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THIS WE'LL DEFEND - THE ARMY'S ROLE IN DEFENDING THE
NATION AGAINST TODAY'S SECURITY AND FISCAL CHALLENGES

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THIS WE'LL DEFEND - THE ARMY'S ROLE IN DEFENDING THE
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(6:00 p.m.)

MR. ISAACSON: Good afternoon and welcome to the beginning of the Aspen Homeland Security Program. I want to welcome the secretary of the Department of Homeland Security, Jeh Johnson, and of course --

(Applause)

MR. ISAACSON: -- actually last night we -- as you know, Anthony Kennedy was here with his fed marshals, the secretary of Homeland Security, and then the general, Odierno, were coming. And I'd never seen more security. And Kathy (phonetic) said to me, can you go down and lock the front door. I said, this one night we just don't need to -- don't need to worry about. It's great to have all of you all here. It's particularly important because this is -- besides being a Hurst Lecture Series, it is part of our Homeland Security Forum.

And the Aspen Security Forum was started by Clark Ervin and our Aspen Homeland Security group 5 years ago. Clark and I talked about having something that would be a new model for the Aspen Institute, which was a hardcore working group that Jane Harman, Janet Napolitano, Michael Chertoff, and others put together that would study things, then a more public program where it could be discussed, and a year-round policy program where we could work through some of these things.

Clark has put it together magnificently. And if Kitty Boone is not here I'm going to tell you a secret, which is I looked at this program and this now rivals or perhaps exceeds the Aspen Ideas Festival. So Clark, thank you very much for what you've done.

(Applause)

MR. ISAACSON: I do -- there is really not -- it's hard to think of a more important topic, to find a place to convene, in a nonpartisan way, and to try to lead based on our values. And I do urge all of you who are interested to talk to Clark or anybody else about being involved in the Aspen Homeland Security Program which is a year-round program that culminates with this. I also want to thank our sponsors who've been very involved -- IBM, Intel Security, Microsoft, Raytheon, and Target. And Target is here.

So instead of me having to work any harder, I'm going to introduce you to the person who's in charge of security for Target which as you know spans many things these days. It's a challenging job. It's like being in charge of hurricane relief in Louisiana -- you're always busy. But we're very lucky that somebody this distinguished who ran the Minneapolis office of the FBI, I think counter-terrorism with the FBI, somebody this distinguished is both protecting those of us who shop at Target and being part of the Aspen Security Forum. Thank you very much, Ralph. Why don't you come up here and introduce our friends?

(Applause)

MR. BOELTER: Wow, what a set up. Good to see everyone here tonight. Walter, I want to thank you. And I want to thank our partners at the Aspen Institute for hosting this great event for -- this is the fifth year, if I understand correctly. So congratulations on 5 years running. This is really, really an unparalleled forum -- and I've been to a few of these things in my life -- but an unparalleled forum to engage and learn about the security issues of the day and the corresponding policies and practices that go to those issues and perhaps move us to influence some positive action in that regard against those threats.

I'm proud that Target has sponsored the Aspen Security Forum for 3 years running now. It is -- doing so is consistent with our commitment to help enhance the

safety and general wellbeing of communities across the United States and Canada now. So security may look different for each person in this room, and it may mean something different for each person in this room. But those of us who are involved in that kind of work can point to particular incidents or events that have challenged us as security professionals.

For me -- no big surprise -- one of those moments recently was when I discovered that Target's IT system had been hacked, quite a significant hack, risking the information of millions of our guests. Some of you in this audience were actually with me the evening I learned of the breach last December during a security meeting that I was hosting myself in D.C. And you may recall my surprise and frankly my dismay on receiving that news, knowing the substantial investment that Target had made to prevent that very thing from happening, and yet had happened.

So it's experiences like these that put our organizations, our reputations, and in some cases our nation and people's lives at risk, as we all know. At the same time these sorts of events reinforce for us the need to understand the rapidly evolving security threats across the spectrum and to learn from each other's experiences so that we can be better equipped and better postured against those risks going forward, and to do that consistently to optimize our ability to keep our organizations safe, our community safe, and in turn our nation safe and secure.

Like many of you, Target believes that our collaboration is really key in this effort and that barriers to collaboration are ultimately barriers to achieving the very security that we so intently want. Individually organizations and agencies may be equipped to prevent or remediate threats to themselves and protect themselves, but stronger collaboration holistically is really what is needed to protect us all collectively. We know that terrorists collaborate, that organized criminals collaborate.

We know that cyber hackers collaborate worldwide today and that they're getting smarter and faster in both the physical and digital realms. So in the absence of a collective solution that unifies the public -- or unites the public and private spheres in this regard, there's couple of things that we can do. We can use our current networks and forums like Aspen, leverage this incredible forum to develop and strengthen working partnerships in order to better focus our security strategies as needed.

We can advance the conversation -- again, that's something that happens here -- and identify new approaches to the threats that confront us. We can work to establish better frameworks and platforms for sharing information and leveraging each other's resources. But most of all, we must be resourceful and imaginative in this endeavor. In this way, after the data breach for Target, Target and other organizations in the cyber security field in some form came together to form the Allies for Consumer Digital Safety, a coalition of sorts.

Working since January, with Aspen as an independent facilitator in this effort, the Allies have worked to develop a program to promote a culture of digital safety and educate consumers so that they can better protect themselves. We said we were going to take the lead on this, and we're well into a process of rolling out a program that is fresh in its approach and that's effective and impactful. The campaign is set to debut this fall, so I'd ask you to look forward to that.

We're really excited about the way the coalition came together, the Allies came together, and we're excited about what we're going to roll out. So clearly each of our organizations, whether public or private, has a role to play in security. No one entity has the complete answer, no one can go it alone. The threats are universal and the threat environment is simply too dynamic. So I'm eager to hear the general's analysis of the global situation, and I'll be thinking about how it affects Target's business and what we can do to help.

So to get started I'm pleased to introduce our moderator for this evening, David Sanger. David is the national security correspondent for *The New York Times*. He has reported for *The Times* from New York, Tokyo, and Washington, covering a wide variety of issues surrounding foreign policy, globalization, nuclear proliferation, and Asian affairs. Before covering the White House, Mr. Sanger specialized in the confluence of economic and foreign policy and wrote extensively on how issues of national wealth and competitiveness have come to redefine the relationships between the United States and its major allies. Please join me in welcoming David Sanger.

