

# Pivot but Hedge: A Strategy for Pivoting to Asia While Hedging in the Middle East

---

by David W. Barno, Nora Bensahel and Travis Sharp

**Lt. General David W. Barno** (USA, Ret.), a former U.S. commander in Afghanistan, is Senior Advisor and Senior Fellow at the Center for a New American Security (CNAS), where **Nora Bensahel**, Ph.D., is Deputy Director of Studies and Senior Fellow and **Travis Sharp** is the 2011-2012 Bacevich Fellow. They co-authored the center's October 2011 report, *Hard Choices: Responsible Defense in an Age of Austerity*.

***Abstract:** The U.S. government's new emphasis on the Asia-Pacific represents a bold strategic choice that could animate U.S. national security policy for years to come. Yet the United States must balance its rightful new focus on the Asia-Pacific with the volatility that still exists in other areas of the world. The United States should pivot to the Asia-Pacific—but to protect its vital interests, it should also hedge against threats elsewhere, particularly in the greater Middle East. To implement a “Pivot but Hedge” strategy, the U.S. government should do three things. First, it should exercise caution when cutting the defense budget. Second, it should give the military services greater leadership roles in specific regions: naval and air forces should lead in the Asia-Pacific, while ground forces should lead in the greater Middle East. Third, it should maintain expansive, capable, and well-trained ground forces as a hedge against global uncertainty.*

Historians will look back at 2011 as a momentous year in American national security policy. The United States abandoned its longtime Egyptian ally Hosni Mubarak, intervened in Libya, killed Osama bin Laden, removed its troops from Iraq, and accelerated its departure from Afghanistan. Yet perhaps the most important strategic decision made by President Barack Obama last year centered on another part of the world: the Asia-Pacific. “As a Pacific nation, the United States will play a larger and long-term role in shaping this region and its future,” President Obama declared in Australia in November 2011.<sup>1</sup> To accentuate the shift, the United States unveiled new trade and military agreements with several Asian allies, including a decision to base 2,500 U.S. Marines in northern Australia. The *New York*

---

<sup>1</sup> The White House, “Remarks by President Obama to the Australian Parliament,” Nov. 17, 2011.

*Times* described the move as “the first long-term expansion of the American military’s presence in the Pacific since the end of the Vietnam War.”<sup>2</sup>

After a decade in which American attention and treasure were drawn to the Middle East and South Asia, the Obama administration’s new emphasis on the Asia-Pacific represents a bold strategic choice that could animate U.S. national security policy for years to come. In an essay in *Foreign Policy* that generated buzz in official Washington, Secretary of State Hillary Clinton used the word “pivot” to describe how the United States should now shift its focus to the Asia-Pacific.<sup>3</sup> “As the war in Iraq winds down and America begins to withdraw its forces from Afghanistan, the United States stands at a pivot point. Over the last 10 years, we have allocated immense resources to those two theaters,” observed Secretary Clinton. “One of the most important tasks of American statecraft over the next decade will therefore be to lock in a substantially increased investment – diplomatic, economic, strategic, and otherwise – in the Asia-Pacific region,” she wrote.

Yet as the United States surveys both threats and the necessity of defending its vital interests around the world, a more complex picture of American security policy emerges. Dealing with insecurity outside of the Asia-Pacific also will remain a high strategic priority for the United States. The principal challenges likely will emanate from the greater Middle East, a region that is plagued by volatility but inseparable from core U.S. interests such as maintaining access to energy supplies, halting nuclear proliferation, and disrupting global terrorist networks. Elsewhere, albeit at perhaps lower levels of concern, Africa, Mexico, Russia, and an insolvent Europe all demand attention because they contain at least oblique threats to American national security.

The United States must find a way to balance its rightful new focus on the Asia-Pacific with the continuing reality of deep instability in other areas of the world where its interests are at stake. One way to think about this challenge is by outlining it on different time horizons. The Asia-Pacific will ultimately become the leading nexus of U.S. interests, but most security threats there exist in the mid- to long-term. With the exception of near-term volatility in North Korea, the region’s dominant security concerns revolve around China’s opaque military modernization and aggressive foreign policy, which will pose far more of a threat in 10 years than they do today. In contrast, the threats emanating from the greater Middle East exist in the near- and mid-term and will demand substantial U.S. military resources and intellectual energy over the next decade.

The United States should pivot to the Asia-Pacific – but to protect its vital interests, it must also hedge against near-term threats in the greater Middle East and elsewhere. Both priorities make sense; both must be executed

<sup>2</sup>Jackie Calmes, “A U.S. Marine Base for Australia Irritates China,” *New York Times*, Nov. 16, 2011.

<sup>3</sup>Hillary Clinton, “America’s Pacific Century,” *Foreign Policy*, Nov. 2011.

simultaneously; and both require different allocations of U.S. defense resources. To help policymakers institute a “Pivot but Hedge” strategy, the remainder of this article will briefly discuss the importance of the Asia-Pacific and greater Middle East before assessing three issues that are key to implementing such a strategy. First, the U.S. government should not cut defense spending so deeply that the U.S. military cannot deter threats and reassure allies in Asia while defending U.S. interests in the greater Middle East. Second, the best way for the U.S. military to pivot and hedge simultaneously is for the military services to adopt a new division of responsibilities, where ground forces would focus primarily on the greater Middle East, while naval forces would primarily focus on the Pacific Rim. Third, expansible, capable, and well-trained ground forces are needed to hedge against unexpected threats and contingencies that will almost certainly arise.

### **The Importance of the Asia-Pacific and Greater Middle East**

The Obama administration’s desire to play a larger role in the Asia-Pacific makes good sense because the region stands poised to become the centerpiece of the 21<sup>st</sup>-century global economy. In 2010, 61 percent of U.S. goods exports and 72 percent of U.S. agricultural exports worldwide went to the Asia-Pacific.<sup>4</sup> By 2015, East Asian countries are expected to surpass NAFTA and the Euro zone to become the world’s largest trading bloc.<sup>5</sup> Market opportunities will only increase as the region swells by an additional 175 million people by 2030.<sup>6</sup> With their economies maturing and populations expanding, the countries of the Asia-Pacific will thirst for more oil and natural resources – most transported by sea. Today, about 15 percent of oil traded worldwide and more than half of the globe’s merchant fleet tonnage flow through the Straits of Malacca, Sunda, and Lombok, which funnel the raw materials of the Middle East and Africa into the booming East Asian economies.<sup>7</sup>

The Asia-Pacific’s widening web of prosperity is vulnerable to disruptions that would damage the American and global economies. The Asia-Pacific

<sup>4</sup> U.S. Trade Representative, “The United States in the Trans-Pacific Partnership,” Nov. 2011 (<http://www.ustr.gov/about-us/press-office/fact-sheets/2011/november/united-states-trans-pacific-partnership>).

