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National Security Priorities for the Next Secretary of Defense James Carafano, PhD, Dakota Wood, James Phillips, and Luke Coffey

President Barack Obama is replacing his Secretary of Defense, Chuck Hagel. Hagel was the third Secretary of Defense to serve under President Obama, following Robert Gates and Leon Panetta.

The announcement of Hagel's resignation, reportedly under pressure from the White House, was not accompanied by mention of a successor, who must be confirmed by the U.S. Senate. Hagel will continue to serve until a replacement is approved, the timing of which is uncertain, given the limited time Congress will be in session until control of the Senate shifts to Republicans when the new Congress convenes in January.

Unsurprisingly, speculation about the reason for Secretary Hagel's departure and the list of potential candidates to replace him now dominates reporting of this event, but these are distractions from the two primary points that should be the focus of attention: (1) the President's failed national security agenda and (2) his dysfunctional approach to handling national security matters.

Former Defense Secretaries Gates and Panetta have both commented on the stifling level of micromanagement exerted by the White House. Their frustration was compounded by their inability to penetrate the small inner circle of advisors that dominate policy formulation in the White House, an obstacle that plagued Secretary Hagel, too.

This paper, in its entirety, can be found at http://report.heritage.org/ib4308

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The President, Not the Defense Secretary, Is the Problem

Whoever is nominated to replace Hagel will be irrelevant as long as the President's policies, management style, and policy formulation processes remain unchanged. The current state of affairs—perceived ineffectiveness of the Secretary of Defense, multiple security crises spiraling out of control, and the steady decline of U.S. military power—clearly reveal a profound gap between this Administration's policy priorities and the reality of the world it purports to address.

As the Administration seeks a replacement for the outgoing Secretary of Defense, it would better serve the security interests of the United States by addressing the following issues, all of which start with the policy priorities of the President, and over which the Secretary of Defense has little or no control. That said, any incoming Defense Secretary will need to be able to address these issues if only to prepare for his or her Senate confirmation hearing. These issues include:

1. Renouncing the 2014 Quadrennial Defense Review (QDR). The 2014 QDR was met with widespread criticism that focused on its budget-driven assessment, conclusions, and recommendations instead of presenting a strategic characterization of the security environment and then assessing the adequacy of U.S. military forces to defend national security interests. Couched in terms of fiscal constraints and doing more with less, the QDR failed to quantify or explicitly characterize the risk to U.S. interests associated with dramatic reductions in spending mandated

by the Budget Control Act of 2011. The resulting sequestration imposed across-the-board cuts to defense accounts that most directly affected force readiness, drove delays in modernization programs, and forced the Armed Services to cut end strength. While explicitly acknowledging the growth in challenges to U.S. interests and the erosion of the military's ability to meet those challenges, the QDR nevertheless held that the force was adequate to defend national security interests and made no specific recommendations for altering conditions that would correct the problems identified in the report.

A good first step for any incoming Defense Secretary would be to use the 2014 National Defense Panel Report as a guide to reassess the condition of the military in light of budget cuts since 2012, the toll of operations since that time, the anticipated impact of current and planned operations for at least the remaining two years of the current Administration, and to correct identified shortfalls.

- 2. Submitting a realistic 2016 defense budget request that clearly highlights risk. The Administration has consistently refused to entertain proposals that would either repeal sequestration outright or de-link a revised defense budget topline from sequestration limits. At the same time, it has submitted budgets that are explicitly above the limits imposed by sequestration, an absurd policy as it asks for resources that current law cannot allow. The sequestration-imposed budget limit is not something any Secretary of Defense can change unilaterally, but the Secretary can submit a budget that recognizes such limits and clearly articulates the consequences, ideally measured in defined risk, resulting from underfunding defense. A new Defense Secretary should present to the President a set of recommendations that the Administration would implement with input from Congress:
 - **a.** Allocate funding to ensure coordinated readiness of the Joint Force. The Services have each taken their own approach to averting a readiness crisis under the pressure of sequestration and continued operational requirements. The Air Force has looked to

trim training and readiness to preserve modernization accounts. The Marine Corps has done the opposite, looking to compromise anywhere but on readiness. The Army and Navy are somewhere in between, propping up readiness in some areas and taking "risks" in others. The problem is that they must fight as one Joint Force. The haphazard approach to readiness is like having a car with good brakes, bad steering, half a tank of gas, and one working headlight. A coordinated approach to reviewing total force readiness requirements would inform a more effective allocation of funding for this critical area.

b. Put money back in modernization accounts.

