

Select Upcoming Events

MISSILE DEFENSE AND U.S. NATIONAL SECURITY: A CONVERSATION WITH ADMIRAL JAMES A. WINNEFELD JR., VICE CHAIRMAN, JOINT CHIEFS OF STAFF

Tuesday, May 19, 2015

10 a.m.

CSIS, 1616 Rhode Island Ave., NW

PROJECT ON NUCLEAR ISSUES (PONI) 2015 SUMMER CONFERENCE

June 23–24, 2015

8 a.m.–5 p.m.

Los Alamos National Laboratory, Los
Alamos, New Mexico

Select Recent Events

TOMORROW'S ARMY

Featured Brad R. Carson, under
secretary of the army, in conversation
with Dr. Maren Leed, senior adviser,
International Security Program, about
the U.S. Army's vision for the role of
landpower in future operations and its
approach to innovation.

SMART WOMEN, SMART POWER: A CONVERSATION WITH CARLY FIORINA

Featured Carly Fiorina, global chairman
of Opportunity International and former
chairman and CEO of Hewlett Packard,
discussing foreign policy, business, and
politics with Smart Women, Smart
Power moderator Nina Easton.

OCO—THE NEW BUDGET BATTLEGROUND

MARK CANCIAN (COLONEL, USMCR, RET.)

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“Overseas Contingency Operations” (OCO), aka war funding, has seized center stage in this year’s federal budget debate. Always the subject of controversy, OCO became even more controversial this year when congressional budget committees added \$38 billion above the \$51 billion President Obama requested for defense. In response, the administration has threatened a veto. How did this happen?

This maneuver arises from the complex politics of deficit hawks, security hawks, and domestic program advocates. In the wake of Russia’s aggression and ISIL’s growth, security hawks wanted to increase defense spending or, at least, keep it above sequestration level. However, deficit hawks did not want to lift sequestration budget caps, which they regarded as a key lever in controlling spending. The Republican leadership, though reluctantly in the Senate, found a solution—put \$38 billion (the difference between sequestration level and the president’s budget level) into the uncapped OCO. That would nominally maintain the budget caps while increasing defense spending.

The president also supports more money for defense but only if it is matched by the same amount for domestic programs and paid for by raising revenue. The Republicans oppose both.

So the government is at an impasse. In the short term this maneuver complicates efforts to make a budget deal, as there is little common ground between the president and Congress. The showdown will begin when Congress starts sending spending bills to the president (assuming Senate Democrats don’t filibuster).

In the long term it produces uncertainty, instability, and ultimately, waste. The Department of Defense is one of the few agencies that will make changes today based on what it believes the budget future will be. If the future looks constrained, then it will make cuts. If the future looks brighter, it will keep programs going. This maneuver may produce the worst of both worlds—keeping programs going, sometimes at great cost, when they may be cancelled in the future after a long-term budget deal is made.

The maneuver also opens “uncapped” spending to any high priority activity for which the trade-offs are unpalatable. In the past, both Congress and the administration have been responsible for adding money to OCO for activities not directly related to combat operations, but the addition of \$38 billion to offset limits in the base budget takes this budget maneuver to a new level. It thereby undermines the fiscal discipline many Republicans have tried to instill into the federal budget process. ■

TOWARD A NEW MIDDLE EAST SECURITY FRAMEWORK

MELISSA DALTON

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President Obama [plans](#) to convene a Camp David summit with key Arab partners this spring to discuss U.S. security cooperation efforts in the Middle East. Following the P5+1–Iran nuclear framework agreement, U.S. partners worry that international pressure on Iran will lessen, spurring Tehran to increase its destabilizing activities in the region. The U.S. administration plans to strengthen its security cooperation efforts with Arab partners to reassure them.

The United States has pursued security cooperation with Middle East countries for 60 years, building partner capacity, conducting military exercises, and securing critical base and posture access for U.S. forces. Over the last two years, following the U.S. withdrawal from Iraq and Afghanistan, the tumultuous aftermath of the Arab uprisings, and perceived distancing of the United States from the Middle East, regional partners have increasingly taken security matters into their own hands, conducting unilateral airstrikes in Libya, striking targets in Syria and Iraq, and leading a military intervention in Yemen. Regional partners now not only have the military capabilities to address shared threats but also the political will to use them. However, this increased assertiveness may come with a price if partners' actions do not always align with U.S. interests.

The United States should lead its allies and regional partners in creating a multilateral, normative framework for the use of force in the Middle East, actualized through an annual defense ministerial meeting and regular diplomatic and military engagement. Through these engagements, allies and partners could develop common threat assessments, determine desired outcomes and objectives, identify comparative advantages in military capabilities, and build trust and transparency among members. Over time, such a framework would raise the political costs of unilateral action. While creating momentum for this top-down approach, the United States and its allies and partners can work toward building security approaches to knit together countries that share common interests. Force posture, counterterrorism, strike, intelligence, surveillance, and reconnaissance, maritime security, missile defense, cyber, and information sharing hold the most promise for these efforts. Through a phased approach, connecting security cooperation with a normative framework will enable the United States, its allies, and partners to secure their interests in a coherent and enduring manner. ■

ISP will publish a full report on this topic this spring, entitled, “Federated Defense in the Middle East.”

Multimedia



WATCH The Root Causes of Acquisition Challenges and the Need for Reform
Featured Heidi Shyu, Assistant Secretary of the Army (acquisition, logistics & technology), comparing and contrasting her experiences managing defense acquisition in industry and in government, offering a critical look at the reforms necessary to make acquisition better serve the U.S. Army and its soldiers.



WATCH Dr. Kathleen Hicks moderate a panel discussion for the CSIS Global Development Forum 2015: “Moving Past Conflict—Paving the Way for Economic Growth.”

