

**CENTER FOR  
STRATEGIC AND INTERNATIONAL STUDIES (CSIS)**

**PRESS BRIEFING CONFERENCE CALL:  
THE QUADRENNIAL DEFENSE REVIEW**

**WELCOME:  
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H. ANDREW SCHWARTZ: Good afternoon. This is Andrew Schwartz with the Center for Strategic and International Studies. I'm going to turn this over very quickly to my colleagues. You have their names in front of you. The one person who's joined us who's not on the list is Rick "Ozzie" Nelson who is a senior fellow here at CSIS and will also be commenting.

And with that, I'm going to give it to – who was going to kick this off, Maren? Clark is – Dr. Clark Murdock is going to kick this off.

CLARK MURDOCK: All right. On the whole, I probably give a fairly high grade to the QDR in comparison to the last – past QDRs. I think two things are particularly important that this one does that the previous one does not. One is that it's elevated today's wars, that is Afghanistan and Iraq and the war against terror as we used to call it, to the first-level status. Two, a great emphasis on preserving and enhancing an all-volunteer force. We always tend to talk about quality people. This QDR puts a lot of resources into maintaining quality people.

Second-tier changes which I think are also important but not at quite the same level – I think for the first time we have a real emphasis on homeland defense and resources being spent it. Continues Secretary Gates' emphasis on counterinsurgency, stability ops and counterterrorism. It started in the FY '10 vote, '10 budget decision and I think those are significant.

Third-tier improvements I think – not as significant as the ones that I've just named – would be the emphasis upon building security capacity, of countering weapons of mass destruction, the new force-sizing and -shaping construct, force-planning construct and the decision to abandon planning for two major regional contingencies and instead, for overlapping contingencies in disparate theaters.

Where I was the most disappointed in this QDR was that there was very little substance in the sections on cyberspace I thought. And everybody's struggling with cyberspace. Why should the Department of Defense be any different? And in the analysis of changes in the Global Defense Posture, where I thought they restated a lot of existing policies but without advancing the ball very much.

And the one area that I think is missing that's been in past QDRs is what we usually mean, what we used to call "business transformation" – that is, really reforming how we do all of the back-office processing. We've had defense reform and defense business transformation before; we failed at it, but that doesn't mean we should stop thinking about it.

MR. SCHWARTZ: Nate.

NATHAN FREIER: Okay. Hi this is Nate Freier. I just – actually, Clark covered quite a few points. I think it can end up being the same going around it, where you end up sort of

peeling away the major points we'd make. I'd like to echo Clark's point on I think the defending the U.S. homeland and the continued emphasis on COIN, stable and CT is important and will increasingly be important. I think the proof will be in the pudding in how implementation goes down.

I think my two big headlines – and they're very similar in certain respects, or at least one of them is similar to Clark's point – the two big headlines or takeaways and positives for me are first, I think implicit in the document is a division of labor between the air and naval forces and land components. Maybe not a hard division of labor but an implied division of labor in that – to the extent that we continue to be involved in those more irregular operations like COIN, CT and stability operations, et cetera around the world – that the Army and the Marine Corps will increasingly sort of remain focused in that area.

And when it comes to these more high-end, asymmetric threats and aerial – aerial (denial ?) components that the Air Force and the Navy largely – that will largely be the sine qua non going forward. I think there is some danger in the fact that we can have an excessive amount of focus on – in spite of the fact that I do agree with Clark on the fact that focusing on the current war is very important – what I want to make sure, though, is as we look forward to the COIN, CT and stable future, that we actually account for a much broader set of potentialities other than those necessarily directly associated with the current war on terrorism.

And I also think – again, Clark emphasized this idea of building partner capacity, I don't think we should overemphasize the potential bang for the buck that we're getting there. And I think we should recognize that every dollar we spend in prevention may be a dollar lost in effective response down the road. So we have to be careful to keep the balance there.

The second headline, I would say, is one Clark already brought up. And that's this idea that there is kind of a new gold standard for risk assessment in the department. And that gold standard now is instead of evaluating the department's ability to conduct two mirror-image contingency operations simultaneously in distant, different theatres, that now the department really hasn't measured its ability to conduct two-plus or multiple contingencies in quite dissimilar, I would argue, contingencies simultaneously worldwide. So I do think that that's very important.

My one, I think, concern with the report is the potential that it may not handle the present-future balance question sufficiently in force-sizing and shaping. I think, I'm not sure, for example, in reading the report that I get a good sense of what exactly the force can and should do at max stress in the future. And I think that's an area that there's some purposeful ambiguity there which is actually understandable, but I think probably there will be more work required in that area going forward.