The current uncoordinated approach to prioritizing budget cuts combined with the general underfunding of defense requirements has resulted in the sacrifice of program modernization stability. This, in turn, has resulted in an aging force, increased program costs in the "out years," and great uncertainty in the defense industry. The new Secretary should lead the Administration's efforts to work with Congress to stabilize funding for major defense programs—or risk the long-term viability of the force to pay for short-term readiness.

3. Scrapping the current U.S. approach to nuclear negotiations with Iran. Iran has won international acceptance of its once-covert uranium enrichment facilities and obtained substantial sanctions relief in exchange for symbolic and incremental concessions that can easily be withdrawn. Iran has refused to make concrete and irreversible concessions on key issues, such as uranium enrichment, plutonium processing, and the time frame for lifting sanctions.

While stubbornly clinging to its maximal demands, Tehran has fanned expectations that a final deal is within reach in order to encourage more concessions from Washington. Tehran has rejected any reduction of its current uranium enrichment capacity and, moreover, insists on building a much larger capacity in the future, 10 times larger than its current capacity. This would reduce Iran's nuclear breakout time (the speed with which it could amass enough weapons-grade

fissile material for one nuclear weapon) to a matter of days. The Administration should rule out any agreement that does not severely reduce this risk, and it should ratchet up sanctions to make it clear that Iran will be worse off if it continues to block an acceptable deal.

Further, it should seek congressional cooperation on any further negotiations with Iran. As has been seen in the failure to reach an agreement by the original deadline, Iran is not serious about doing so. The Administration should work with Congress to ratchet up sanctions on Iran if it fails to agree to verifiably halt its uranium enrichment efforts by the June deadline, or if it cheats on its obligations.

4. Making a real commitment to transatlantic **security.** Under misguided notions that Europe was safe and secure and that Russia was a willing, trustworthy partner, the Obama Administration removed more than 10,000 U.S. troops from Europe, closed major U.S. military bases there, reduced the number of training exercises in Europe, delayed the implementation of ballistic missile defense (BMD) and cancelled a key part of BMD in Europe (phase 4), and generally treated transatlantic security as a foregone conclusion. The failure of the Administration to take transatlantic security seriously, coupled with a failed Russian "reset" policy, has emboldened Russia and led to its recent aggression against neighboring states. This has left U.S. allies, particularly those in NATO, to question U.S. commitment.

Since the Ukraine crisis, the Administration has taken some steps in the right direction in terms of boosting America's role in transatlantic security. However, a lot of this was too late and more can be done. The incoming Defense Secretary needs to show real leadership in NATO and help develop a U.S. strategy (not merely a "response") for transatlantic security. Possible steps include: recognizing the importance of U.S. troops and assets on the ground in Europe, and halting further cuts to the U.S. force posture in Europe; making a strong, consistent, and robust commitment to exercises and training missions with NATO allies; upholding U.S. commitments to BMD and Baltic Air

Policing; and putting in place a clear, long-term policy for dealing with an irredentist Russia.

5. Fully committing to a robust presence in the Asia-Pacific region. In spite of the President's vaunted pivot to the Pacific, his counters to China's increasingly provocative expansionism and North Korea's rising bellicosity have been anemic at best. Japan, South Korea, Vietnam, the Philippines, and other countries openly question America's historical commitments to regional stability and peaceful resolution of territorial claims. A weak American presence in the region will encourage opportunistic exploitation by China and North Korea.

Mr. President: Let the Defense Secretary Do the Job

The President must allow the Secretary of Defense to *be* the Secretary of Defense. National Security Council micromanagement of defense policy formulation, operational assessments, and tactical execution to achieve stated security objectives simply must stop—and only the White House can make this happen. The dysfunction induced by such filtering and inner-circle shaping of the President's views undermines key Cabinet officers, such as the Secretary of Defense, when presenting their best advice and recommendations to the President. The President must remove these impediments so that the Secretary's effectiveness as a key adviser on national security and defense matters is maximized and that person is fully enabled to perform the functions of the office.

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