(Applause)

MR. SANGER: Thank you very much. Thank you, Ralph, for that. And I'm very pleased to be here. I'm sorry to disappoint you all -- I'm not Wolf Blitzer who don't have the great beard, I'm afraid. But Wolf was tied up in Israel in the coverage of the astounding events that are taking place there. And so I'm happy to stand in and to introduce Gen. Raymond Odierno who became the 38th Chief of Staff of the U.S. Army in September of 2011. He's from Rockaway, New Jersey, that's right in the middle of our readership.

He of course went to West Point, graduated in 1976. He was previously the commander of U.S. Joint Forces Command and commanding general of U.S. forces in Iraq at really some of the most challenging moments in Iraq, and we will talk about that some. He was a primary military advisor to Colin Powell when he was secretary of state, and he also was the military advisor to Condoleezza Rice. I think that's when Gen. Odierno and I first met.

He has four distinguished service medals, two Army distinguished service medals -- well, if I gave you the whole list of medals it would go on for some time. But I can also tell you that in addition to having all kinds of interesting thoughts about how the Army is changing in this post-Iraq, post-Afghanistan time, he is one of the military's most interesting thinkers in how our

overall military posture has to change not only over the next 2 years, but over the next two decades.

So I'm very happy to welcome him up here and to engage in a conversation which will then open up to all of you. Gen. Odierno.

(Applause)

MR. SANGER: Well, thank you again for being here with us, particularly at this moment of particular calm in the world.

(Laughter)

MR. SANGER: As Zbigniew Brzezinski said the other day, he thought that this might be one of the periods of time in which we are witnessing more chaos in more corners of the world than we have in decades. And there are all kinds of interesting reasons for that, some of it may be post-Arab Spring -- didn't work out quite the way that we had enthusiastically hoped a few years ago. Some of it is the backwash from Iraq and Afghanistan, some of it is very old conflicts in the Middle East, and some of this is the rise of emerging powers like China, a little bit of it is what we've seen from Vladimir Putin.

So my first question to you, Gen. Odierno, was how much of what we are seeing right now do you think is connected, and how much of this is just unlucky timing that we are facing so many challenges that are so violent in so many parts of the world?

GEN. ODIERNO: Well, I think there's a couple things that are contributing to it. One is, I think, the change in movement of information, how quickly information can now move, how more -- how quickly people can be informed has change dramatically in the last 5 to 10 years. And I think that is creating instability in many nations around the world, and I think that's one of the contributing factors. So I think that connects part of this is that people now understand more about what other

people have, what they might want, how much control they want, they want a say in their government.

And so what you're seeing is people have opinions and rise up through the ranks to challenge long-term hegemony that in many places was going on. In the Middle East, I will tell you, there's -- everything is tied together in some way, whether directly or indirectly. The one thing I've learned over the last 10 to 15 years is that, you know, the main thing you got to figure out was why is something happening. And when you dig into the why, the interconnection is incredible and the second-, third-, fourth-, fifth-order effects compound as you go forward.

And I think that's part of what you're seeing as well. And the other piece is, you know, the world for many years was a bipolar world, and you know, we're now 30 years beyond that or so. And you have seen the world react to -- again, with knowing more information and the fact that there are now regional powers that are trying to take control. And so I think that's part of the growing instability that's going, and I've characterized as clearly the most uncertain time that I can remember in the 38 years that I've been here.

I won't say it's the most dangerous, but it's certainly the most uncertain and most unpredictable. And that makes it dangerous in itself, the unpredictability and the uncertainty that we face, especially as we face budget pressures which I know maybe we'll talk about.

MR. SANGER: We will get to that. Let me turn to the part of this that you know best from long and sometimes bitter experience, which is Iraq. When the United States left Iraq there was a plan in place to have trained the army, to keep the training going, to keep the military to military relationship healthy and moving. And yet as ISIS rose and took territory in the past 6 months, I think it is a great understatement to say that people were quite disappointed in the performance of the Iraqi military when left to their own operations.

Where did you expect that the Iraqi military would be 2-1/2 years after the American withdrawal, and what do you think went wrong?

GEN. ODIERNO: Yeah. So -- couple things. One is -- I want to -- I do want to go back. So December 2011, when the United States finished its operations in Iraq, at the time I think everyone would have told you that security is at best level it's been in a very long time. The Iraqi security forces had been conducting independent operations for over a year. The economy was growing, they were forming a new government and that went fairly smoothly. So people felt that it was going along the right way. So what happened? And that's the question.

So first off, because of a lack of agreement, a SOFA agreement, that limited significantly any mil to mil relationships because simply we were unable to put much military on the ground to do any type of training at all with Iraq. So they became more reliant on contractors and other things. And I'm not saying contractors can't help, but that had some effect. But let me -- the problem here is not the training of the Iraqi security forces. The problem you saw with the -- because they didn't fight. They gave up. They abandoned their posts in the north.

Why did that happen? Well, first it became the politicization of the military leadership inside of Iraq. Leaders were changed out, many of them were qualified. There were some sectarian nature to the changes that were made. So I believe what you found is a complete lack of trust, confidence, and frankly, loyalty to the commanders. So when they were challenged you saw them very quickly fade away. They were in some cases not willing to fight for a government that they perceived as not standing up for all the different peoples inside of Iraq.

So I think that played a significant role in this more than anything, although I would say that their ability to continue their own training was disappointing.

And the lesson here is you got to stand up an institution that is lasting, that can sustain a long period of training and sustaining of an army over the long period of time. And I think that piece we fell short with; we weren't quite done with that when we left in 2011. That's why we wanted to leave more soldiers behind, but were not able to come to an agreement that allowed us to do that.

And I think there was overestimation on the Iraqi leadership part of how far they had come. And they felt because of the successes they had had they really no longer needed the United States there to help train, so we did not get an agreement.

MR. SANGER: Was there an overestimation on our part as well? Because once we made the decision to leave anyway without the agreement, was there a -- were we living in a hope that they would come together and stay together in a way that we had early signs was not sustainable?