<sup>5</sup> International Monetary Fund, “Changing Patterns of Global Trade,” June 15, 2011, p. 31 (<http://www.imf.org/external/np/pp/eng/2011/061511.pdf>).

<sup>6</sup> United Nations, Department of Economic and Social Affairs, Population Division, “World Population Prospects: The 2010 Revision,” May 2011 ([http://esa.un.org/unpd/wpp/unpp/panel\\_population.htm](http://esa.un.org/unpd/wpp/unpp/panel_population.htm)).

<sup>7</sup> U.S. Energy Information Administration, “Maritime chokepoints critical to petroleum markets,” Mar. 2, 2011 (<http://www.eia.gov/todayinenergy/detail.cfm?id=330>); and GlobalSecurity.org, “South China Sea Oil Shipping Lanes” (<http://www.globalsecurity.org/military/world/war/spratly-ship.htm>).

supply chain is more dispersed than those in Europe or North America because of the geographic distances between trading partners and the ubiquity of maritime transport. Furthermore, the supply chain is tightly integrated since goods-in-process often cross borders several times before reaching their final destinations.<sup>8</sup> Such a dispersed-but-integrated supply chain is susceptible to disturbances caused by trade policies, natural and manmade disasters, or military conflict. For example, the 2011 earthquake and tsunami disaster in Japan reduced global economic growth by an estimated \$315 billion and impacted international manufacturing, finance, and agriculture.<sup>9</sup>

As America's economic interests in the Asia-Pacific grow, its diplomatic and military presence should grow to defend against threats to those interests. From the perspective of the United States and its Asian allies, China and North Korea represent the most serious military threats to regional security.

China's military modernization continues to progress, and its foreign policy toward its neighbors has become increasingly aggressive over the past two years.<sup>10</sup> Complex domestic political crosscurrents combined with rising nationalism may edge Beijing into more intense competition or even conflict with Washington, particularly if China's economic growth stagnates and its leaders decide to focus on an external adversary in an effort to maintain internal stability by drawing attention away from the slowdown.<sup>11</sup>

Meanwhile, the death of Kim Jong Il means that nuclear-armed North Korea has begun a leadership transition which could lead to greater military aggressiveness as Kim Jong-un seeks to consolidate his power and demonstrate control. If he fails to do so successfully, it could lead to regime collapse and trigger a humanitarian and military crisis of epic proportions.<sup>12</sup>

In light of these potential dangers, several Asian nations have asked the United States to strengthen its diplomatic and military presence in the region so it can remain the ultimate guarantor of peace and security.<sup>13</sup> A bolstered U.S. presence will reassure allies who worry about American decline by clearly conveying an unwavering commitment to Asian security. It also will make

<sup>8</sup> International Monetary Fund, "Changing Patterns of Global Trade," p. 4.

<sup>9</sup> Congressional Research Service, "Japan's 2011 Earthquake and Tsunami: Economic Effects and Implications for the United States," Apr. 6, 2011, p. 1 (<http://www.fas.org/sgp/crs/row/R41702.pdf>).

<sup>10</sup> U.S. Department of Defense, "Military and Security Developments Involving the People's Republic of China 2011," Aug. 2011, p. 1 ([http://www.defense.gov/pubs/pdfs/2011\\_cmpr\\_final.pdf](http://www.defense.gov/pubs/pdfs/2011_cmpr_final.pdf)); and Thomas J. Christensen, "The Advantages of an Assertive China: Responding to Beijing's Abrasive Diplomacy," *Foreign Affairs*, Mar./Apr. 2011.

<sup>11</sup> Aaron L. Friedberg, "Hegemony with Chinese Characteristics," *National Interest*, Jul./Aug. 2011, p. 18.

<sup>12</sup> Bruce W. Bennett and Jennifer Lind, "The Collapse of North Korea: Military Missions and Requirements," *International Security*, Fall 2011.

<sup>13</sup> Alan Dupont, "Welcome Back to Asia, America," *RealClearWorld.com*, Nov. 14, 2011 ([http://www.realclearworld.com/articles/2011/11/14/welcome\\_back\\_to\\_asia\\_america\\_99759.html](http://www.realclearworld.com/articles/2011/11/14/welcome_back_to_asia_america_99759.html)).

clear that China and North Korea cannot force the United States to reduce its longstanding commitment to the region.

As the Asia-Pacific steadily grows in importance, the arc of the greater Middle East from Tunisia to Pakistan remains the most volatile crescent in the world. The Arab spring unleashed a torrent of political change that has reshaped the region in previously unfathomable ways. While the emergence of more democratic governments should benefit the United States in the long run, democratization may empower political leaders and parties in the near term whose policies are less favorable to the United States and its allies.

Trapped in the middle of the upheaval is Israel, a permanent ally and key pillar of America's regional security strategy. Israel's relations with its neighbors have deteriorated, and many analysts fear that Israel's peace treaties with Egypt and Jordan, which form the backbone of its national security diplomacy, could be truncated by leaders in those countries who bend to widespread anti-Israeli sentiment within their populations.<sup>14</sup> The breakdown of Israel's long standing relationships only adds to this growing instability.