MAREN LEED: This is Maren Leed. And I wanted to focus my remarks in two areas – the first being, we did a series of military strategy forum events last spring and early summer with a variety of different panelists and keynote speakers addressing QDR that resulted in a report in August and that report laid out four criteria against which the QDR should be judged.

So I wanted to go over that scorecard briefly and then talk a little bit about how this report may be received on the Hill in light of recent congressional concerns – or I guess, some of them not-so-recent, some of them long-standing.

On the first order, our four criteria that we set forth in our August report were that the QDR should have a clearly defined force-sizing and risk-assessment framework. I share my colleagues' view that there's some real value in explicitly walking away from a 2MRC construct. That said, I think to some extent that dog only got walked halfway in the sense that there's an acknowledgment from a force-sizing perspective that we have a wide variety of disparate types of things we will be engaged in and that's certainly true and an overdue recognition.

On the other hand, they still present the forces associated with that in terms of major combat elements and I think there was an opportunity there to be a little bit more expansive in terms of how to think about forces in different ways because it's not clear that a brigade combat team is the appropriate force element for the many different kinds of operations that they've laid out. So again, I think that's sort of a – they could have gone a little further in that area.

I think the risk assessment framework is the same as it has been for the last two, but I think their discussion of risk is more honest and candid and fulsome than past QDRs have been. So I give them a lot of credit for taking that, I think, in the right direction.

The second criteria that we set out was to say that it should contain or enable a process for setting priorities and objectives among categories of threats and missions. I think there's still a lot of ambiguity in my mind on that front. And I think there's a lot of room to make an argument for just about anything you wanted to buy somewhere in this QDR. So I'm not sure, again, that that got taken as far as it could have been. On the other hand, there's a lot of reasons why that's tough to do.

Third criteria was that it should make explicit assumptions about the capabilities and the capacities for other instruments of national power. The department was somewhat hamstrung by the timing of the other reviews and the fact that they're the first out of the box and everybody else's are still ongoing.

That said, I think – there's a lot that is unclear about how much is actually expected from the other instruments of national power and they've gone further in some areas than others. But that's going to hopefully get further fleshed out as the DHS's and State's and NSC's activities and reviews continue.

And the final step relates to the – or the final criteria relates to the congressional point which was at the end of it, there should be a relook at whether or not this process is really worth all of the effort, whether the outcome justifies the cost associated with it. As I go back and look at the statute, I think there are a number of areas where the report does quite well and has done better than many of its predecessors.

But there's some other things that clearly, in my opinion, look as if they're missing. The comptroller general owes a report that directly addresses that topic. But I suspect, and I think

Chairman Skelton's already been quite vocal about the fact that they'll be taking a long, hard look at this, this year.

But in my opinion, there probably haven't been significant outcomes of this, at least that are apparent right now, the day of release, that would suggest that the questions, the rising tenor of debate about whether or not this is really worth everything we put into it and essentially a year out of the life of the Defense Department and a lot of senior energy is worth it, particularly when you can just write articles in Foreign Affairs, but – (laughter) – I'll stop there.

DAVID BERTEAU: This is David Berteau. I'm a senior adviser at CSIS and I run our Defense Industrial Initiatives group, among other things. And I have really, four comments to make about the QDR.

One, piggybacking on what Maren just mentioned about Secretary Gates' Foreign Affairs article. It's apparent that this QDR is, in fact, largely consistent with all the postures that Secretary Gates has been laying out all the way back into the previous administration. You can go back to his Air War College speech in April of 2008 and it flows right through to this QDR. There's a level of consistency that's actually quite impressive and remarkable. There should be very few surprises in terms of guidance to DOD as a result of this document.

We spent our time looking more at the section on reforming how we do business, on the acquisition reform, on the economic operations and on the industrial base side of it. And I'll comment on each of those in turn.

The industrial base section does focus on developing what they call a more sophisticated relationship with the industrial base. Not at all clear what that means. It's a laudable goal, but it does clearly mean reaching beyond the standard DOD-captive companies to the broader commercial and, presumably, global arena which is wise. It emphasizes those issues but it says very little about how DOD will actually act differently to address those issues.

If the industrial base is really important, it's interesting to note that on the very chart that Michèle Flournoy used to brief "reforming how we do business", industrial base did not even appear as a sub-bullet. So it's clearly less important than crafting a strategic approach to climate and energy. So I think that's an interesting signal.

It's important to remember, though, that it is the industrial base that will be needed to deliver on all these QDR initiatives, from improved ISR, early warning, long-range strike, WMD and strategic approach to climate and energy. And so it is an underpinning that could be expanded a bit.

On acquisition reform, there's very little new here and, in fact, the QDR is not even up-to-date. It doesn't even incorporate the directive-type memorandum that Ash Carter signed out in December, the provisions of which supersede some of the citations inside the QDR which leads me to think that there's more to be done there as well.

