Guidelines so that the alliance meets the challenges of the 21st century.

On the Korean Peninsula, we're taking important steps to advance the alliance's military capabilities to meet the North Korean threat, to include implementing Strategic Alliance 2015, which foresees a number of fundamental changes in the way that the U.S.-ROK alliance is managed so that it is strengthened and sustained into the future. These steps will be accompanied by a number of measures to increase the combat power of the combined forces command on the Korean peninsula.

Beyond Northeast Asia, we are enhancing our presence in Southeast Asia and the Indian Ocean as well. And in this regard, I think it's important to underscore that we are not only rebalancing *to* the Asia-Pacific but *within* the Asia-Pacific, in recognition of the growing importance of Southeast Asia and South Asia to the region as a whole. We are emphasizing humanitarian assistance and disaster relief, capacity building, and multilateral exercises.

In Australia, for example, our first company of Marines rotated through Darwin last year – a key first step towards using this presence to engage in bilateral and multilateral exercises with partners in the region.

In the Philippines, we are working on ways to enhance the capacity of the Philippine Armed Forces and to increase our rotational presence and partnerships with this key treaty ally.

In Singapore, the first of our four Littoral Combat Ships just arrived a few days ago, providing a key capability to work bilaterally and multilaterally with Singapore and other partners in the region.

These are but a few examples of how we're increasing our presence in the Asia-Pacific region.

Next, let me say something about investments. We're giving priority in our investments to capabilities that are relevant to the region.

These investments include the Virginia-class nuclear powered submarine – including the submarine itself and the new payload module for cruise missiles – as well as the P-8 Maritime Surveillance Aircraft and the anti-submarine MH-60 helicopter. Together, these investments, and many more, will help the Navy sustain its undersea dominance.

The Navy is also fielding the Broad Area Maritime Surveillance system, which is basically a marinized Global Hawk, to expand its capacity for ISR and maritime surveillance in the region; the EA-18G Growler to replace the Prowler; and a Next Generation Jammer that has extensive frequency range and increased agility, all of which we need in the electronic attack and protection areas.

In the Air Force, while we have made some reductions in tactical air squadrons worldwide in recent years, mostly by removing some of the older or single-purpose aircraft to make way for newer aircraft, we have made no significant changes in our air posture for the Asia-Pacific region. In addition, we continue to invest in the fifth-generation Joint Strike Fighter, a new stealth bomber, the KC-46 tanker, and a host of ISR platforms.

The Army continues to invest in Ballistic Missile Defense capabilities that are being employed –witness the recent THAAD deployment in Guam.

More broadly, beyond the scope of traditional force structure elements of the kind I've been describing, we're making big investments in cyber, and various fields of science and technology, space, and counter-WMD.

In addition to investing in technical capabilities, we are also investing in our people: in language and culture skills, regional and strategic affairs – so that we cultivate the intellectual capital that will be required to make good on our rebalance.

And with respect to our basing structure, we're making critical investments in training ranges and bases such as in Guam, which we are developing as a strategic hub for the Western Pacific, and training ranges like in the Marianas, Tinian, and Saipan.

As the world is changing quickly, our operational plans also need to change. And we're changing them accordingly, with an emphasis on the Asia-Pacific region.

Finally, and most important, we are revitalizing our defense partnerships across the region. I've already mentioned the work we are doing with Japan, Korea, Australia, and the Philippines, but we are doing many other things in other parts of the region as well.

For example, last November, we worked with another treaty ally, Thailand, to update the U.S.-Thailand Joint Vision Statement for the first time in 50 years.

With New Zealand, the signing of the Washington Declaration and associated policy changes have opened up new areas for defense cooperation in areas such as maritime security cooperation, humanitarian assistance and disaster relief, and peacekeeping support.

In Burma, we have resumed limited military-to-military relations and are working to ensure that the Burmese military supports Burma's ongoing and dynamic reforms.

With Vietnam, we are expanding our cooperation – as set forth in a new memorandum of understanding – in maritime security, search-and-rescue, peacekeeping, and humanitarian assistance and disaster relief.

In Malaysia and Indonesia, we are similarly working to build partner capacity to conduct maritime security and humanitarian assistance and disaster relief.

With China, we invited the Chinese to participate in the RIMPAC exercise, a major multilateral naval exercise which we host, and we're delighted that they have accepted. We seek to strengthen and grow our military-to-military relationship with China, which matches and follows our growing political and economic relationship.

Finally, India – a key part of our rebalance, and, more broadly, an emerging power that we believe will also help determine the broader security and prosperity climate of the 21st century. Our security interests with India converge on maritime security and on broader regional issues, including India's "Look East" policy. We're also working to deepen our defense industrial cooperation – moving beyond a vendor-purchaser relationship to co-development and co-production.

Multilaterally, we recognize the importance of strengthening regional institutions like ASEAN that play an indispensable role in maintaining regional stability and resolving disputes through diplomacy. In this regard, we've made attendance at key ASEAN ministerial meetings a priority for our leadership, including the ASEAN Defense Ministers' Meeting Plus.

We are deeply engaged in ASEAN exercises planned this year, including a humanitarian and disaster relief exercise that will be hosted by Brunei, a counterterrorism exercise that we are cosponsoring with Indonesia, and a maritime security exercise co-chaired by Malaysia and Australia.

So there is so much that goes on and that goes into the rebalance.

When I describe the rebalance I'm usually asked two questions.

The first is: can you do it? Can you do it with the budgetary challenges you face?

And the answer to this question is yes – we can do the rebalance. And here's why:

First, as I mentioned earlier, we are shifting that huge weight that we have applied to Iraq and Afghanistan, to the region.

A second reason is that within our budget, which is still substantial, we are making investments in this region a priority.

It's also true that in addition to having substantial resources, our force has substantial operational experience, which no other military can match.

It has built from the cumulative weight of our effort and spending over many decades, and that's how long it takes to build a military capability like ours.

So for all these reasons, we can do it, and will do it.

The second question I get is, "Isn't our rebalance really about China?"

And the answer is no, our rebalance is *not* about China. Our rebalance is not aimed at anyone – any individual country, or group of countries. It's about ensuring the peace and stability that the Asia-Pacific region has enjoyed for sixty years, and can continue to enjoy as China, like others before it, rise and prosper.

***

In the strategic transition I've just described, we know we only deserve the amount of money that we need and not the amount we have gotten used to.

That's why, well before the current budget turmoil, we made reductions to the Department's budget by $487 billion over the coming decade.

This half-trillion-dollar adjustment came on top of significant adjustments that Secretary Gates made to eliminate unneeded or underperforming most acquisition programs.

At the same time, our Overseas Contingency Operations funding – which is not included in the base budget and which is for Iraq and Afghanistan, otherwise known as wartime supplemental funding – is also decreasing, now that we have exited Iraq and are drawing down our forces in Afghanistan.

Taken together, these reductions compare in pace and magnitude to historical cycles in defense spending the nation has experienced in the past – after Vietnam, and after the Cold War.

As we prepare for a wide range of contingencies, we are committed to delivering better buying power for the taxpayer and the warfighter and giving the country the defense it needs for the budget it can afford.

I am leading with Chairman Dempsey a Strategic Choices and Management Review that will assist us in turning that budgetary corner at the same time we turn the strategic corner.

These two great forces – of strategic need and budgetary need – converge on U.S. defense today, and in my view, if managed properly, can reinforce one another. And with that proper management, U.S. defense can continue to be, as it has been, a force for good.

Thank you.

http://belfercenter.hks.harvard.edu/index.html