As if this were not enough to worry about, Israel also confronts the fact that Iran "has carried out activities relevant to the development of a nuclear device" which may still be underway, according to the International Atomic Energy Agency's November 2011 report.<sup>15</sup> Iran also has aimed increasingly bellicose rhetoric at the United States and its allies. In December 2011, in reaction to proposed new international sanctions, Iran threatened to close the Strait of Hormuz, the world's most important strategic chokepoint through which flows about 35 percent of seaborne-traded oil worldwide.<sup>16</sup>

Finally, U.S.-Pakistan relations continue to plunge toward a nadir, lessening American influence over a nuclear-armed and terrorist-infested state that is arguably the most dangerous country in the world. The countries' relationship soured after several high-profile spats, including a CIA contractor's killing of two Pakistanis, the unauthorized cross-border raid that killed Osama bin Laden, and a November 2011 NATO airstrike that killed two dozen Pakistani troops unintentionally. Pakistan has the world's fastest growing nuclear arsenal and faces metastasizing extremist groups like the Haqqani network.<sup>17</sup> The country will pose a serious challenge to U.S. national security for the foreseeable future.

<sup>14</sup> Shlomo Brom, "Israel and the Arab World: The Power of the People," in Anat Kurz and Shlomo Brom, eds., *Strategic Survey for Israel 2011* (Tel Aviv: Institute for National Security Studies, 2011), pp. 50-52.

<sup>15</sup> David E. Sanger and William J. Broad, "U.N. Agency Says Iran Data Points to A-Bomb Work," *New York Times*, Nov. 8, 2011.

<sup>16</sup> U.S. Energy Information Administration, "World Oil Transit Chokepoints," Dec. 30, 2011 (<http://www.eia.gov/countries/regions-topics.cfm?fips=WOTC>).

<sup>17</sup> Hans M. Kristensen and Robert S. Norris, "Nuclear Notebook: Pakistan's nuclear forces, 2011," *Bulletin of the Atomic Scientists*, July 4, 2011 (<http://www.thebulletin.org/web-edition/features/nuclear-notebook-pakistans-nuclear-forces-2011>).

Amid these dangers, U.S. interests in the greater Middle East remain largely unchanged: ensuring the free flow of petroleum from a region containing 51 percent of proven global oil reserves,<sup>18</sup> halting nuclear proliferation, and guarding against the diminished but still real threat of Islamist-inspired terror attacks. Protecting these interests will unquestionably require the active involvement of the U.S. military over the next 10 years and beyond. This certainly does not mean that U.S. troops will necessarily repeat the intensive counterinsurgency campaigns of the last decade. Instead, as discussed below, the military will likely be asked to help preserve regional security by maintaining a favorable balance of power, keeping trade routes open, and preventing terrorist groups from establishing bases of operations.

### **Issue 1: Dealing with Defense Cuts**

The U.S. military has entered an era of declining budgets that will limit its ability to adopt a “Pivot but Hedge” strategy. Budget constraints will force hard choices upon the Department of Defense (DOD), which has mostly avoided difficult tradeoffs for the past 10 years because resources were plentiful. The 2011 Budget Control Act, signed as part of last summer’s negotiations over raising the U.S. debt ceiling, contains spending caps that will reduce DOD’s base budget (excluding war costs) by at least \$450 billion over 10 years, according to Pentagon estimates. This represents a decline of about 8 percent compared to current spending levels.<sup>19</sup> Most Pentagon officials and defense hawks have acquiesced to this level of cuts if carefully implemented. For example, Secretary of Defense Leon Panetta penned a letter to Congressional lawmakers in November 2011 which stated, “These cuts are difficult and will require us to take some risks, but they are manageable.”<sup>20</sup>

What defense leaders do not see as manageable is the Budget Control Act’s automatic spending reduction process known as sequestration, which was triggered in November 2011 by the failure of the deficit reduction “super committee.” According to the Congressional Budget Office, this process would roughly double the cuts to DOD’s base budget, resulting in nearly \$900 billion in total reductions.<sup>21</sup> Many Pentagon officials and defense hawks oppose such reductions, and they have voiced their concerns quite publicly. In his

<sup>18</sup> U.S. Energy Information Administration, “International Energy Outlook 2011,” Sep. 2011, pp. 37-38 ([http://www.eia.gov/forecasts/ieo/pdf/0484\(2011\).pdf](http://www.eia.gov/forecasts/ieo/pdf/0484(2011).pdf)).

<sup>19</sup> Thom Shanker and Elisabeth Bumiller, “Weighing Pentagon Cuts, Panetta Faces Deep Pressures,” *New York Times*, Nov. 6, 2011.

<sup>20</sup> Leon Panetta, “Effects of Sequestration on the Department of Defense,” Nov. 14, 2011 ([http://mccain.senate.gov/public/index.cfm?FuseAction=PressOffice.PressReleases&ContentRecord\\_id=a4074315-fd3e-2e65-2330-62b95da3b0e9](http://mccain.senate.gov/public/index.cfm?FuseAction=PressOffice.PressReleases&ContentRecord_id=a4074315-fd3e-2e65-2330-62b95da3b0e9)).

<sup>21</sup> Congressional Budget Office, “Testimony on Discretionary Spending before the Joint Select Committee on Deficit Reduction,” Oct. 26, 2011, p. 21 ([http://www.cbo.gov/ftpdocs/124xx/doc12490/10-26-DiscretionarySpending\\_Testimony.pdf](http://www.cbo.gov/ftpdocs/124xx/doc12490/10-26-DiscretionarySpending_Testimony.pdf)).

November 2011 letter, Secretary Panetta estimated that the automatic spending reduction process could force DOD to deeply cut its civilian workforce and slash a wide range of programs. He outlined the possibility of cutting the F-35 Joint Strike Fighter, P-8 surveillance aircraft, Ground Combat Vehicle, new long-range Air Force bomber, next-generation ballistic missile submarine, Littoral Combat Ship, Army helicopter modernization, major space initiatives, European missile defense, unmanned ISR systems, and the ICBM leg of the nuclear triad.