GEN. ODIERNO: Yeah. I think where we probably miscalculated a bit was the unity government that was formed. We felt that the unity government would be able to carry on, but over time that quickly began to fall apart between all three entities. And I think that was probably something that happened that we didn't quite expect, and then to the extent that it happened and the impact it had specifically on the Sunni population within inside of Iraq.

MR. SANGER: Mr. Maliki is losing allies pretty quickly these days -- seems like he may have just lost Sistani. The Iranians themselves seem quite nervous about him in a way that they were not before. You don't -- it's hard to get your colleagues on the political side of the U.S. government to say anything very nice about him or even to suggest that it would be a better solution than him stepping aside and putting together a new government. Would that even make a big difference from a military perspective at this point?

GEN. ODIERNO: Well, what I would say is -- my personal belief is if you don't have somebody in charge that the people believe will form a unity government, Iraq will not move forward. It will continue to disintegrate. So we have to make sure does -- is Maliki the person to do that or not. We can all make our own judgments on that. I think it's proven so far that it will be difficult to have a unity government with him right now, but we'd have to wait to see it play out.

I mean they are -- the good thing about this is they are in the process of forming their new government. They just had an election, nobody had a majority. Maliki's block had the most votes, but enough to build a government without a coalition. So all of that has to go on now. So obviously the hope is that the government that will come out will be one that clearly supports a unity government as we go forward. Will that solve the problem? My guess is, not completely. But that's the first step in solving the problem.

If you don't get that, no military force will solve the problem inside Iraq that -- you know, the lesson that I learned over the last 10 years in Iraq and in the Middle East is that military power, no matter how much you have, cannot solve the problems alone. It's got to be a combination of many different things to solve these problems. And so that's contributing to this. So the first steps got to be a unity government that the country believes in and will follow.

MR. SANGER: And for us, what kind of strategy do you see going forward in combating ISIS, which of course came up in many ways out of the disintegration of Syria? So whatever strategy we have, really has to be far more than an Iraq strategy for this.

GEN. ODIERNO: I believe it's, you know -- so we have to be very careful as we move forward because this is not easy. So you know, you have a combination of many different groups coming together inside of Iraq. It's just not ISIS. It is ISIS, disenfranchised Sunnis,

probably some of the old Saddam Hussein regime. It's a bunch of people that are coming together, not all of them -- so I call -- you have reconcilables and irreconcilables. ISIS, for the most part, are probably irreconcilables.

But all the others are reconcilables and so you have to be very careful about what steps you take and then you have to be very measured because what you don't want to do is conduct some sort of action where you're actually punishing those who were probably not directly responsible for ISIS. And so that's what makes it very complex and complicated. And I think that's why we want this to be solved working through Iraqis. And again I go back to then you have to form a government that (inaudible) confidence.

And so we can start supporting them and helping them to win back the Sunni, separate them from ISIS, and then that probably helps you to potentially have some impact in the future. But I want to -- I do want to reinforce a point you made. ISIS is not an Iraq problem. It's a Syria-Iraq problem, it could expand in Lebanon, it could -- this is a problem we have to watch very carefully. And what we -- you know, and it could be a popular movement with extremist organizations, you know, that continues to expand itself throughout the Middle East. So it's something that we have to watch very carefully as we move forward.

MR. SANGER: One last question related to Syria, then I'd like to move on to Ukraine and a little bit about the future of the force. As -- you saw the debate play out, and as a member of the Joint Chiefs you joined in this conversation about the degree to which the United States could arm rebels in Syria, the degree to which we could do that overtly, the degree to which we could do that covertly. You saw the internal debates that we've now read about in Secretary Gates' memoir and a bit in Hillary Clinton's memoir about how actively we should do that.

And as you know, there was a big split within the Obama administration on this subject. I understand you can't take a political position on this. But as a matter of military effectiveness, had we been more active in arming the rebels if we knew which ones to arm --

(Laughter)

MR. SANGER: -- never an easy question -- a year-and-a-half, 2 years ago would it have made a difference for what we have seen emerge from ISIS?

GEN. ODIERNO: It's a -- so I believe that what's happened is the fight in Syria with -- you had some opposition that was within Syria and then joined by many outside sources of foreign fighters as we call them, that moved into Syria and began to fight. That would have happened no matter what we had done. And then you had this internal fight between them. And what you saw is ISIS then begin to become a bit stronger and then spread. I'm not sure us arming the rebels would have had much impact on that because they were supposed -- the good rebels --

MR. SANGER: Yeah.

GEN. ODIERNO: -- if you want to leave it as a - - and your point is that the time delineating between the good rebels and the bad rebels was not a very easy thing to do. And you know, and the problem is unless, you know, we are there and can really understand what's going on, it is very, very difficult doing from far away. So you know, as we're seeing now, I mean you're seeing in Northern Iraq where ISIS has controlled some equipment that we had left for the Iraqis, you might have seen some of that same thing in Syria.

So the issue here really is about the extremist elements here who are trying -- who have used Syria and now Iraq to take advantage of that to go after their old ways which is to establish a caliphate which has always

been their goal. And so that's what you're seeing starting to play out in this part of the Middle East.

MR. SANGER: You were part of that last decade of West Point graduates who were trained in the Cold War and trained to think about Soviet ambitions. And then you rose in an army where the Cold War was a memory and you had an entirely different set of challenges. As you think about the challenge that Russia now poses, the different kind of behavior we have seen from Vladimir Putin just in the past year, certainly in the past 6 months, has it changed your own perception of what kind of threats that you think the U.S. would be dealing with over the next few years in your time and beyond your time as the Army chief?

GEN. ODIERNO: So a couple things. First, the Cold War -- so what -- I mean I'd -- I want to cover that because it's important to get us to where we are now. So the buildup in the Cold War in the '80s and -- against the Soviet Union and the collapse of the Soviet Union, you know, that buildup was used in the initial Desert Storm, it was used in Panama, it was used in the second desert operation in 2000. So it gave us the capabilities that enabled us to very quickly defeat any adversary, at the time an army that was felt by everyone else to be one of the strongest armies in the world.

