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The Marine Corps: America's Expeditionary Force in Readiness**

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Panelist, Session 1, "The 21st-Century Security Setting: Identifying the Demand"**

DR. ANDREW F. KREPINEVICH, JR.: Thank you, Bob. Congratulations to you and to Jackie for again assembling such a fine conference and such an impressive audience. And also, thanks to General Amos, General Dunford. Once again, the Marines' timing is impeccable, the day after the President gives almost an earth-shattering speech in terms of where defense is headed and some of the issues that's raised, here we find ourselves talking about these very issues.

My job, as I understand it, is to be the warm-up act for these three experts over to my right here. And I'll do my best. I'm going to give you a view of things from 50,000 feet. And I'm going to emphasize sort of what's coming next, or what might come next because, to a great extent, the Marine Corps that will exist in 2020 is being decided by these gentlemen and a lot of their colleagues inside the Pentagon and inside the Marine Corps today.

The news, I guess, if you're looking at it from a strategic perspective, is not particularly encouraging. What I see is obviously declining defense budgets for the first time in quite a long time. Typically, when we've had this kind of drawdown in the past, it's because the security environment has become a lot more benign. Think of the end of the Korean War, the end of the Vietnam War; the stress was taken off. Certainly the end of the Cold War.

But my sense is that this is an anomalous period for the fact that over the next decade I see the threat level or the level and intensity of challenges increasing. And also, not just increasing in scale, but shifting in form. And when they shift in form, there's a danger that you could realize an accelerated depreciation in your capital stock, your equipment, in the sense that if it was

optimized and planned for one environment, to the extent that environment is shifting, again, that may depreciate its value.

I think that when you look at the sources of advantage that we had, for quite some time now, several of these major or fundamental sources of advantage are dissipating, they're going away. One clearly is the near monopoly we've had in guided weaponry, or precision-guided warfare. As Bob Pfaltzgraff said, the rise of anti-access/area-denial challenges that was first identified in Andy Marshall's Office of Net Assessment over 15 years ago is finally coming to pass.

We see the Chinese engaged in a major effort to shift the military balance in the western Pacific, I don't think with the intent of going to war; I think more likely with the intent of establishing a position of hegemony where countries feel they have to accommodate themselves to China. In the Cold War we called it Finlandization. But again, I think if you look at what they're doing, in terms of the military equipment they're buying, certainly what they're saying in their military journals, it's hard to avoid the conclusion that this is the direction they're moving in.

And it presents us with a major strategic choice about whether we're going to take an effort to stabilize the military balance in that part of the world, the kind of stable balance that's benefited everyone for the last 20 years, or whether we're going to allow that shift to occur. Or even if we can avoid allowing that shift to occur.

I think that retired Marine General Paul Van Riper showed that there are things that even a minor military power, like Iran, can do with some of these guided weapons capabilities – anti-ship cruise missiles, for example. You just have to go back and look at what happened in the Joint Forces Command Millennium Challenge 2002 exercise to realize that the Persian Gulf can be quite a challenging operational environment. And it's my understanding the Marines are already taking a serious look at how they can deal with this particular situation.

But these guided weapons, I'm concerned, are even going to cascade down to irregular forces. Frank Hoffman, who's in the audience today, coined the phrase "hybrid warfare." And a lot of us use the word Lebanon. The 2006 Second Lebanon War is the template for that. When the

Hezbollah fired over 4,000 projectiles into Israel, forcing over 100,000 Israelis to evacuate, shutting down the oil refinery at Haifa, I have concern that a lucky hit would cause irreparable economic damage. And my thought is, what happens when Hezbollah gets 10% or 15% of these RAMM projectiles – rockets, artillery, mortars and missiles that are guided? We at CSBA call that the G-RAMM problem.

We saw what 7% of our munitions in the first Gulf War did that were guided or precision-guided weapons. It made an enormous difference. And you look, the percentages have gone up since then.

You also find that countries like Israel at the wrong end of a cost-imposing strategy, where systems like Iron Dome fire projectiles, kinetic interceptors that cost \$50,000 to try and defeat, simple rockets that cost \$5,000 and \$10,000 to manufacture. That's not a cost equation we can afford to be on the wrong side of.