Secretary Panetta’s letter seemed to employ a traditional “gold watch” strategy – threatening to cut what lawmakers value most as a way to deter them from making cuts. Yet we recently published a CNAS report that reached similar findings even though it relied heavily on cutting non-combat capabilities, which lawmakers value less.<sup>22</sup> In our analysis, we found that even if the Pentagon reduces non-combat spending on facilities maintenance, civilian workers, commercial retail activities, contractors, and redundant intelligence activities, generating about \$160 billion in total savings over 10 years, it might still have to pare back the following combat capabilities in order to produce the \$450 billion in cuts mandated by the Budget Control Act’s spending caps:<sup>23</sup>

- One aircraft carrier, one active-duty air wing, and 5,600 sailors
- Six naval cruisers and 28 planned Littoral Combat Ships
- Half the planned procurement of F-35s, totaling 1,228 cancelled aircraft
- Half the planned procurement of Navy MQ-4C Broad Area Maritime Surveillance Unmanned Aircraft Systems
- 95 planned V-22 tilt rotors
- 38,000 active-duty Army soldiers, dropping end strength to 482,000, and 12,000 active-duty Marines, dropping end strength to 175,000
- The Ground Combat Vehicle, Joint Light Tactical Vehicle, and Joint Tactical Radio System Ground Mobile Radio
- The Precision Tracking Space System and other experimental missile defense programs

Furthermore, we found that in order to generate the \$900 billion in reductions mandated by the Budget Control Act’s automatic spending reduction process, DOD might have to make the following cuts on top of those combat capabilities and non-combat activities mentioned above.<sup>24</sup>

<sup>22</sup> David W. Barno, Nora Bensahel, and Travis Sharp, *Hard Choices: Responsible Defense in an Age of Austerity* (Washington: Center for a New American Security, Oct. 2011).

<sup>23</sup> These estimates are illustrative and rely on various assumptions that, if altered, would change the estimates significantly. The changes illustrated in this list match those included in our Scenario 2, “Constrained Global Presence.” See *ibid.*, pp. 33-45.

<sup>24</sup> The changes illustrated in this list match those included in our Scenario 4, “Focused Economy of Force.” See *ibid.*

- Two planned LHA-6 amphibious ships and three planned LSD(X) amphibious ships
- Nine planned Virginia-class attack submarines
- Six naval cruisers and 43 planned Littoral Combat Ships
- The entire planned procurement of V/STOL F-35Bs, 913 planned land-based F-35As, and 39 planned carrier-based F-35Cs
- The entire planned procurement of Navy MQ-4C Broad Area Maritime Surveillance Unmanned Aircraft Systems
- 90,000 active-duty Army soldiers, dropping end strength to 430,000, and 37,000 active-duty Marines, dropping end strength to 150,000

The Obama administration has pledged that military cuts will not undermine America's reenergized commitment to the Asia-Pacific, but several conservative-leaning analysts in the United States have questioned its optimistic rhetoric – particularly if total defense cuts reach the \$900 billion level.<sup>25</sup> Needless to say, such cuts also could seriously affect America's ability to deploy military power in other theaters, to include the greater Middle East. “No matter what administration officials say, these cuts will affect our posture in Asia profoundly. We need more ships, more aircraft, more missile defense,” wrote Dan Blumenthal, a fellow at the American Enterprise Institute (AEI). “Our allies and China need to see and feel our presence. That can only be accomplished with more sea patrols, surges in exercises that promote freedom of navigation, and so on,” he added.<sup>26</sup> His AEI colleague Tom Donnelly echoed this critique: “It may be that Panetta's heart is in the right place – he increasingly expresses his concern about China's military build-up – but it's not reflected in administration policies.”<sup>27</sup> In a report published by the Heritage Foundation, fellows Dean Cheng and Bruce Klingner concluded, “While reassuring to U.S. allies, Panetta's pledge is unrealistic if the pending cuts in the American defense budget are not reversed. The idea that these cuts can occur without affecting America's forward deployments in the Pacific is simply not credible.”<sup>28</sup>

Can the U.S. military make such cuts, whether \$900 billion or \$450 billion, and still maintain the capabilities required to achieve political leaders' goals in the Asia-Pacific – while hedging effectively against threats to vital U.S. interests elsewhere? It is hard to anticipate the strategic effects of decisions about military force structure because doing so requires making complex assumptions about future events and adversaries' perceptions. Though the argument often populates national security policy debates, thoughtful readers

<sup>25</sup> David Jackson, “Obama: Defense cuts won't affect Asia-Pacific region,” *USA Today*, Nov. 17, 2011.

<sup>26</sup> Daniel Blumenthal, “Against the East Asia ‘pivot,’” *ForeignPolicy.com*, Nov. 18, 2011.

<sup>27</sup> Thomas Donnelly, “Recycling ‘Reset,’” *Weekly Standard*, Oct. 25, 2011.

<sup>28</sup> Dean Cheng and Bruce Klingner, *Defense Budget Cuts Will Devastate America's Commitment to the Asia-Pacific* (Washington: Heritage Foundation, Dec. 2011).



should beware of analysts who claim that “X” number of widgets equals security but “X – 1” number of widgets does not equal security. The realities of measuring adequate defense are far more nuanced, and provide few black-and-white answers.

Despite the imprecision involved, our previous work – which included interviews with numerous military officials, congressional staffers, defense industry professionals, and representatives of foreign governments – led us to judge with high confidence that if the U.S. government implements defense cuts of \$900 billion over 10 years without reforming personnel pay and benefits, the U.S. military will be unable to maintain adequate military power to both pivot to the Asia-Pacific successfully and hedge against other threats within the context of the current U.S. global engagement strategy.<sup>29</sup> This strategy – broadly in place since 1947 – involves security cooperation with allies, the maintenance of a military presence in key regions, selective engagement in armed conflicts, and the pursuit of American military and economic primacy to protect U.S. interests.

Because allies’ and adversaries’ future expectations are based on America’s continuous pursuit of a global engagement strategy over the past six decades, they will likely interpret defense cuts of \$900 billion as yet another incontrovertible sign of American decline. This perception could lead U.S. allies in Asia or the Persian Gulf to build up their own military forces, potentially triggering destabilizing regional arms races that could include both horizontal and vertical nuclear proliferation. Furthermore, as noted above, defense cuts of \$900 billion would likely force DOD to make large cuts to naval and air capabilities, which are needed to pivot to the expansive Asia-Pacific, and ground forces, which are needed to hedge against volatility in the greater Middle East. Such developments would effectively cripple the “Pivot but Hedge” strategy.