So the reason that's an important understanding to have -- Army -- and you -- obviously what I'm talking about is about joint force, not just the Army -- our ability to deliver joint capabilities. The reason that's so important is people realize that they don't want to take us on with conventional capabilities. So they're trying to do everything they can that can now limit the advantage that we have, the large advantage that we have in conventional military operations. And that's what you're watching playing out.

You watched it play after we -- so one of the things we learned is after we overthrew Saddam Hussein -- we took him out of power, we did that in 3 weeks pretty easily, no problem -- then when we tried to set up the

government what we started to see is a new type of warfare being used which was one of an insurgency using irregular tactics -- IEDs and other things that tried to limit the advantage, the technological advantage that we have. So as we move to the future what we have to think about is really -- what we're really taking a hard look at is how we operate within the human domain and how do we impact and influence the human domain.

Because it's humans who make these decisions, it's humans who are trying to compel, it's humans who are trying to deter from making certain decisions. So we have to figure out as we move forward is how do we do that as a military, how do we deter them and compel them to do that. And in my mind it's about setting up a network, a worldwide network of capability, a joint worldwide network where part of that is a landpower network that we establish with our multinational partners, with our interagency, with our intergovernmental partners.

And it -- I'm not talking about thousands upon thousands. I'm talking about small nodes of capability that enables us to reach in and do a variety of operations where we can surge capability to build partner capacity in a certain nation, or to do a multinational exercise with our allied partners, whether it be in Europe, whether it be in Asia, or a capability to deploy some operational capability, if we have to do that.

What's changed in warfare is, I believe, we will no longer see a time where we have the time to mass a hundred thousand soldiers on the border of a country and go across. It is going to start out in very small doses, a deployment of 500 soldiers or marines or a thousand, where we do an assessment and then we understand what's going on in combination with our special operations force partners. And then we determine what we need to do after that to follow-on in order to get the effect that we need. And we have to be capable of combating -- or combating what I consider to be a complex hybrid environment, which will be a combination of some conventional, some terrorist operations, criminal organizations, some level of an insurgency, asymmetric warfare, it is going to be a

combination of all of those things that we are going to have to operate in.

And so we are going to have to be agile and adaptive in sizing our formations and building our formations and in developing our leaders in the future that will enable us to deal with this complex problem and that's where we are starting to move as an army now.

MR. SANGER: So you've done that very effectively in places like Africa where you have certainly had some of your first experiments with that. You have done it increasingly in Asia and we will get back to the pivot in a bit. But a place you couldn't do it was Ukraine because they weren't a NATO member and they are in this sort of odd netherworld between. And of course, that's the conflict right now, where you sort of most need an understanding. So, tell us how we go about thinking about that problem right now?

GEN. ODIERNO: So, first we want to operate under NATO construct. We have a NATO organization that's there and operating under. So, let's kind of talk about what has happened. So, what did we do? So from an Army perspective although small -- and this is kind of how I see the future -- we deployed four airborne companies into Latvia, Lithuania, Poland and Estonia in order to assure them and to begin training with them and to show that we have the ability to do this.

We are conducting exercises where we moved heavy forces, where we left equipment behind in Europe, we moved heavy force here, they fell in on the equipment and they are going to conduct exercises with NATO partners in Eastern Europe and with Central European partners.

So this is what I am talking about, a network of response that we want to have. Now you know, what we have to try to figure out is, you know, what are we seeing out there and I would use a couple, what are we seeing happening in the Ukraine, what does that really mean. Well, we're seeing -- do we believe that it's Russian surrogates that are doing this, is that the playbook?

We've watched Iran do this now for years where they used surrogates. So is that a certain playbook that we see, what does that mean? We don't know, we got to figure that out, we got to understand what that means, we got to figure out how do we combat something like that as we move to the future. Those are the kind of questions that we have to think about and we have to start organizing our force and training our course to react to it.

And this gets back to this what we call -- and, you know, we have an acronym for everything, we call it JIIME, the Joint Interagency Intergovernmental Multinational Environment, how do we solve this problem using that. The problem we have -- and I want to use NATO as example because it's a good one. Our NATO partners have significantly decreased their spending in security. So it's not like it used to be in the '80s when they were spending, we were spending. And so we have to better understand what all our capabilities are, we have to understand where our strengths and weaknesses are, we have to work together to build multinational capability to solve these problems and we have to do it in such a way where we are interoperable and we are going to have to be interoperable at different levels.

And inter-operables, you know for those -- so you can talk to each other, you are used to operating, you have the same doctrine, you understand the concepts, we use congruent concepts. Because units are getting smaller we have to have interoperability at a lower-level, which we haven't thought about before.

We have kind of thought interoperability from large formation to large formation. Now, we are going to have integrated formations. So those are the kind of things we have to think about. We have to think about how do we create several challenges for our adversary. So, in other words, we don't want it to be one challenge, we want to create a series of very difficult challenges where we are comfortable in maneuvering in this complex space and they are not.

So, that -- so we gain an advantage because I

believe the ultimate advantage that we will always have is in our leadership and in our ability to develop thinking, adaptable leaders, noncommissioned officers and officers and that's an advantage we must continue to work on and grow over time.

MR. SANGER: A few months ago you said to *The Times* that you felt that we were at a very important inflection point in the debate about how big the Army should be as it faces these challenges. I think that peak that you reached post 9/11 was about 570,000, you are now down to around 490, is that right?

GEN. ODIERNO: Today we are at about 517, on our way to 490.

MR. SANGER: On your way to 490. If you believe the things you hear when you walk the halls of the Pentagon and certainly if you walk the halls of the White House, you may be headed to 420, would be a quite significant difference.

GEN. ODIERNO: Right.

MR. SANGER: Tell us how you think that affects the set of missions you just described?

GEN. ODIERNO: I have testified this, so I feel very comfortable saying it here in public and I have been very clear and this is about sequestration by the way. So, the President's strategy as he built -- and we all signed up for it back in 2012 -- is a strategy that we think is sound and could help us to deal with all the threats that we have talked about.

And when we developed that strategy, the Army, for example, was going to be a 490,000 men person Army and we believe that that size and the capabilities that comes with that would allow us to execute that strategy. Well, since then, we've had some things come in the way such as sequestration. And so we know now that as a minimum we are going to go down, the Army will probably go down to somewhere between 440,000 and 450,000 based on the current budget that we've been given.

