Select Upcoming Events

SMART WOMEN, SMART POWER SPEAKER SERIES: FRANCES TOWNSEND, FORMER HOMELAND SECURITY ADVISER
Thursday, June 18, 2015
5:30 p.m.–6:30 p.m.
CSIS, 1616 Rhode Island Ave., NW

PROJECT ATOM
Monday, June 22, 2015 (tentative)
CSIS, 1616 Rhode Island Ave., NW

Select Recent Events

NEXT GENERATION DIALOGUE ON INDUSTRY AND DEFENSE: GLOBALIZATION VS. THE CULTURE OF NATIONAL SECURITY
In the series’ inaugural event, William “Bill” Lynn, CEO, Finmeccanica North America and DRS Technologies Inc., delivered the keynote address before joining panelists Stanley Sims, director, Defense Security Service, and Chris Griner, managing partner, Stroock & Stroock & Lavan LLP.

MARITIME SECURITY DIALOGUE: THE FUTURE OF THE SILENT SERVICE
Featured Vice Admiral Michael J. Connor (USN), discussing the U.S. Submarine Forces’ future.

NEXT GENERATION DIALOGUE ON INDUSTRY AND DEFENSE: RETHINKING RESEARCH AND DEVELOPMENT FOR THE DEPARTMENT OF DEFENSE
Featured Wes Bush, chairman, CEO, and president, Northrop Grumman.

OVERHEAD CUTS NEED OVERSIGHT
MARK CANCIAN @csis_isp

Everyone complains about the size of DOD’s overhead. As a result all the commentator and think tank assessments of DOD’s budget—yes, including CSIS’s—recommend squeezing overhead to make room for other needs, but especially investment, which historically gets cut disproportionately during budget downturns.

Arnold Punaro, for example, a former head of the Defense Business Board and now head of a defense industry association, has argued publicly and vigorously against the high cost of overhead, noting that there are 28 layers of management between DOD’s bottom and top and that 340,000 government personnel do commercial work. Secretary of Defense Robert Gates recognized the problem in 2010 and directed cuts in overhead. Secretary Chuck Hagel followed up with direction for a 20 percent headquarters cut. But the complaints continue as budget pressures increase.

The good news is that some overhead will come down automatically as personnel and operations shrink. Consider military schools—as the forces shrink, the number of students will shrink with them. But, to continue our school example, the number of instructors at the school may not shrink and the number of schools will certainly not shrink. To cut the latter requires management intervention, and that gets hard because every organization exists for a reason. As a result, good ideas about how to reduce overhead are elusive.

Too many bureaucrats in Washington? How about eliminating the service secretaries and their staffs as legacies of a pre-DOD era? Can’t do that, people argue—it disturbs the military-civilian balance! How about eliminating one of the massive logistics headquarters? Can’t do that—they were created to “integrate efforts” for efficiency! How about reducing the number of combatant commander headquarters by combining several, for example, NorthCom and SouthCom. Can’t do that—it will send the wrong signal to our allies! Clearly it’s hard.

In the 1990s, DOD faced a budget that was shrinking by a third after the Cold War. To ensure that overhead shrank proportionately, DOD brought in panels of outside experts to conduct a series of management reviews. It was just too hard for internal organizations to do this themselves. (“Navy, which of your fingers would you like us to cut off....”) Maybe it’s time to do that again.
ISIL forces’ recent attack on Ramadi and the decision by several Gulf Coalition Council (GCC) monarchs to skip the Camp David summit has focused attention on U.S. security assistance in the Middle East. The New York Times reported that “Arab officials said [the Saudi king’s] decision not to attend reflected a broader disappointment that Mr. Obama would not be offering much concrete security assistance at the meeting.” This raises the question: how much security assistance is the United States already providing in the region after the withdrawal from Iraq? Moreover, how does this compare to U.S. assistance in the Pacific, where the United States is executing a “rebalance” strategy?

Security assistance is traditionally measured directly through training programs and arms transfers. However, that understates U.S. basing activity and a range of other support activities, including locally funded foreign military sales. An alternative method for measuring support is to examine contract spending. This includes all nonclassified payments to the range of vendors providing products and services to the United States, from arms manufacturing to laundry to private security contractors guarding diplomatic convoys. Because the United States is so reliant on vendor support, contract spending can reflect relatively well the footprint of regional U.S. activity. This metric also is easily comparable across regions and over time. Indeed, Defense Department, State Department, and International Assistance Program contract spending in the Central Command and Pacific Command have jockeyed for position for the past decade, even after excluding Iraq and Afghanistan. In FY2014, Pacific Command took the lead with $8 billion to the remainder of Central Command’s $7.1 billion. Given recent operations against ISIL, Pacific Command may lose the lead to Central Command in FY2015.