And on economic operations and the role of civilian surge, the QDR emphasizes the old saw of increasing civilian capacity, but the numbers there really speak to themselves. The State Department is probably talking about nearly 1,000 extra people in Afghanistan compared to 100,000 troops and even more contractors. I think civilian agencies still don't have the capacity and the QDR doesn't really tell us how to do that.

Finally, there are a number of separate studies here that I think do need to be followed out to see how we're going to emphasize what comes out into the budget in FY '12, so the QDR sets itself up that it will already be an FY '12 budget drill as well as FY '11. Projecting power into defended areas, future role of the reserve component, government wide review of security systems programs – are among some of the ones that are listed there. So there's still a lot of work that remains to be done. I'll turn it over to Ozzie now.

RICK "OZZIE" NELSON: Yes, I think I'm the last one to go. My name is Rick "Ozzie" Nelson. I'm the director for the Homeland Security and Counterterrorism program. The one section I found pretty remarkable was the section that Clark referred to earlier on the homeland security, homeland defense issue and defense support to civil agencies. I thought that was a very good section and I think it's one that where DOD finally came to the realization that such a role is a full-time role and something that needs to be handled head-on, particularly where it talked about its support for natural disasters.

In that section I liked the recognition of the role that they had there, their standing in homeland defense. I liked where they talked about aligning some of their capabilities with the DHS infrastructure, such as the FEMA regions. I liked the fact that they continued to reference and bring up the issue of aviation and maritime domain awareness – two areas where the U.S. government continues to lack the appropriate capability to understand the potential threats in those environments.

In that section, on the negative, I thought some of their desire to increase their role in homeland defense fell – was on implicitly falling on the shoulders of the National Guard. And along those lines, the document was devoid of any discussion about what the role of National Guard would be, particularly vis-à-vis what the role of National Guard would be when it resets coming back from Iraq and Afghanistan, meaning will it continue to pursue a more conventional military role in supporting overseas contingency operations or will it be focused more on the homeland defense, homeland security mission?

The second shortcoming, again, goes back to one of the positives though was the domain awareness issue. There was a lot of good recognition it was domain awareness, but again, it was only about ankle-deep in that paragraph of what actually needs to be done. We've been at national level, have been discussing the issues of domain awareness for over 5 years now, if not longer, yet we're still missing some specifics there.

And then lastly, in this particular section, they talked about the importance of nuclear detection but didn't mention any of the other threats that we need to be concerned of in the homeland sector – and that's obviously cyber and bio and what-now. Now, those are obviously

mentioned in other sections of the document; I'm just not sure why they just pulled out nuclear in the homeland section and not the others.

And then I'll briefly touch on two other sections. In the counterterrorism and counterinsurgency section, I thought that fell a little short. A lot of it was a review of what's already missing. For example, talking about the need for unmanned aerial systems, ISR and rotary wing – those are gaps we've had in Department of Defense for some time and to state that there still are gaps in the procurement budget does not – has not kept up to meet that demand – is unsettling.

The regional expertise they call for focuses on Afghanistan and Pakistan. Certainly that's important, but again, that's kind of a look in the rearview mirror. I was kind of hoping to see something looking in the future where we would need regional expertise. And I think, again, it falls short in the area of strategic communication – another issue that DOD and the U.S. government has been talking about for years but has continued to successfully undertake. And that paragraph just lacked any, I think, substance.

And then lastly, I'll end on a positive note: I thought the section on security capacity for partner states was, again, another very good sign. Particularly, I thought it was encouraging where DOD recognized that such a capacity was more than just military-to-military relationships, that it will require what they call whole of government approaches and rule of law and governance and development aid. I thought it was noteworthy that they talked about enhanced and increased support to international security organizations, specifically the United Nations.

And then I thought it was just off base a little bit – I thought it was important that they noted the necessity of linguistic and cultural skills in the military and how critical that will be in the future. However, there was little discussion about the amount of time it will take for individuals to gain this expertise and what impact it might have on their careers and in what areas we might want to look, again, beyond Afghanistan and Pakistan.

But from my perspective on the homeland security and homeland defense and the counterterrorism perspective, I thought the document was actually pretty good and made some significant steps forward at least rhetorically. And that's all for me.

MR. SCHWARTZ: Great. I'd like to open up for questions. Questions?

Q: Okay, I'm Gale Harris, Foreign Policy Association. Can you hear me?

MR. SCHWARTZ: Yeah.

Q: I just was wondering about the cyberspace and the shortfalls. Did the QDR do any more to, kind of, define the relationship between the new organization that's being stood up, and STRATCOM's mission, versus the homeland defense department's mission? Did they say anything about that?