What we don't know is what's going to happen after '16 and if it goes to full sequestration, we are going to go to 420,000. And I have been very clear that at 420,000 we cannot execute the current strategy, we will not have the capacity or capability to do it. And I have outlined it in some detail and I don't have enough time to do it now but I -- there is details of why we can't do that.

So, we are going to have to change it. If we execute full sequestration we are going to have to relook our strategy because we will not be able to accomplish everything that's involved in our strategy. And for me that's something that is somewhat concerning because since 2012, the world has not become a safer place. It, in fact, has become more unpredictable and more uncertain as we have talked about because since then there's several things that have happened.

We have seen a degeneration in Iraq, we have seen Ukraine, we have seen some problems in the South China Sea and East China seas. So things are not becoming more stable, they're becoming more uncertain. And so for me that's somewhat concerning.

The second point that bothers me is that as we go to 420, it's not simple, so let me give you an example. So, today as I sit here, the Army has 65,000 soldiers deployed. We have another 80,000 in 150 countries around the world. So, our commitments are -- although they are coming down in Afghanistan, they are growing in other places and so we are not reducing what we have to do with the force we have.

So, we have about a 4-5 year window of vulnerability because if we go to 420, it will take us to about 2019 to get there and what happens when you do this, we have a triangle that we try to keep, readiness, modernization and end strength, and we are not -- we are out of balance today and we will maintain out of balance till about 2020. Because of the harsh nature of sequestration and the quickness of it, it does not allow us to properly balance that.

And so we have a window of vulnerability over the next 5 years, where it will affect readiness and modernization until we get end strength out. And the people will say, why don't you take end strength out faster. Well, because I have 65,000 soldiers deployed, another 80,000 in 150 countries and all by the way we want to do this in the -- we want to take care of the soldiers who fought for the last 13 years as we do this.

So the combination of those three things do not allow us to automatically take out large chunks at one time. And by the way that guts to your leadership if you do that, that would gut NCO and officer leadership if you did that which will be a problem as well.

MR. SANGER: You said to my colleague, Tom Sanker (phonetic), "What keeps me up at night is if I'm asked to deploy 20,000 soldiers somewhere, I'm not sure I can guarantee to you that they are trained at the level I think they should be." You said that in January.

GEN. ODIERNO: Right.

MR. SANGER: As concerned about it today?

GEN. ODIERNO: Right, so this was when I said that at the time, I think I just got done saying we have two brigade combat teams already and that's it. And that had to do with sequestration in '13 and the money that we had lost in '13. The Congress then passed the bipartisan budget agreement which gave us money in '14 and some back in '15 for readiness. So, because of that we have been able to rebuild our readiness.

So, today we are in much better shape, we are -- I could deploy up to 50,000 soldiers today that have been trained. The problem we have is the way sequestration is set up is in '16 we lose all that readiness again because we are not funded for readiness in '16. And so for '14 and '15 I will be okay and '16 our readiness will fall back down if sequestration continues and will remain that way for several years, 2-3 years and that's the concern that we have.

MR. SANGER: One last one on this. I'd like to ask you to engage for a moment in a thought experiment that we sometimes ask students who are looking at these budgets for the first time to engage in, in a case study I have participated in a few times.

What we've asked them to do is identify the threats that you think are out there for the next 5 or 10 years, you have done some of that for us. You all have to bear in mind what Secretary Gates warned, which was that if you go back over that past conflicts we have been involved in 12 months before them, we probably had very little concept that we would be there from Korea forward, right.

GEN. ODIERNO: In the '50s.

MR. SANGER: But at the same time if you identify those threats, we then usually ask the students, how would you build a force ideally for those threats. And almost overwhelmingly they come out with what the Obama administration called the light footprint in the first term - drones, special forces, cyber. They usually end up relying fairly little on a traditional army end strength.

When you conduct this same experiment and I am sure you have done it a few times, if you could make all the politicians, all the lobbyists, all the old outdated Cold War systems go away and design the system the way you wanted it ideally, what would it look like?

GEN. ODIERNO: So, a couple of things is -- so the three things I think about which we have to be able to do is prevent conflict, shape the security environments, the regional security environments through the combatant commanders and then if necessary win -- and winning, I will talk about it in a minute.

So, preventing conflict, there is a couple of things that allows you to prevent conflict. You have to have the ability to deter and you have to have the ability to compel. And so in my mind you have to have a

capability within your force, a joint capability, a balanced joint capability that allows you to deter your adversaries because they are very careful in analyzing what we do and where we will be weak and how they then will respond and try to gain what they are trying to achieve. And so as you build your force, you got to make sure you have enough capacity and capability to prevent conflict.

I want a force that becomes more regionally smart that can be -- with a smaller force we have to have the ability to rotate regionally into the Pacific, into Europe, into Africa, into the Middle East that continues to allow us to understand the environment we are in, to build capacity, a multinational capacity to assure access when we need it and so we want an Army that enables us to do that and has the capabilities to fight in those specific areas.

And then third, in order to win and that's the win depending on what the conflict is. And then you have to build the capability to win. So, the reason I went through all of that is drones, special forces and other capabilities give you a certain capability to go after one kind of threat, a terrorist threat. So if you believe that's the only threat we have, that's the way to build your force. I personally believe we have much more diverse threats that we are going to face. And so drone warfare is a capability to target and take out certain amounts of people.

What I would say is you have been somewhat effective in decapitating some of the leadership. You can have a discussion whether we have compelled them to stop doing what they're doing. And so that's what you have to think through as you go through this.

So, in my mind we have to be careful about what we wish for and make sure we are very careful in how we design the future force as you move forward because we can make broad assumptions -- and by the way I don't believe that's quite the Obama administration's policy because the defense strategy we built, yes its counter-terrorism, but then right behind that is the ability to deter and compel.

So they have recognized this as part of their strategy. But what I would say is we have to be very careful about believing in having a very small capability is all you need in order to sustain a level of security that we think is necessary for our country.

MR. SANGER: Before we open it up to everybody, I wanted to just drill down for a moment on one area where you have really pioneered both when you were in Iraq and your time in the Army and at cyber. When you were the commander in Iraq, you made use of some of the first cyber attacks that we have been able to document since.