However, we judge that the United States can still pursue a “Pivot but Hedge” strategy at lower levels of defense cuts, particularly if it organizes its military forces more efficiently. As illustrated above, defense cuts of \$450 billion during the next decade could leave intact substantial numbers of naval and air assets such as amphibious ships, Virginia-class attack submarines, Littoral Combat Ships, and F-35s, which are critical to gaining access to contested areas in the Asia-Pacific and greater Middle East. Most of these capabilities are simply too expensive to retain if cuts of \$900 billion are imposed. Even if the Pentagon does not procure as many of these systems as it is currently planning, the ability to acquire somewhat smaller numbers of these highly sophisticated platforms in a \$450 billion cut scenario would go a long way toward ensuring America’s ability to project power rapidly and effectively into the Asia-Pacific and the greater Middle East. Moreover, cuts at this level should allow DOD to protect Army and Marine Corps end strengths at 2001

<sup>29</sup> Barno, Bensanel, and Sharp, *Hard Choices*, pp. 5-6.

levels of 482,000 and 175,000, respectively. While these troop levels are smaller than today's wartime ground forces, they should provide enough manpower to deal with unexpected contingencies.

In sum, with all the caveats noted above, we judge that a "Pivot but Hedge" strategy can still be implemented if the defense budget is cut by \$450 billion, but not if it is cut by \$900 billion. This leaves a range of trade space for the Pentagon, White House, and Capitol Hill to explore as they weigh security threats and potential responses against their willingness to spend money on defense in the context of other U.S. government priorities. As they engage in this political bargaining, all must keep in mind that national security risk will increase as the amount of cuts increases.

## **Issue 2: Creating a New Division of Responsibilities for the U.S. Military**

The pivot to the Asia-Pacific threatens to skew U.S. military resources toward a theater where near-term threats are both less dangerous and less proximate than in the greater Middle East. As noted above, the threats emanating from the Pacific Rim today are nascent and, with the possible exception of North Korea, likely to emerge more gradually over many years. In contrast, threats from the volatile arc of the greater Middle East are immediate and pressing. The best way for the U.S. military to pivot and hedge simultaneously is for the military services to adopt a new division of responsibilities. Ground forces would retain their primary focus on the greater Middle East in the coming years, while naval forces would primarily focus on the Pacific Rim. Air forces would support both theaters, much as they do today.

Pivoting U.S. military power toward the Pacific will require strong naval and air capabilities, but ground power remains vitally important to address global instability. Large numbers of ground forces may not play a dominant role in a Pacific conflict, but their essential value in projecting power elsewhere in the world, particularly across the greater Middle East, remains unchanged. Since the end of the Cold War, U.S. military forces have intervened in a wide range of unanticipated conflicts around the world. Ground forces have played key roles in nearly all of those interventions – including Panama in 1989, Kuwait in 1990-1991, Bosnia in 1995, and Afghanistan in 2001. The future is likely to require more of the same.

There is little question that different geographic theaters of operation favor different mixes of U.S. military power. U.S. operations across the globe during World War II provide a useful if cataclysmic example. Campaigns in Europe and North Africa were dominated by land and air force operations, with landings and supply lines supported by naval forces. Campaigns across the Pacific were largely the domain of naval and air forces, with land forces securing advanced bases for each. Now as then, the vast reaches of the Pacific

require substantial air and naval forces. Ground forces are far less suited to assuring access to the South China Sea or the Strait of Taiwan.

Conflicts in the Middle East, however, will not primarily be about sea lanes or blue water freedom of navigation. Instead, they will involve preventing instability or managing its consequences – such as ensuring access to energy resources, controlling unsecured nuclear materials, or responding to cases of political unrest. These missions will require ground forces far more than naval or air forces. Furthermore, control of key Middle Eastern waterways – including the Persian Gulf and Strait of Hormuz, the Red Sea and Bab el-Mandeb, the Eastern Mediterranean with the Turkish Straits, and the Suez Canal – is determined by nearby land littorals, not simply by seapower. Land power will remain an essential ingredient in ensuring those critical constricted waterways remain open and accessible to the world's trade. Maritime presence alone, although important, will not be sufficient without the broad littoral access often underwritten in peacetime by engagements among land forces.

Pentagon officials should account for these differing geographic requirements as they manage the effects of budget cuts and set priorities for future investments. As defense resources and some military capabilities shrink, it no longer makes sense to continue treating all of the military services as equal actors in all theaters. Instead, the Army, partnered with the Air Force, is best suited to take the lead in the Middle East, while a Navy-Air Force partnership is best suited to take the lead in the Asia-Pacific. The Marines will retain critical amphibious roles in both theaters.

Even within this new construct, nothing should suggest that the Asia-Pacific or any other theater can be the exclusive domain of any particular service. Each of the services will continue to play a substantive role in all theaters. As but one example, peacetime bilateral engagement missions will continue to require U.S. ground forces to work with armies throughout the Pacific Rim, and U.S. naval forces to engage with navies in the Persian Gulf.

The impending reduction in defense spending has led to infighting among the services and risks increased internal service focus on how to defend their resources and less time focused externally on how to defend the nation.<sup>30</sup> The intense debate over AirSea battle is but one example. AirSea battle is an emerging defense concept that endeavors to counteract the development of anti-access/area-denial weapons and tactics by countries such as China and Iran who want to prevent the U.S. military from being able to access key areas during a confrontation. Though this concept attempts to deal with a serious military problem, some analysts have criticized it as nothing more than an attempt by the Navy and Air Force to increase their shares of the defense budget at the expense of the ground forces.<sup>31</sup>

<sup>30</sup> Dan Goure, "Coming Cuts May Put Services at Each Other's Throats," *AOLDefense.com*, Sep. 14, 2011.

<sup>31</sup> Jim Lacey, "Air-Sea Battle," *National Review*, Dec. 14, 2011.

Adopting a new division of responsibilities would help stem this harmful infighting by more clearly directing service thinking and evolving operational constructs to a critically important region. Unlike functional technologies or political regimes, the physical geographies of these regions and the U.S. interests they contain will not change, meaning that the services can plan for both long-term concerns and near-term threats. This approach ought to empower the services to sharpen their thinking about threats and required capabilities in ways that should increase effectiveness, lower costs, and reduce bureaucratic squabbles.