So cascading down to there. In particular, I'm also concerned that the loss of our monopoly in guided weapons warfare is going to affect us in the undersea. And specifically, when you think about economic wealth, our economic wealth doesn't just travel in the bottoms of ships plying the oceans. The value of the capital stock in the US Continental Shelves – Atlantic, Pacific and Gulf of Mexico – is in excess of \$10 trillion. And those are generally soft targets.

Oil and gas drilling platforms, wellheads, pipelines, pumping stations, switching stations, fiber optic cables, on and on and on. The world generates over a third of its oil and natural gas from offshore facilities. And if you think about Al Qaeda's strategy and the strategy of others, if you talk about a cost-imposing strategy, which is the strategy they're pursuing, "we can't defeat you on the battlefield, we're just going to raise the cost so high," how do we think about downstream defending these kinds of assets if and when they become vulnerable? Because if I were an enemy of the United States or the developed world, I'd certainly be thinking about that. If my goal was to create chaos, that's a direction I'd be moving in.

Enough of this happy talk. Moving on to another trend, is the diffusion or the proliferation of nuclear weapons to the developing world. Now, when you think about it, during the Cold War, we had a standoff with the Soviet Union. We kind of devolved a proxy warfare in much of the developing world, because we couldn't afford the risks associated with a nuclear or conventional confrontation. And of course, we were able to project power freely in Korea, in Vietnam, in the Persian Gulf in the two Gulf Wars.

Now North Korea has nuclear weapons, Pakistan. Iran seems well on its way to developing a nuclear capability. And odd as it seems, and no matter how relevant or important we think agreements like New START are, I think our Armed Forces need to begin to think about, How would you conduct a campaign against an Iran that had a small nuclear arsenal? How would you conduct a campaign to stabilize a failed nuclear state, like a Pakistan, for example? How would you deal with a proliferated Middle East? Because if Iran gets nuclear weapons, I think there are significant indicators that this is something we'd have to worry about.

So looking at nuclear weapons, not just in terms of the old SYOPS and large strike packages, and so on, but from a very real-world military planning and operational perspective.

The third trend, and it's not so much an area of losing an enduring advantage, but an area of potential growing vulnerability, has to do with the threat of cyber warfare that, again, one of my colleagues will address in detail. What strikes me about cyber warfare is that it seems to me, at least potentially, it's the only form of warfare, aside from nuclear warfare, that can generate prompt catastrophic results. And that certainly was attention-grabber in 1945.

What it seems to be suffering from is an incredible amount of benign neglect. Because if you look at what happened in the first 15 years of the nuclear era, there was enormous amount of intellectual talent and effort devoted to addressing that problem. We're roughly, I would argue, 15 years into the cyber warfare era, and you see nothing like what was done by some of our best minds from 1945 to 1960.

What's also striking to me is that our Armed Forces, if you look at the National Security Agency, are generally responsible for protecting the dot-mil domain, but the dotcom and dot-org domains are pretty much self-help. It's almost as though, if you look at the Battle of Britain and the British government said to London and Manchester, "Well, we're going to protect our airbases, but the rest of you folks are on your own." That seems to me to be a rather formidable disconnect, especially when, a second-order effect, a lot of what our military relies on, particularly in areas like logistics, are our commercial networks.

And if you look at, again getting back to the Chinese military writings, clearly, aside from going after our major bases, they're going after our battle networks. And General Mattis has been adamant during this period at Joint Forces Command about the need to begin to address that kind of problem – What happens when you lose your battle network? What happens when it's degraded? How well are we trained to operate in that kind of environment?

The Chinese say, "We're weak, but we're not weak in all things. The Americans are strong, but they're not strong at all things." We need to identify the American Achilles' heels. And I definitely think if you look at their ASAT capability, if you look at what they do in cyber, they've definitely identified this as an area of potential weakness on our part.

Aside from some of these trends in the military dimension– and again, I think there are opportunities as well, but if you look at the geopolitical dimension, I think a number of recent operations have shown that, as difficult as we think things are here, our allies are experiencing even greater difficulties. We saw it in Allied Force, we're seeing it in Libya now.

Japan, which was, again, I think looking to step up in the wake of the challenge that the Chinese were posing in the Far East are now dealing with a catastrophic earthquake, followed by an even more catastrophic tsunami. And what kind of resources will be diverted to deal with that, and what does that mean for their ability to build strong and effective defenses I think remains to be seen.

But certainly, if you look at the strength of our allies, they're experiencing, as I said, problems as great, and perhaps greater than our own.