In your current job, you have put a big emphasis on training up cyber forces. There's now that director of the NSA or previous director when he was here last summer talked about a 6,000 person force he was putting together for both cyber defense and cyber offense. You've got a big chunk of that that'll be coming out to the Army.

Tell us a little bit about how you plan to make use of them and tell us a little bit about whether you imagine cyber weaponry will become as standard a part of the arsenal in a few years as every other element of your arsenal including drones, including traditional military elements.

GEN. ODIERNO: So, as we start to discuss future doctrine, in our mind cyber is another form of maneuver. So we think it's integral to moving forward. In the Army we look at cyber in three elements; national level cyber, operational cyber, and tactical cyber. The national cyber is what you talked about, the support that we provide to NSA in order to defend and do what they need to do, defend our military infrastructure and we are building teams to do that.

Operational cyber is the capability that you would give to combatant commanders that enables them to do the things they need to do regionally to defend themselves. And then finally tactical cyber and I think this is a key piece. When I say tactical cyber, I call it core -- below operations, but I believe it's integral to

us in the future that we have to utilize every tool available to us and part of that is developing tactical capability that allows us to use this tool of cyber operations as we conduct operations and it will become an integral part of that.

So, in my mind as we develop the cyber force we are doing a couple things. So, we are in the process, we just announced we've established a cyber -- we have a center of excellence for maneuver, a center of excellence for fires, we now have a center of excellence for cyber being established at Fort Gordon, Georgia. It's a great place for us to do that, it's partnered with our interagency that's there. We are going to move our cyber headquarters there and so we have established a career field in cyber that we are going to develop and continue to develop.

And so we are in the process of really building a significant capability that will allow us to operate at the strategic operational and tactical level. And I think in some ways they are interchangeable and so we will be available to train people where they can operate across the spectrum of cyber conflict that we see in the future. And for me it's something that is absolutely essential as we move forward and go forward.

The last thing we are doing is we are establishing a center at the United States Military Academy that we've invested in where we are reaching out to educational institutions and private institutions, private entities in order to learn from each other to educate and to build an exchange of ideas on how we want to do this in the future. And we stood that up about 2 years ago, it is now just starting to come online. So, we believe this is really important and I think it's going to be essential to any type of joint operations that we do in the future whether it be at a small unit level all the way up to a national level.

MR. SANGER: When you are thinking of these kind of operations, are you thinking about computer exploitation, which is to say, go into an enemy's computer system, see what they're planning, maybe disrupt those

computer systems? Are you thinking of cyber attack, which might include attack on infrastructure and so forth that that's where a lot of the debate within the U.S. government has been about, what the proper role is.

GEN. ODIERNO: Well, yes, and I think we have to continue to debate that. But I don't think we should hinder ourselves, I think we need to think across the broad spectrum of capability that it brings and then we have to work through the legal ramifications of that. So, -- but I think it's important that we look and try to exploit all the potential opportunities that we can garner and I would argue it's actually easier at a tactical level than it is at a strategic level.

This is something that had to be discussed internationally, but your ability to -- so for example, if I can attack a tactical system and take away its computer capability, that's just a tactical military systems, so what's the difference of if you do it that way or you kill it by shooting a tank round at it or attacking it from the air, you are killing a system on the ground. So I think that --

MR. SANGER: But if you get into an escalation, that then takes out the entire power system of the East Coast or --

GEN. ODIERNO: But again, that's -- again -- okay, you can escalate military operations too --

MR. SANGER: As well --

GEN. ODIERNO: -- I mean, you can always escalate. But my point is as we look to this to the future, you have to understand that there are tactical applications that are not strategic -- do not have strategic level applications. So we have to think our way through that and we have to decide whether we think it's something that we'll be able to use or not. I think it's something we should look at very hard. And I think we will as we move forward.

MR. SANGER: Well, let's then go out to all of

you. I think we have some microphones around, is that right?

SPEAKER: Yes, sir.

MR. SANGER: Great. So put up your hand, give us your name and please ask a real question. And we'll start right with you in the middle there, sir. Wait just a moment, a mike is coming to you. Yeah.

MR. ROSSOLIMO: Good evening, I'm Alexander Rossolimo, President of the Center for Security and Social Progress, a think tank near Boston. At the beginning of the program, you very briefly mentioned China. Now, I've heard two speakers speak about China the last year. The first one was the U.S. presidential candidate, Governor Michael Dukakis, who said China has -- does not present military threat to U.S. It isn't expanding its boundaries.

The second one was William Kirby, who's a Harvard professor who authored the book, *Can China Lead*, and his message was more mixed, again he's not clear, he was saying that China will have many internal and social difficulties.

Now, my question is what are your thoughts both short term and longer term on the military challenge to the U.S. and the threat to the U.S. presented by China.

GEN. ODIERNO: So what I would say is I think that both our countries have significant economic interests in the Asia-Pacific region. I think they're both critical to our economies. And I think it's -- that's where it's going to be focused for definitely the short, mid and long term. And I think what we all want is we believe that working with the countries in the Asia-Pacific that we want a security environment that allows all to be successful in developing their own economies and it should not be overly controlled by one or the other, but people are free to do what they think is necessary. And I think, you know, initially that's kind of the thought process we have.

I mean, I think -- so this is -- you know, it's always about this -- security is always about the internal development of nations. And so in my mind, that's what this is about. And I think there is ways for us to work with China and to ensure that we meet all needs in Asia. And that's the challenge. I think it's important that we try to be collaborative as possible with them in the near and midterm. And we have reached out to them, we have really in this last year we have significantly reached our mil-to-mil responsibilities.

I think all of the members of the Joint Chiefs have been over there, they've been over here, we're trying to establish mil-to-mil discussions, which will be historic. We think we'll have our first army-to-army talks in November. So I think it's important that we try to get at our aims by doing these kind of things. And so I think that's the first step.

I think that always you have to be careful about the, you know -- as we all know, whether it be the Middle East, whether it be Asia whether it be anyone else, it always comes -- fight over natural resources. And I think we have to make sure that we meet the international community's laws and regulations on how those are accessed. And I think that's something we have to be very careful about.