MR. SCHWARTZ: Maren, do you want to take that one?

MS. LEED: They didn't say anything new in that regard. They reiterated the decisions that have already been announced, that cyber command will be a subcomponent command of Strategic Command, and that it's a piece of the interagency effort.

Q: Okay. I want to thank you. I have to leave, but thank you very much for that excellent breakdown on the QDR.

MR. SCHWARTZ: Great. We'll make it available online as well later.

Q: All right. Thank you.

MR. SCHWARTZ: Questions?

Q: Julian Barnes here, from L.A. Times. I was wondering a couple things. One, here: I seem to recall in past QDRs talk about moving away from the two-theater war. Is there anything different in what Michèle Flournoy or Bob Gates are talking about here? And I wonder, also, in general, if someone could talk a little bit more about this sea-air construct that's had some talk, that's part of the QDR.

MR. SCHWARTZ: Clark, do you want to jump in?

MR. MURDOCK: This is Clark Murdock. Let me address the changes of the force planning construct because there has been a steady evolution on this issue. If you went back to the base/force and the bottom-up review, which were essentially the first two major defense reviews, the predominant construct was two MTWs and everything else was a lesser – (inaudible) – case.

Then, in 1997, it became: No, you had to think about small-scale contingency separate from major regional contingencies, but oh, by the way, you're not going to get any additional force structure to be able to do that. Then, in the 2001 QDR, they had the so-called one-four-two-one force fighting construct, where the first one is homeland defense.

Well, that's always been phony because that administration didn't put any effort into homeland defense. Then, it was four critical regions, but within a month we were fighting a fifth region of the world in Afghanistan. And then it was two swift defeats, and then one overwhelming victory. And lots of people questions whether that second one for overwhelming victory really existed as well.

Then we get to the last QDR, 1997 – I'm sorry, the 2006 QDR, where you had the Michelin Man that said we've got to be thinking about homeland defense, but we still aren't putting any resources into it. We have to be focused on irregular warfare, and there was a shift in emphasis towards there. And by the way, we're going to do major combat operations. But there was never any specificity about how much of each type we were going to do.

I think this QDR – they don't go into a lot of detail on how they actually implement, they said, we tested our forces against a lot of scenarios and different combinations of scenarios. And what they did, essentially, is say, okay, this is the demand function. Lots of different kinds of operations, disparate theaters, overlapping timeframes and then examined how well alternative militaries did against that, or alternative force structures – and then, to their credit, said, okay, this is the one that does the best.

And they said, this is what we're buying in FY2011 to 2015. It's a little bit back to the future, because there's a force-structure listing here. So we know what they're buying, and we know that they tested it against a pretty robust set of scenarios, and we know that they applied the risk framework to it. And I think those are all significant steps forward.

Q: Julian Capp (sp). I'll add this – (inaudible). Two things. The first, I think, is a question on the air/sea concept that they talk about in the, under the anti-access threat – dealing more effectively with anti-access threats.

To me, that was one of these implied, again, one of these implicit references to the fact that we're going to be experiencing different periods of, sort of, joint cooperation at different times and operations – and that, increasingly, the air forces and the naval forces may be involved in coercive campaigns that will not have a heavy, for example, land component aspect to it. And therefore it behooves those two components to get their heads together and sort of determine how best to, sort of, integrate their capabilities going forward.

The other thing, jumping a little bit on Clark's point as well, and echoing some of what he said: I mean, I think the real big news with the force-sizing construct and how it relates to risk is that now, basically, DOD is acknowledging that they both have to account for the possibility of doing multiple dissimilar things, simultaneously, that are not like each other. And they may not all be conventional, mirror-image, sort of, wars and in fact may be less so.

I mean, it might be that you're doing a coercive campaign, a stability operation, and a counterinsurgency on some level – layered on top of that, sort of, persistent counterterrorism. So I think that it is a big step forward. The question really will be, how do they implement it, and how do they continue to test it over time and make sure that it remains valid?

MR. SCHWARTZ: Anybody else – (inaudible).

MR. BERTEAU: Julian, this is David Berteau. I think one other thing that's worth noting here is that both the idea of the force-planning construct that has evolved over time, that Clark described, and the necessary joint approach that Nate talked about, have to also be reflected through the fact that it's Robert Gates sitting there as secretary of defense.

And if you sat through his earlier briefing today, the bombshell of his change in the F-35 program management structure – I mean, this is clearly a man who is ready to put his own decisions behind the philosophy that's embedded in these documents. I think that's a very powerful point to keep in mind.

MR. SCHWARTZ: Great. Questions? Any further questions? Okay, with that we're going to wrap it up, and we will send out a transcript of this, hopefully by the end of the day, if not, tomorrow. Thanks very much for calling in.

(END)