But there's also a shift in economic wealth. India's now the world's 11th-largest economy. Brazil is up at number seven. They argue that by the end of the next year or two, they're going to surpass Britain and France; they'll be the fifth-largest economy in the world. If you look at growth rates, growth rates in the developing world exceeding growth rates in the developed world.

So again, when you think about who's an attractive ally, in a sense— and I'm not saying we have a bad portfolio, but it's a portfolio that was generated in the 1950s. I don't think there are too many of you that have stock portfolios that were considered to be attractive in the 1950s. Time moves on, things change. And not that you abandon old and valued allies, longstanding allies, but I think you also need to begin to look at what are other countries that are increasingly capable, that have interests consistent with our own to the point where we can engage in partner relationships.

A word on demography. I used to think demography was about the most boring thing you could talk about. And maybe I'll prove myself right in the next couple of minutes. But when you look, there are unprecedented demographic patterns going on in the world right now. And I think they can be the source of great internal instability, and also great regional instability.

For every 100 Russians that are born, over 140 Russians die. China is becoming old before China has become rich, unlike the countries that are becoming older in the developed world. Japan is the oldest country in the world. In many European countries – Germany, Spain, Italy, Greece – there are more people over 60 than under 20, and that proportion is going to grow in favor of the elderly. That imposes large taxes on modern social welfare states. And again, when you have tough choices to make in a tough economic environment, are you going to put that money into social welfare, or are you going to put it into your military? And I think absent a clear and present danger, the tendency has been to act on behalf of the social welfare.

And again, these demographic trends are very difficult to reverse. So you have an aging Europe, an aging Japan, and essentially what we have is still vibrant population growth in many parts of the developing world. Somebody said it's a case of the rich millions and the poor billions, or the wealthy elderly and the poor young. That's a bit of an exaggeration, but again I think we're beginning to see it in our own country in terms of how much can we continue to tax young people to pay for social welfare benefits for the elderly. That's certainly an issue that's on the table.

So what this prospectively means, I think, is the prospect of continued instability in the developing world. There are youth bulges in major parts of the developing world, large numbers of young people coming of age, looking for a future, being frustrated. Combine that with the democratization of destruction and the ability of information technologies to help groups self-organize and, again, it seems likely that this is going to be a characteristic of the conflict environment for the foreseeable future.

I'll wrap up by saying that all this argues, I think, for the need for a well-thought-through strategy. And my sense is that strategy is not something that we Americans do very well. I don't think it's a partisan issue. I think both Republican and Democratic administrations have been pretty poor at this task. It was interesting to see the President talk about this, at least in some vein, yesterday.

But I don't think it's a roles and missions approach that's needed. Roles and missions in the absence of an overarching strategy essentially runs the risk of allowing the military to become more efficient at things that matter less and less.

If you buy my diagnosis, we are in a period that's roughly comparable to the late 1940s and early 1950s. You never need a strategy more than when things are changing. And as Lord Rutherford once said to the colleagues at his lab in England, "Gentlemen, we're out of money. We have to start to think."

So again, a lack of resources tend to concentrate the mind. What are our choices? What are our priorities? What can we do? What can we not afford to do? And I think this has important implications for the industrial base as well. What parts of the base can we save and husband? What parts can we afford to let die? Because that's going to become an increasingly important issue.

But absent that, everything that comes down the road seems like the biggest thing going. So is Libya really the biggest thing going? Does that deserve the priority it's being given right now? That's a matter for debate, but I think it should be a debate within the context of an overall strategy that sets priorities.

I'll close by saying that President Eisenhower once noted that the value of strategic planning is not in the plan, it's in the planning. And his point was, when you get that plan and you put it on the shelf, first of all, it's never going to exactly replicate the reality of the situation you confront. Second of all, things are changing so quickly that that plan quickly becomes obsolete.

But he said it's the focused attention, it's the persistent attention to planning. It's not a QDR that you put on the shelf and you say, Well, I'll come back in four years and do another one. It's the persistent, consistent planning that says, what are the shifts in the environment? Where are my sources of advantage diminishing? Can I identify new sources of advantage that I can develop and exploit? I think that's the critical capability that we need to have, the effort that we need to have.

And so, let me close by again applauding the Marine Corps and Bob and Jackie for bringing us together to talk about these important issues. And I'll turn things over to my good friend, Robert Kaplan. [Applause]