Designating a specific service as the lead for thinking, planning, and preparing for possible operations in a region offers an innovative way to foster innovation and a sense of responsibility during this age of fiscal austerity. It does *not* imply that services need not think or plan for employment in other parts of the world – but it does focus their efforts in ways that best accommodate both global realities and shrinking resources. The current model of “all services, all theaters, all the time” is no longer supportable. While recognizing that a serious conflict in any region would require substantial participation by each service, a simplified peacetime model of aligning the services with specific theaters will deliver better results with fewer resources. It offers one inventive way of ensuring adequate focus on global threats in an era marked by both shifting priorities and more limited military capabilities.

### **Issue 3: Maintaining Capable Ground Forces to Prepare for Unexpected Shocks**

The United States has little control over where future international crises will erupt, but it will find it difficult to resist getting involved. Such is the nature of being a global power with global interests – not to mention having a long list of allies who constantly request support. President George W. Bush and President Bill Clinton both advocated a shift to Asia, but spent much of their time focused elsewhere.<sup>32</sup> It may sound reasonable to designate the Asia-Pacific a first among equals today, but that prioritization could quickly crumble if Pakistan goes to war with India, Iran lashes out aggressively, or some unanticipated conflict suddenly emerges.

Accurately predicting future national security challenges has always been difficult, and the rapid pace of political and technological change will only make this problem more challenging in the future. Several top U.S. national security leaders have recently lamented their persistent inability to anticipate future events. In an October 2011 appearance before the House Armed Services Committee, Secretary Panetta summarized the challenge facing military officials:

<sup>32</sup> *Washington Post* (editorial), “U.S. foreign policy turns toward Asia,” Nov. 15, 2011.

[I]n all of the past planning that's gone into developing the defense budget, the one thing that everybody agrees is that no one has accurately predicted the future and has anticipated the kind of attacks and crises we've had to confront. You can identify kind of large areas where you would expect that a future crisis might lie, but the reality is that if we're going to have a strong defense, we've got to be prepared to react to a surprise.<sup>33</sup>

Echoing this assessment, General Martin Dempsey, chairman of the Joint Chiefs of Staff, observed that “we generally find that we don't predict the future with any degree of accuracy.”<sup>34</sup> Representative Ike Skelton, former chairman of the House Armed Services Committee, characterized the challenge in empirical terms. He told Congress that of the 12 military contingencies that occurred during his 34 years in office, 11 were unexpected.<sup>35</sup> Assuming the general accuracy of his assessment, a successful prediction rate of just over 8 percent does not inspire much confidence.

Because of these difficulties predicting the future, current U.S. defense plans hedge against unforeseeable crises in a number of ways. For instance, the 2010 Quadrennial Defense Review used “Integrated Security Constructs” to test the ability of its recommended military force structure “to manage plausible but highly stressing combinations of overlapping missions.”<sup>36</sup> The overlapping scenarios included a large-scale stability operation similar to *Operation Iraqi Freedom*, a conflict against a highly capable state adversary in a distant theater, providing support to domestic civil authorities after a crisis in the United States, and the continuation of the global campaign against al Qaeda and affiliated groups. These scenarios offered a rigorous way to plan for unexpected crises.

Despite these efforts to hedge against uncertainty, the defense budget cuts now being considered may force the U.S. military to reduce certain combat capabilities that provide insurance against unforeseen contingencies. The most important question involves the size of the Army and Marine Corps. As mentioned above, our previous work found that 10-year defense cuts totaling \$450 billion could lead DOD to eliminate 38,000 active-duty soldiers, dropping Army end strength to 482,000, and 12,000 active-duty Marines, dropping Marine Corps end strength to 175,000. Cuts totaling \$900 billion could lead DOD to eliminate 90,000 active-duty soldiers, dropping Army end strength to 430,000, and 37,000 active-duty Marines, dropping Marine Corps end strength to 150,000.<sup>37</sup> Cuts of

<sup>33</sup> U.S. Department of Defense, “Testimony by Secretary Panetta and Gen. Dempsey Before the House Armed Services Committee,” Oct. 13, 2011 (<http://www.defense.gov/transcripts/transcript.aspx?transcriptid=4905>).

<sup>34</sup> *Ibid.*

<sup>35</sup> Ike Skelton, testimony before the House Armed Services Committee, Oct. 12, 2011.

<sup>36</sup> Kathleen H. Hicks and Samuel J. Brannen, “Force Planning in the 2010 QDR,” *Joint Force Quarterly*, 4<sup>th</sup> Quarter 2010, p. 140.

<sup>37</sup> In December 2011, active-duty Army end strength was planned for 520,000, and active-duty Marine Corps end strength was planned for 187,000. These numbers do not include the end strength reductions announced by DOD in January 2012. See U.S. Department of Defense, “Defense Budget Priorities and Choices,” Jan 2012, p. 11 ([http://www.defense.gov/news/Defense\\_Budget\\_Priorities.pdf](http://www.defense.gov/news/Defense_Budget_Priorities.pdf)).

this magnitude may be forced on the Army and Marine Corps because much of their costs are tied to people, in contrast to the more platform-centric costs borne by the Navy and Air Force.

Many Army and Marine Corps leaders have argued that such cuts ignore the inevitability of future surprises and would prevent the United States from retaining the necessary hedge against uncertainty. “We’re not likely to break the thus-far perfect record of wrongly predicting the future any time in my lifetime,” said General Ray Odierno, Army chief of staff.<sup>38</sup> “We have to be ready for unknown contingencies [because] we have never predicted the next conflict that we will be in,” he added later, concluding that “It is incumbent on us as an Army to ensure that we have a force that is ready to deal with these unknown contingencies.”<sup>39</sup> Other leaders have detected historical parallels. “There’s just a tendency to believe at the end of a war that we’ll never need ground forces again. Well, I tell you that we’ve never got that right. We have always required them,” noted General Peter Chiarelli, Army vice chief of staff.<sup>40</sup> Military historian John C. McManus remarked that people have predicted after every major U.S. conflict since World War II that ground forces would no longer be as important, but that when the next war inevitably came, ground forces ended up doing 90 percent of the fighting and dying.<sup>41</sup>

Do ground forces provide an adequate hedge against uncertainty? In a report published by the Center for Strategic and International Studies in October 2011, analyst Nathan Freier presented illustrative scenarios of the many unexpected missions that ground forces may be asked to perform over the next 10 years. He concluded that the following missions might require at least one brigade (approximately 5,000 troops) for several weeks: show of force, enabling operation, peacekeeping, seize and secure, human security operation, opposed stabilization, sanctuary denial, and major combat campaign.<sup>42</sup> He then offered the following examples to show how U.S. ground forces might become involved in these missions.