So I didn't answer your question directly, but I think the first thing is we want to be able to build -- I believe there's lots of areas for cooperation. I think that's an area we have to continually work with in the Asia-Pacific region. And then as we do that, it could impact other things like the Korean peninsula as well. And I think it's important that we attempt to do that.

Like it is in the Middle East, everything is interrelated in the Asia-Pacific region, whether it be Japan, whether it be the Philippines, whether it be India, whether it be China, whether it be Korea, it's all interrelated. And you've got to make sure you understand the second, third, fourth order of effects of everybody's actions as we go forward.

MR. SANGER: General, let me just follow, a very good question, because while you have had more military-to-military interaction in the past year, you've also had a surprising amount of Chinese assertiveness in the territorial disputes both with Japan and South Korea, the oil rig down off of Vietnam. So we are simultaneously getting a deeper communication channel military to military and having more potential for conflict.

GEN. ODIERNO: So I think whenever you build a relationship with a country, you have to build a strong diplomatic and military-to-military relationship. If you don't, you can't talk about these issues. And what happens is you have some level of miscalculation and significant escalation. And so I think what we want to try to do is prevent escalation. So we want to try to do that by developing stronger and stronger relationships.

Now, I want to be very clear here, we do not have a strong relationship with China military-to-military. We are in a very nascent stage of developing a relationship. And I want to make that very clear. But we think it's important that we continue to develop that as we go forward. And I think that we have to -- you know, we have alliances that we've been very clear about, with Korea, with Japan, and we've been very clear about that. And it's important, though, that we have the ability to have honest forthright discussions about these issues. That's why it's important to try to build this relationship.

MR. SANGER: There was a hand over here, right there.

MR. ROSENFELD: A two-part question. Herbert Rosenfeld, I'm a lecturer at Harvard. One is you scouted around the issue as to what our reaction should be concerning Russia and the Ukraine. And the second part of the question is if we push Putin too far, he could just turn off the gas to NATO. Now, what is your direct comment on those two?

GEN. ODIERNO: So what I'm going to do is I'm going to stay in my lane and I'm going to talk about --

MR. SANGER: I told you it was going to get tougher when we got out of the lane.

GEN. ODIERNO: That's okay, that's okay, I don't mind. But I want to talk about militarily what I think we're doing and what we need to continue to do. So I do believe there's a bit of a wake-up call in making sure that we strengthen what we're doing in NATO. And I think over the last several years we've allowed our capabilities in NATO to slip. And I think you have to have, right, certain capabilities.

And so we have to rebuild this, I mean, we have to understand where our capabilities are, what countries have what capabilities, we have to start doing more exercises, more interoperability, we have to have some reassurance of our eastern partners, and we have to make sure that we are serious about those. And I think we are doing that through small-level exercises today.

I think as we go forward we have to continue to watch very carefully what Putin is doing, and we got to decide what's in our best national interest. And I think that's unclear yet. So I think we have to continue to look at that. What we need to do militarily is prepare ourselves within the NATO context, to be prepared and provide options that are out there for the future. And that's really what our job is, to help provide options to the national security structure. And that's what we have to do.

And I think, you know -- again, this is something -- it's a complex problem, and it's something that has to be looked at and dealt with very carefully. And I think we have to deal with it across the joint interagency, inter-governmental, multi-national environment.

MR. SANGER: Let's see. Is there a young lady over there who got her hand up before?

MS. SUTTON: Hi, my name is Nikki Sutton (phonetic), and I have a question regarding, harkening

back to your comments about training we've provided for Iraqi forces and what we've seen in terms of Iraqi military performance with the resurgence of ISIL activity in Northern Iraq. I wonder if there are any lessons that we can learn from that as we also now look over to Afghanistan, another place we are seeing U.S. military drawdown, and another place where we I think see a lot of potential for resurgence in militant activity. Can you comment on that, please?

GEN. ODIERNO: Yes. So I think what we have learn is a couple of things, is that it's important that we build the institution and that the institution -- we have confidence that the institution is strong and can survive our disengagement over time. And I think we all knew in Iraq that the institution was not where it needed to be. Now what I mean by the institution, that means that's training of new recruits, that is sustaining equipment, that is having long-term sustainment capability, that's the development of officers, that's the development of the civil-military relationship, it's all of those things that we take very much for granted in this country because we have a very strong institution. And so we knew it was fragile. And so I think the lesson we need to learn is that we have to make sure that we are absolutely certain that the institutions inside of Afghanistan will be able to survive. And that's why I think it's important that we stay beyond 2014, which the decision the President has made based on hopefully we get the SOFA agreement when the elections resolve.

So I think that's important -- and I think we need to continue to analyze that or where they're at. And that doesn't mean you have to have thousands upon thousands of military on the ground, you have to have some. But frankly, in building institutions, in many cases, it's more of a civilian capability and expertise that would help them to build long-term institutions over time. But I think it's a combination of all that and it has to do with education and other things that has to continue. So for me, that's the number one thing.

The other piece is we have to recognize that although you can solve a problem for a short term

militarily, in order for it to survive, it has -- you have to have a combination of political and military working together inside of the country and be somewhat assured that that will last over a period of time. And I think that's the second lesson that we've learned that did not work in Iraq.

MR. SANGER: Okay. Right here.

MR. DARTY: General, how would you -- excuse me, I'm Ralph Darty (phonetic). How would you assess the effectiveness, capability of today's Army with the Army of 50, 60 years ago when I happened to be a part of it?

GEN. ODIERNO: Well, sir, when you're a part of it, we had a great Army, I just want to say that.

(Laughter)

GEN. ODIERNO: So what I would tell you today is -- that's why I don't like it when, you know, there are some people who compare, well, you know this could be the smallest Army we've had since World War II. Well, the Army today is very different than the Army we had in World War II. It is much more capable. The case -- systems are much more capable, the integration we have is much more different, the -- you know, we now have a professional Army. We did not have that 50 or 60 years ago. We have volunteers who stay.

You know, we have probably the most experienced Army that we've ever had because we have an Army of non-commissioned officers and officers who have been through 12 years of war and are not leaving, they are staying, and they are going to continue to use that expertise to move us forward. And for me, that's an incredible advantage that we're going to have as we continue to build this Army for the future.