Moreover, the trend in contract spending in Central Command does not support a narrative of declining U.S. assistance since the withdrawal of forces in Iraq. In five GCC countries, contract spending has remained between $2.5 billion and $5 billion since FY2008, consistently exceeding spending from earlier in the last decade. The exception to this rule is Kuwait, in which contract spending peaked at $5 billion in FY2009 but has since dropped by half. However, Kuwait has hosted a sizable number of U.S. forces supporting operations in Afghanistan and Iraq. For the GCC beyond Kuwait, U.S. contract spending for this year is likely to remain at heightened
Diplomats from member states of the Nuclear Non-Proliferation Treaty (NPT) just wrapped up a month-long meeting at UN headquarters in New York for the ninth review conference (Revcon) of the treaty. Every five years since 1970, when the treaty entered into force, representatives gather to evaluate progress in three areas (the so-called three pillars of the NPT): nuclear nonproliferation, nuclear disarmament, and the peaceful uses of nuclear energy. This year, the conference ended in acrimony, with a third of the members citing “a reality gap, a credibility gap, a confidence gap and a moral gap.”

The big hurdles were: a weapons of mass destruction (WMD)–free zone in the Middle East, and the humanitarian impact of nuclear weapons. Since the parties’ failure to hold a conference on the WMD-free zone was well-known—they have been “working” on this unsuccessfully for five years—the only surprise was how far Egyptian diplomats pushed to demolish the process. Calling for the resignation of the Finnish ambassador leading the process, they also demanded to hold the conference with or without Israel, without agreement on an agenda, and without discussion of regional security concerns—all prerequisites for Israel (a nonparty to the NPT) and the United States.

Nuclear disarmament is always a contentious issue, but the 70th anniversary of the bombings of Hiroshima and Nagasaki, along with the three recent conferences held on the humanitarian impact of nuclear weapons, raised expectations higher than before. Nuclear weapon states, not surprisingly, did not support much beyond their traditional step-by-step approach to nuclear disarmament.

The 2015 Review Conference ended without a consensus document, but the NPT will survive. Key developments to watch for include a reduction in U.S.-Russia tensions and a resolution of the joint comprehensive plan of action on Iran’s nuclear program. In any event, diplomats still have the ambitious agenda set by the 2010 review conference as a guide for moving forward.

“Even if other nations can be persuaded not to use existing technology to make their own nuclear fuel and to give up the use of HEU [highly enriched uranium] for medical, research and naval purposes, there are new proliferation dangers on the horizon that could result from technical advances.”

—Sharon Squassoni stresses the importance of nonproliferation improvement to Al-Monitor.
The Department of Homeland Security (DHS) will be 14 years old when the next secretary is sworn in in 2017. Comprising approximately two dozen separate components, the department has a very diverse set of responsibilities and missions spanning the prevention of chemical, biological, radiological, and nuclear (CBRN) terrorism to recovery from major natural disasters. With current trends and economic growth projections of 2 to 5 percent annually in such areas as international air travel and commerce via container ships, the department continues to face a growing and more complex operational environment. This leads to, and in fact necessitates, a very near-term, operational focus at almost all levels of leadership across the department. In response to the anticipated growth and changing mission set, CSIS is reinigorating its Homeland Security and Counterterrorism Program (HSCP) starting with events this summer involving the department and CSIS HSCP affiliates. The next year’s activities will focus on the broad questions of what challenges DHS will face in the coming decade and what recommended steps the department’s senior leaders could take to prepare for those missions.

The HSCP affiliates are a group of former DHS senior leaders and experts who volunteer their knowledge and expertise to CSIS on topics of interest. As CSIS’s new DHS visiting fellow, I will be working with the affiliates to execute a homeland security agenda that helps prepare the coming administration for the next decade. The affiliates plan to hold at least three significant homeland security–focused events per year. These events and other activities will focus on homeland security issues of national significance, such as the implications of immigration reform; methods to protect against violent homegrown extremism; incorporating risk-based decisionmaking and security practices; improving air travel security; obtaining situational awareness and control of the border; screening cargo security; and departmental acquisition reform. In addition to moderated panel discussions, the affiliates plan to produce written homeland security–focused thought pieces, podcasts on homeland security issues, and coordinated social media content. I welcome your input.

Recent Publications

**READ** “Defense Reform Consensus: The Left & the Right Agree It’s Past Time to Act,” an open letter warning against growing imbalances within the defense budget. The letter has 39 signatories from 15 different think thanks across the ideological spectrum.

**READ** An analysis of the challenges that Marine Gen. Joseph F. Dunford Jr. will face as the 19th chairman of the Joint Chiefs of Staff. Kathleen Hicks outlines the priorities that will shape his legacy.

**READ** Andrew P. Hunter answers Critical Questions about Defense Secretary Ash Carter’s work to “rewire” the Pentagon’s approach to innovation.

**READ** Tom Karako’s recommendations on how to get the Gulf Cooperation Council to cooperate on missile defense.

**READ** Melissa Dalton’s take on the best way to save Obama’s fledgling Camp David summit.

**READ** Sharon Squassoni’s cautionary article on the growing North Korean nuclear threat and the increase in Chinese warnings about it.

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