

# Defense Strategy and the Iron Triangle of Painful Trade-offs

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The Department of Defense (DoD) has begun its development of a new defense strategy, and outside observers are atwitter, or should I say, aTwitter. Having been involved in more security strategy efforts than is healthy for any human, I have empathy for those charged with strategy development in today's chaotic Washington environment. When it comes to strategy development, it can often feel that, as the French say, *plus ça change, plus c'est la même chose*.

A defense strategy is an approach that ties together the goals, approaches, and resources (people, technology, dollars, etc.) that can best advance priority interests by exploiting opportunities and overcoming challenges. It must account for, and in some cases seek to shape, a complex and dynamic backdrop of American domestic politics and economic realities, as well as developments in operational concepts and technology, demography and workforce, and of course geopolitics.

U.S. defense strategy is almost never considered successful in fulfilling these roles and forecasting well along these dimensions. Then again, it's hard to know what right would look like. Some strategies lauded in the near term have turned out to be short-lived in perspective, such as the 2012 Defense Strategic Guidance, which was built on several assumptions that aged poorly. Some strategies praised by commentators today were deeply criticized at the time, such as Harry Truman's NSC-68 or Bill Clinton's Bottom-up Review. These observations should assure the well-intentioned and thoughtful strategist that, in strategy, the term paper rarely earns an "A." Good strategy is a nonlinear process that must constantly be tended and adapted, and vigilance is rewarded.

Much has been written about the *process* of strategy formulation. CSIS's own Mark Cancian will release a major report on this topic later this summer, and CNAS's Shawn Brimley recently provided [his thoughts](#) in War on the Rocks. Moreover, in anticipation of a new administration, several authors have served up options for strategy that are helpful to those inside the Pentagon looking to focus priorities and frame major choices. These include Frank Hoffman's [recommendations for this administration](#), Mark Cancian and Clark Murdock's [cost-capped strategies assessment](#), and the multi-think tank efforts to bring forward [alternative defense strategies](#), orchestrated by Todd Harrison while at CSBA and more recently while at CSIS. This body of work is impressive, and my holding forth on the same would not greatly benefit the strategy debate. Rather, I will focus here on why significant

change of Defense Department direction is unlikely to emerge from the forthcoming National Defense Strategy and recommend some tools to help manage the mismatch born of ambitious goals and inevitably limited resources.

I predict far more continuity than change in U.S. defense strategy over the coming year. This judgment is informed by a range of available data, including:

- The recent congressional testimony of Secretary James Mattis and General Joseph Dunford;
- The strategy chapter authored by Frank Hoffman, himself a member of the small team undertaking DoD's review;
- Past and current domestic defense budget politics;
- Polling data relating to the public's prioritization of defense activity and views on use of force;
- Dynamics within the Pentagon and between the Pentagon and Congress, industry, and the White House; and
- The continuity in pace, scope, and location of U.S. defense activities over the past several administrations until today.

The structural reality reflected and revealed by this data is the seemingly unavoidable iron triangle of painful trade-offs (hereafter ITPT). The geometry of the ITPT drives the DoD to maintain a reasonable balance among three factors: preparing to be ready today (readiness), preparing to be ready tomorrow (investment), and sizing the force (structure). As long as the U.S. military is operationally engaged today, squeezing readiness and structure too tightly seems irrational, and investments for the future are the costs most easily deferred. Like a prisoner's dilemma, defense strategists face the paradox that this is a worst-choice strategy for long-term U.S. military preeminence, but it is better than every other choice one can make when threats are judged imminent and our soldiers, sailors, airmen, and marines are routinely in the field. One can nuance the edges of this dilemma, but for the most part, the ITPT forecloses radical changes in defense strategy.

Insofar as the web of international challenges is significant—yet not considered by the public to be existential—and the number of breakthrough approaches to managing them appears small, and given that the polarization of our political system keeps a long-term, fiscally responsible federal revenue and budget approach out of reach, there is little else we could ask the national security strategist to do than to continue managing risk within the parameters of the ITPT. This may seem a low bar for the strategist and may dishearten some, or worse, insult others. Neither is my intent. Instead, it's time to dismiss the omniscient, master strategist myth and accept, as Sir Lawrence Freedman argues, a more realistic view of strategists:

Operating solely in the military sphere, [strategists'] view could only be partial. Operating in the political sphere they needed an impossible omniscience in grasping the totality of complex and dynamic situations as well as the ability to establish a credible and sustainable path toward

distant goals that did not depend on good luck and a foolish enemy. The only people who could be master strategists were political leaders.... Even the best of these in the most straightforward situations could not begin to comprehend all the relevant factors and the interactions between them. They would therefore have to rely on the quality of their judgement to identify the most pressing problems arising out of the current state of affairs, plot a means of advance to a better state, and then improvise when events took an unexpected turn.<sup>1</sup>

All is not lost. The nation's political leaders could move the goalposts closer, lowering national ambition for defense. Conversely, they could significantly increase resources for defense to meet the high ambitions that exist. As discussed above, neither of these outcomes is likely. Absent a shift in interests and objectives, and with relatively fixed means (thanks to the spending constraints imposed by the Budget Control Act of 2011), a third option is to defy the geometry implicit in today's defense ITPT through the overlapping categories of efficiency, innovation, and exploited asymmetry.