So, you know, we're always very self-critical of ourselves, but this Army that we have is more technologically advanced, conceptually I believe it's more advanced, our leaders are more capable. What our captains do today is incredibly more than what I did as a captain

many years ago, what we ask them to do. And that's going to be important because one of the things that got to change, I didn't mention earlier is, I believe a lot of our operations are going to be much more decentralized, so we are going to rely on these young leaders to really be - - make very important decisions for us.

So in my mind, the Army has really changed quite a bit in adjusting that way. So I believe it's much more capable than it was back then, but it's because of this change, the change in the professionalism, the change in the technology, and the ability to integrate both of those together.

What I would say, though, is what we have taken from those that came before us is their dedication and loyalty, and their dedication to our country. And that's what we want to continue to instill in our young people and the sacrifices that they made, and the selflessness that they had. Those are the traits that are being carried forth from those who served before us no matter when it was through the last 50 or 60 years.

(Applause)

MR. SANGER: We only have time for a couple more. So I'm going grab two or three quick questions and then the General is going to figure out which one of them he's going to answer and which one he's going to ignore. We'll start with you in the corner right there.

SPEAKER: This woman back here?

MR. SANGER: Yes.

MS. BROOKS: I hope you answer my question. I'm Karen Brooks, Council on Foreign Relations. Is the pivot to Asia on track or has the press of events in the Middle East and elsewhere forced us to adjust our ambitions and our timeline, and what does the pivot mean --

MR. SANGER: Fabulous question. I'm going to -- I see there was a hand right here on the edge. Okay, right, sir, yes.

SPEAKER: This man right here?

MR. SANGER: Yeah.

MR. CASTER: Nid Caster (phonetic) of Florida. General, will we be able to continue to have a volunteer Army or do you think a draft is going to be necessary in the future?

MR. SANGER: Very good. And I think -- the gentleman in the black shirt right there. You've had your hand up, you've been quite patient.

MR. THIEL: Adam Thiel, I work for Virginia Public Safety and Homeland Security. General, how does the Army National Guard fit in the future force?

MR. SANGER: Okay, so we've got the pivot, we've got the future draft.

GEN. ODIERNO: I'll take all three of them.

MR. SANGER: Okay.

GEN. ODIERNO: I'm good.

(Applause)

MR. SANGER: That's a better record that I get when I'm interviewing in Washington, I can tell you that.

GEN. ODIERNO: If you were asking that question, I'm done, because the time's up. So re-balance to the Pacific. So from an Army perspective, actually it's going very well. And I think from a -- if you asked -- from a Joint perspective, it's going okay. So let me explain why this is going well from an Army perspective. So for us, you know, we have 82 -- most people know this, we have 82,000 soldiers assigned to PACOM. That is more than any other combatant commander.

What's changed though is 5 years ago we had about 80,000 (inaudible) only at about 40,000 there, so we

had them in the Middle East. So since 2012 we have not moved any forces out of the Pacific region, they have been totally focused in conducting operations with our partners in the Pacific region. So that's going very well. And I think I'm very pleased with how that's going.

I think if you ask the other Services, you know, there's always an argument about aircraft carriers, I'll leave that to the CNO, he's coming later in the week, so I'll let him answer that. But, you know, I think there's a bit more of a problem when you're talking aircraft carriers and the ability to meet the requirements that they have both in the Middle East and the Pacific.

So I think from a Joint perspective, we're not quite there, I'm very pleased with how it's going for us.

For the draft, so I'm very pleased with the force we have today. I think we have people who want to serve, it enables us to do many things that I think are very difficult and tough, it enables us to train dedicated people who want to do this, who want to be career soldiers. And I think it's very good for us. The only thing that could unhinge that is budget, because an all-volunteer force is more expensive than a draft, you know. But I think it's worth the dollars to pay for an all-volunteer force.

Now, a lot of people talk about, yeah, but the problem is you're becoming disconnected from American society because of the draft. My comment to that is no matter if it's a draft or a volunteer force it's still only less than 1 percent of the population. That percentage is not going to change. That's the size of the Army.

The problem is the disconnect is coming is because we're losing our veterans. You know, what I tell -- what we have to figure out is we have to figure out how we're going reconnect because you had 18 million World War II veterans, you had 5 million Korea veterans, we had 5 to 7 million Vietnam veterans.

So that's what's allowed us to have the -- the

civilian community understand the military because they were -- they had experienced it. And they were living in our civilian communities. And as you know, our World War II veterans are now dying off and Korea veterans, our Vietnam veterans are aging. So the size and the number of people who have served are getting smaller and smaller. So what we have to come up with is a strategy to better engage and get the people to understand the military.

So we are embarking on an effort with commercial industry to try to have events that reach out. We're doing some things with JP Morgan, we're doing things with Bank of America, because they reach out, and we're going to do symposiums where we have military and civilians there who'd be able to talk and get people to understand more about the military. So I think that's important for us to do.

So I'm a fan of the all-volunteer force. I think it's worth the investment. I think our ability to train and build professionals is better. I think we have an incredibly intelligent, smart and capable Army and we've been able to do that through that. So that's my position on that.

In terms of National Guard. So with the Army getting smaller, in fact -- you know, for the first time in a long time as we go down through our downsizing, our reserves, our National Guard U.S. Army Reserve is going to outnumber the active component when we're done. Fifty four percent of the force is going to be our reserves and National Guard and 46 percent will be the active. That's the first time it's been like that in some time.

And so we're going to have to depend more on our reserve component. And that's okay. But we've got to do it in such a way that it enables us and enables them to be true citizen soldiers. So we got to maintain their capability because we're going to need them more and we're going to do that in somewhere where it's more predictable so they can balance their civilian jobs with the requirements we have in the military. And that's the challenge that we have. But they're essential. And they're going to be more essential tomorrow than they are

today because there is going to be a higher percentage of what the Army is in 3-4 years from now.

MR. SANGER: Well, thank you, General. You know, we could keep this going on for an hour.

(Applause)

MR. SANGER: It's been a fascinating discussion, a great way to start what should be a truly very interesting three days. I thank Walter Isaacson, Clark and Target and all of us here who contributed to the questions. And I thank you very much for taking the time.

GEN. ODIERNO: Thank you. It's a true honor to be here. Thank you very much.

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