- **Show of Force:** The U.S. military participates in a NATO show of force mission in Eastern Europe to deter Russian aggression toward the Baltic states reminiscent of the 2008 war between Russia and Georgia.

<sup>38</sup> U.S. Army, “Chief of Staff of the Army 2011 AUSA Eisenhower Luncheon remarks,” Oct. 11, 2011 (<http://www.army.mil/article/67090/>).

<sup>39</sup> Thom Shanker, “Army Leaders Warn Against Shrinking Forces Too Much,” *New York Times*, Oct. 10, 2011.

<sup>40</sup> Jim Garamone, “Vice Chiefs Detail Consequences of Budget Cuts,” *American Forces Press Service*, Oct. 27, 2011 (<http://www.defense.gov/news/newsarticle.aspx?id=65853>).

<sup>41</sup> Sandra I. Erwin, “Pentagon Should Think Twice Before It Cuts Ground Forces, Historians Warn,” *National Defense*, Nov. 2011.

<sup>42</sup> Nathan Freier, *U.S. Ground Force Capabilities through 2020* (Washington: Center for Strategic and International Studies, Oct. 2011), p. 4.

- **Enabling Operation:** The U.S. military undertakes an enabling operation in Iraq to support Iraqi Security Forces conducting a renewed counterinsurgency campaign in response to heightened terrorist activity in the country.
- **Peacekeeping:** The U.S. military joins an international peacekeeping force in South Asia in the wake of a serious border conflict between India and Pakistan.
- **Seize and Secure:** The U.S. military intervenes in Egypt to secure the Suez Canal and the Suez-to-Mediterranean Pipeline in order to protect global trade and energy flows as civil conflict erupts in the country. Alternatively, the U.S. military seizes strategic locales in Iran along the Strait of Hormuz in response to Iranian military moves to impede the free movement of maritime vessels.
- **Human Security Operation:** The U.S. military leads a UN-sanctioned multinational force into Somalia to secure lines of communication and create humanitarian sanctuaries as Al Shabaab militants block international aid and kill innocent civilians.
- **Opposed Stabilization:** The U.S. military goes into southern Iraq to help pacify a Shi'a separatist movement that threatens to spread and ignite a sectarian civil war in the region.
- **Sanctuary Denial:** The U.S. military deploys forces to Yemen to eliminate terrorist bases that have served as staging locations for regional attacks.
- **Major Combat Campaign:** The U.S. military leads a UN-sanctioned multinational force into Sudan to repel northern Sudanese forces who have recently invaded independent South Sudan. Alternatively, the U.S. military joins South Korea to retaliate against North Korea in response to a ground invasion attempt by the north.<sup>43</sup>

This set of scenarios, which excludes several smaller missions identified by Freier that would require less than one brigade, is intended to be illustrative, not predictive or comprehensive.<sup>44</sup> It is also easy to envision any one of the hypothetical missions above expanding quickly beyond a single brigade requirement. However, it is interesting to note that of these scenarios, only one – a major combat campaign on the Korean peninsula – takes place in the Asia-Pacific. The rest occur mainly in the Middle East with a few occurring in Europe, South Asia, and Africa – which suggests that the majority of security challenges that might require ground forces over the next decade will emanate from regions other than the Asia-Pacific. This supports the rationale for a new division of responsibilities discussed in the previous section. Furthermore, the wide range of scenarios suggests that ground forces can hedge against many

<sup>43</sup> Ibid., pp. 23-61.

<sup>44</sup> Ibid., p. 6.

different types of unexpected contingencies, especially those arising from global instability.

It is beyond the scope of this article to suggest appropriate levels of U.S. ground forces, although our previous work outlines several illustrative scenarios with associated risks.<sup>45</sup> But to the extent that decision makers choose to cut ground force end strength, these cuts should be implemented in a way that is reversible in case the ground forces find themselves lacking the capabilities or sustainability required to perform an unexpected future mission. Smaller active-duty ground forces must maintain high levels of readiness, and be prepared to rapidly respond to unexpected crises. But smaller ground forces should also be structured with built-in expansibility, meaning the ability to generate additional capabilities and organizations quickly, effectively, and at the lowest possible cost. The rapid increase in the size of the Army and Marine Corps starting in 2007 demonstrates that DOD can expand ground forces successfully when it needs to. The lessons of that build-up need to be captured and institutionalized in the Army and Marine Corps that emerge from the current conflicts.

While expansibility will not provide as much insurance against unforeseen threats as maintaining current levels of ground forces, it still conveys to potential adversaries that the United States can increase the size of its ground forces rapidly enough to prevail in a conflict, thereby deterring them from aggressive behavior in the first place. Because policymakers can reinvest some of the savings generated from maintaining smaller but expansible ground forces into other U.S. military capabilities – such as remotely piloted aircraft, attack submarines, and long-range strike bombers – modest cuts to ground forces might actually result in a net increase in the deterrent value of the U.S. military as a whole.

Policymakers should take four important steps to preserve the expansibility, capabilities, and readiness of U.S. ground forces in the face of budget constraints. These measures will help ensure that the U.S. military is adaptable enough to increase its focus on the Asia-Pacific, hedge against threats from the greater Middle East, and still maintain the expansibility needed to respond effectively during the next unforeseen global crisis.