One is unlikely to simply stumble upon these game changers—be they in personnel, policy, operational concept, command and control, technology, or intelligence—through divine intervention. The Lord helps those who help themselves, and the Department of Defense, the Congress, and the White House will need to invest themselves in institutional approaches that achieve paradigm-shifting results. Three related and sometimes overlapping areas for focus stand out: *efficiencies* that get more dollars into readiness, investment, and structure; building and maintaining a learning culture bent on *innovations* at the strategic, operational, and tactical levels; and exploiting our *asymmetries*. Efficiencies might include shifts in business practices within the defense enterprise, from contract management to infrastructure to organizational design. A sustained focus on innovating requires a culture invested in true experimentation, which seeks rather than punishes small failures to make big gains. It requires a personnel-centric focus as much as a materiel focus, with a heavy emphasis on trying out new ways of operating and new military formations. Exploiting our asymmetries means thinking competitively about what we can leverage for comparative advantage, from the policy and geopolitical—such as our advantageous geographic position, system of government, and alliances—to the operational—such as our undersea warfare, space, cyber, and stealth capabilities—to the institutional—such as a trained, ready, and adaptive force. We currently risk being particularly dense about exploiting our policy asymmetries.

DoD should use the current strategy formulation process now underway to make greater headway in efficiencies, innovation, and asymmetries. Doing so will require overcoming the reality that there are often three strikes against such efforts in the bureaucratic battle for senior-level attention and resources:

1. *They can lack a clear domestic economic benefit.* At times, the search for efficiencies and policy asymmetries can seem to directly challenge economic interests, such as in base realignment and closure (BRAC), reductions in force size enabled by advancing technology, or civilian and military benefits. It can take time for these and similar efficiencies to yield benefits,

<sup>1</sup> Lawrence Freedman, *Strategy: A History* (New York: Oxford University Press, 2013), p. 244.

and they even may involve up-front political and fiscal costs, making the need for senior-level advocacy all the more important.

2. *They can lack powerful institutional owners.* Unlike building a piece of hardware or preparing, deploying, and employing forces, some high-leverage foundational issues of efficiency, innovation, and policy asymmetries are not priorities for the Military Departments, where most of the resource decisionmaking and associated political clout lie. They can be priorities in the joint community, but not usually in a unified, sustained manner at the highest levels. For instance, the issue of who peaks for the future joint warfighter is one on which the Pentagon has been largely silent since the 2011 disestablishment of Joint Forces Command, once ably led by then-General James Mattis. Innovation is a watchword at the Defense Department, but much of the energy has been personality driven and thus tied to multiple ad-hoc and largely technology-centric initiatives. The sum of these efforts—from tech hubs to wargaming—will add up to less than the parts if they are not translated into timely delivery of operational solutions to the warfighter. Personnel innovation is another area where the secretary of defense and service chiefs need to personally lead if they are to overcome long-development institutional biases away from incremental changes to the way of doing business.
3. *They can be ripe for politicization.* From BRAC to unmanned systems to basing overseas, sometimes seemingly technocratic efficiencies, innovations, and policy asymmetries can become symbols for broader political challenges. For example, our alliance system is one of our greatest political-military asymmetric advantages, providing for greater flexibility in deployment and employment of our forces across the globe. It provides opportunities for complementary capability development and capacity expansion across a sizable interoperable force. Yet we face challenges in burden sharing, operational flexibility, and political coordination that can reduce allies and partnerships to political punching bags. Similarly, our mix of and utilization policy for Active and Reserve Component forces are crucial choices in how we manage trade-offs between structure and readiness and investment, yet changes are highly politicized within services and within Congress, particularly regarding the National Guard.

DoD's current strategy effort, like all, will ultimately come down to managing risks and seizing opportunities in the known and unknown while living within the budget that Congress determines the public is willing to pay. Rejecting the myth of the master strategist and dynamically guiding the balance of defense resources across the ITPT will be somewhat easier if the secretary of defense can drive the services and other DoD components, Congress, and the White House to identify and exploit ways to navigate within the constraints facing today's military. Absent significant downward shifts in strategic ambition and operational use or upward shifts in resources on the order of \$100 billion per year, creating firmer institutional foundations for innovation, and cultivating broader and longer-lasting support within the military and among political leaders in efficiencies, innovations, and/or asymmetries will be crucial.

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