SECRETARY CARTER WIRES IN TO SILICON VALLEY

ANDREW HUNTER
@andrewphunter



Defense Secretary Ash Carter is changing the Pentagon's approach to innovation. Cutting-edge technological advances are increasingly driven by commercial companies and private investment. This is a world-wide phenomenon that means that high tech is both more commercial and more global than in the past. The share of global research and development (R&D) that is directed explicitly to DoD's needs is now 4 percent, a low point in the post-World War II era. Although sequestration has significantly hurt defense R&D, the trend predates sequestration, and it is largely caused by the private sector increasing its R&D spending in response to the demand for new technology in the global marketplace. This means that the preponderance of technology development, much of it with direct national security applications, is happening among overseas firms and among firms that have not traditionally supplied DoD.

To address this trend, Secretary Carter announced that DoD will establish an office in Silicon Valley specifically designed to interface with high-tech firms that are not traditional suppliers. It will be known as Defense Innovation Unit X. He is also proposing to increase the number of the department's military and civilian personnel who are embedded with industry, including nontraditional suppliers, to gain direct insight into what is happening in industry and how it can be applied to national security problems. Plus, Secretary Carter wants to expand the department's ability to do technology horizon scanning by increasing its involvement in the venture capital world through approaches such as the CIA's In-Q-Tel.

These initiatives can help DoD innovate, especially when combined with related efforts such as the [Better Buying Power 3.0 initiative](#) and the Defense Innovation Initiative. But, the challenge is steep. So much of what's happening in the high-tech world is outside DoD's purview, and there are some important players in the high-tech industry who might like to keep it that way. Where DoD does manage to get visibility into a new technology development, there is a huge challenge in sharing that knowledge with all of the military stakeholders whose buy-in is needed to turn technology into capability. And there remain big challenges in actually incorporating commercial technologies into military inventories and maintaining currency. The innovation push the Pentagon has started will require continued priority and top-level engagement over the long term to be successful. Cultural barriers to commercialization and internationalization within DoD and Congress will also need to give way.

It is too early to tell if the high-tech industry will get on board. Secretary Carter's willingness to engage personally with Silicon Valley is an important step. He emphasized the importance of protecting intellectual property, a key message the high-tech industry needs to hear. But given that the target audience is literally thousands of small, innovative firms, it may take some time before the industry response is clear. ■

Media Highlights

"This isn't about trust. It's about establishing a working relationship," she said, stressing the value of opening a channel to an adversary "to be able to discuss issues and prevent any kind of miscalculation."

—Kathleen Hicks to *National Journal* on the relationship Secretary of State John Kerry has developed with his Iranian counterpart, Foreign Minister Javad Zarif, during the nuclear talks.

"There is a huge demand for these systems.... Everyone wants to use these systems very much the way the U.S. has been using them."

—Andrew P. Hunter to the *Arms Control Association* on the United States' stringent drone sales policy.

"It is time to face up to the fact that we need limits on sensitive capabilities like enrichment and reprocessing—limits that don't just apply to the 'newcomer' states, but to all countries. Only a principled, non-discriminatory approach holds the prospect for success."

—Sharon Squassoni in the *Bulletin of the Atomic Scientists* on the Iranian nuclear framework agreement.

"This is perhaps a high point of challenging the White House's undisputed judgment on these matters....

But this is just the latest wrinkle in a many-decades-long struggle between the president and the Congress."

—Thomas Karako to the *New York Times* on Congress's role in the Iran nuclear deal and limits to President Obama's use of executive power.

RUSSIA: A DIFFERENT VERSION OF THE A2/AD CHALLENGE

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The discussion around anti-access/area denial (A2/AD) challenges is frequently centered on the cyber, space, missile, and counter-stealth threats presented by China and Iran. The January 2012 Defense Strategic Guidance (DSG) specifically names China and Iran as states that “will continue to pursue asymmetric means to counter our power projection capabilities.” And the 2014 Quadrennial Defense Review (QDR) also mentions China in the context of cyber and space control technologies. While these threats are real, Russia’s current activities make clear that A2/AD challenges are not limited to China and Iran. Russia’s aggressive use of cyber, electronic warfare, nuclear weapons threats, and rockets demonstrates that should Western forces need to gain and maintain access in Eastern Europe, the challenges would be significant, and that area denial might be an even thornier problem.

Russia’s efforts beyond the purely military realm—especially in its mastery of messaging, political subversion, and twisting of international norms like the Right to Protect—are enabling President Vladimir Putin to effectively control the flow and content of political discourse within Russia’s borders and “soften” the terrain in neighboring states. In conjunction with “little green men,” the provision of “humanitarian” aid, and the exploitation of militias, the A2/AD challenges Russia presents are broader than those discussed in the DSG and QDR. Putin has successfully injected doubt into the minds of the West about his limits and his intent, a problem that is greatly magnified by continued threats and the inclusion of nuclear weapons as an integral part of Russia’s [national strategy](#).

At present, DoD has launched itself into the so-called Third Offset strategy, which is aimed at developing technologies to counter the kind of A2/AD threats posed by China and Iran. This is an important effort, but its success will depend on how broadly the defense establishment chooses to interpret the A2/AD problem. If it does not include Russia’s version, which goes well beyond advanced technologies, U.S. forces may be underprepared for a fight that seems much more immediate than we might prefer. ■

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Recent Publications

READ “The Department of Homeland Security Unity of Effort Initiative,” by Stephanie Sanok Kostro, for an expert analysis on the DHS’s new initiative.

READ “Better Buying Power 3.0: DoD’s New Plan for Technical Excellence and Innovation,” by Andrew P. Hunter and Denise E. Zheng.

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