*Protect Key People:* People, not platforms, form the backbone of the ground forces, and junior and mid-grade officers and sergeants form the heart and soul of the Army and Marine Corps. These leaders will execute any future expansion of the ground forces; they provide the knowledge required to develop effective soldiers and organizations. The Pentagon should craft policies now to ensure it retains these key leaders and provides them with the right professional development opportunities. Defense officials should encourage non-traditional career paths, require rigorous operational duties even when the nation is not at war, and provide greater flexibility in career pace – including the opportunity to take time to attend civilian graduate

<sup>45</sup> Barno, Bensahel, and Sharp, *Hard Choices*, pp. 13-22.



school, spend more time with family, and work in the private sector. While high costs make pay and benefit reform inevitable, the current generation's benefits should be protected and any future compensation system should be built to ensure the highest quality recruits.

*Maintain High Readiness:* The “hollow Army” of the 1970s remains a compelling example of how to badly execute a post-war defense drawdown. Ground forces in particular remain vulnerable to decaying readiness in budget-constrained environments owing to the complex nature of measuring effectiveness in land warfare outside of actual combat. Moreover, budget dollars for training are often sacrificed to keep equipment repaired and to bring new systems online. The exceptional training and readiness of U.S. military forces since the mid-1980s have been a hallmark of U.S. military strength and global influence over the last three decades, and the high readiness levels of U.S. ground forces in particular enabled a host of rapid and effective responses to unexpected crises and short-fuse contingency operations. In an era of increasing volatility and instability, U.S. military readiness and the funding required to assure it must be carefully protected.

*Prioritize Research and Development:* The Pentagon should pursue research and development to build a bridge between current weapons systems and highly capable future systems. Maintaining a robust research and development base will ensure that the Pentagon continues to develop a range of technological options to overcome security challenges. It can then select and scale up the solutions it needs in response to a crisis. The rapid acquisition of Mine Resistant Ambush Protected (MRAP) vehicles starting in 2007 demonstrates how quickly the U.S. military can procure large amounts of equipment when it commits to doing so. Prioritizing research and development also will help DOD avoid spending excessive resources on large-scale purchases of weapons and equipment that may soon become technologically obsolete. The default model for many acquisition dilemmas confounding all four military services should be to accept higher risk absent a proximate short-term threat and invest in more targeted threat-focused research and development programs over the long term.

*Strengthen Partnerships with Key Allies:* The quickest way for the U.S. military to expand its supply of ground forces is to convince allies to contribute troops to an operation. While coalition operations present plenty of challenges, the United States will nearly always prefer to undertake military operations in concert with its allies.<sup>46</sup> Unfortunately, key American allies such as the United Kingdom, Germany, France, and Canada have recently reduced their ground forces, and more cuts are planned for the future.<sup>47</sup> Despite these

<sup>46</sup> Nora Bensahel, “International Institutions and Military Effectiveness: Fighting Alongside Allies and Partners,” in Risa A. Brooks and Elizabeth A. Stanley, eds., *Creating Military Power: The Sources of Military Effectiveness* (Stanford, CA: Stanford University Press, 2007).

<sup>47</sup> Freier et al., *U.S. Ground Force Capabilities through 2020*, p. 13.

limits on their overall capacity, allies can nevertheless make important contributions that will allow American ground forces to expand their presence, speed, and precision during military operations. And during peacetime, ground forces provide a crucial bridge in engaging with and building the capacity of friendly militaries around the world. The United States should continue to strengthen partnerships with key allies, especially those in the Asia-Pacific and Middle East, by negotiating access to military bases, prepositioning equipment stocks, conducting officer exchange programs, and training and equipping its partners.

## Conclusion

George Kennan, a man whose strategic vision was misapplied frequently by the U.S. national security bureaucracy, often lamented the “vast, turgid, self-centered, and highly emotional process” through which Washington carries out policy.<sup>48</sup> While that process has not changed much since Kennan’s day, something else has: the United States no longer faces a near-peer adversary like the Soviet Union to use as a benchmark for its national security planning. The 21<sup>st</sup>-century security environment is far more complex, with the United States deeply linked to a global web of interests that are vital to its security and prosperity. This complexity leads U.S. policymakers to disagree constantly about what the most important national security priorities should be. The simmering debate over priorities is intensified by Americans’ broad desire to play an active role in global affairs and maintain the U.S. position as a superpower.

The Obama administration has correctly identified the Asia-Pacific as the most important region for U.S. foreign policy in the century ahead, but declaring it so does not magically eradicate other pressing threats around the globe. Viewed strictly in terms of time, the potential threats to U.S. interests in the Asia-Pacific remain mostly nascent. But elsewhere in the world, particularly in the resource-rich and increasingly unstable arc of the greater Middle East, security threats are proximate and growing rapidly. Iran’s quest for nuclear weapons, Israel’s precarious neighborhood, and Iraq’s turbulent sectarian infighting all require U.S. policymakers’ attention today, not tomorrow. Orienting the United States toward the rise of Asia is both far-sighted and prescient. Yet the United States can ill afford to allow such a bold shift to place at risk its pressing interests elsewhere.

Hedging against turmoil in the Middle East and inevitable shocks across the globe is just as important as pivoting toward the Asia-Pacific. To implement a “Pivot but Hedge” strategy, American leaders will need to do

<sup>48</sup> Quoted in Robert Dallek, *The Lost Peace: Leadership in a Time of Horror and Hope, 1945-1953* (New York: HarperCollins, 2010), p. 264.

three important things. First, the United States must exercise more caution in its ongoing defense cutbacks. Defense cuts of \$900 billion threaten to undermine the U.S. ability to maintain an effective global engagement strategy. Second, the United States should give its military services greater leadership roles in specific regions. Naval and air forces should focus on the vast distances of the Asia-Pacific, while ground forces should focus on the energy-rich but increasingly volatile Middle East. Finally, the United States should hedge against shocks and the likelihood of unexpected conflicts by carefully preserving its ground forces. Ground forces, even if reduced in size, must remain robust, well-trained and equipped, and fully capable of power projection. They must also be designed for rapid expansion should a conflict erupt which demands their long-term commitment, as was the case during the last decade.

The United States can manage this new world of global complexity and global demands with less defense spending, but it must adopt new ways of thinking in order to do so. It cannot overlook U.S. vital interests and looming threats that lie outside the vast arc of the Pacific Rim. Aligning its reduced resources in ways that reflect the global nature of U.S. interests is essential if the United States is to retain its mantle as a global superpower during the first decades of this fast-changing century.

