New Security Challenges
Policy Issues and Analytic Approaches

Monday through Thursday, September 19–22, 2011
9:00 a.m.–5:00 p.m.

Friday, September 23, 2011
9:00 a.m.–1:00 p.m.

Arlington, VA
Since the fall of the Berlin Wall, the United States has been looking to glean a peace dividend. Throughout the 1990s, such initiatives as the Graham Rudman Hollings Act and the Defense Management Reviews aimed to find economic efficiencies, and the nation struggled to establish a solid base for future force structure decisions. Beginning in 2001, the wars in Iraq and Afghanistan gave a new focus and a need to increase defense budgets. However, in August 2010, the last combat brigade withdrew from Iraq. As the current operational focus ends, the U.S. Department of Defense again faces the need to establish a base for future force structure decisions. This will have to be done in an economic climate of cost and budget cutting. This course will explore the strategic and tactical implications of significant reductions in the defense budget.

Since its inception in 2000, “New Security Challenges,” an intensive, weeklong program offered by the Pardee RAND Graduate School, has equipped participants with an understanding of both the most critical current policy challenges and the most up-to-date analytic techniques for addressing them. The program aims to give participants knowledge and tools that they can employ upon their return to their organizations.

Through the program, participants will

- be exposed to the latest analytic approaches to key defense challenges
- gain a better understanding of select security topics of importance to the United States and other nations
- hear different perspectives on future budget challenges from various sectors of the defense industry
- develop a better understanding of many of the most pressing issues that confront security planners in the United States and other nations
- participate in a hands-on exercise in strategic planning, examining the demands on U.S. military capabilities in a new strategic landscape.

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The Coming Defense Debate. How much is enough? The new fiscal climate in Washington is bringing to the surface a long-standing, if heretofore latent, debate on American grand strategy and defense planning priorities. Recent decisions made by President Obama and the Department of Defense are only the opening arguments in this debate, framing what promises to be a long-term structural adjustment among the ends, ways, and means of American defense strategy. In this session, we identify the key issues in this debate, describe the major strategic decisions to be made, and explore their implications for the Department of Defense and the nation.

U.S. Defense Policy Toward China. The U.S.–China relationship will in large part shape global security alignments and pressures over the next two to three decades, and U.S. defense policy and spending priorities will reflect and influence the broader relationship. Although the United States and China continue to find both cooperative and competitive ground in bilateral and multilateral dealings, China is building a powerful modern military that poses challenges and opportunities for the existing Asian security architecture and for global power alignments. This seminar will look at the potential impact of future defense budget cuts on U.S. defense policy toward China.

Insurgency and Counterinsurgency. The U.S. military has been heavily engaged in counterinsurgency operations in recent years. RAND has produced a series of studies on insurgency and counterinsurgency that have contributed to our understanding of the challenges experienced in Iraq and Afghanistan. John Gordon will review some of the key findings of these studies and offer insights on how the United States can better prepare for future counterinsurgency operations.

Leaving Iraq. In response to tasking from the U.S. Congress, RAND researchers conducted an independent study to examine drawdown schedules, risks, and mitigating strategies associated with the withdrawal of U.S. military force from Iraq. Walt Perry will discuss how the researchers identified logistical constraints on moving equipment out of the country, assessed trends in insurgent activity and the ability of Iraqi security forces to counter it, and examined implications for the size of the residual U.S. force and for security in Iraq and the region. He will also discuss steps that the United States can take to alleviate anticipated constraints, overcome likely resistance, and reduce the potential risks associated with a drawdown.

Afghanistan: Potential U.S. Resource Implications. An analyst with nearly eight years of experience directly supporting the war in Afghanistan and Iraq, Terry Kelly will discuss the current situation in Afghanistan, potential approaches that would require different forces and resources, and implications for the U.S. military—mostly Army—force structure. This third section will include a discussion of operational tempo and potential force structure cuts.

How the Pentagon Works. This course segment provides an understanding of how the Pentagon’s budgeting and programming process works. It will include discussion of acquisition (e.g., OSD AT&L, service acquisition leaders, program executive offices, program managers); the development of requirements (e.g., the Joint Requirements Oversight Council, Joint Staff, service chiefs, service requirements officials); and the planning, programming, budgeting, and execution (PPBE) system (e.g., the OSD Comptroller, OSD Program Analysis & Evaluation, service comptrollers, service chiefs, service program managers).

Budget Challenges and Implications. During any normal budget formulation period, there are always important issues that have to be considered as the Secretary of Defense and the President put the finishing touches on the budgetary proposals they have received from the defense components. This year, the challenges are extraordinary because of the convergence of a series of exogenous events. The international security situation, the growing economic burdens that the nation faces, the desire to change force structure without a well-understood change in doctrine, and extraordinary congressional interest in how these changes are expressed and implemented will require the most delicate application of Secretary Gates’s and Admiral Mullen’s skills. Charles Nemfakos’s lecture will informally explore all the avenues these converging issues create.

Strategic Implications of the Department of Defense Budget Reductions. Under the strain of the federal budget deficit, pressure is building to reduce all areas of federal spending. Defense had escaped significant reductions until President Obama directed that $400 billion be cut from the projected DoD budget through 2024. RAND has developed a methodology to assess the implications of cuts that begins by developing a set of strategies that provide a framework for achieving the indicated reductions. Missions that the military will no longer be able to carry out, or may be able to carry out but only with increased risk, are identified. The risks associated with each strategy are made explicit to provide decisionmakers transparency in the implications of the strategy they choose.

The Budget: How History Can Shape Future Planning. This talk will first review the history of defense spending, by service (Army, Navy, Air Force, other DoD) and by appropriation (Research and Development, Procurement, Operations and Maintenance, Military Personnel, Military Construction, and Other), over the 1948–2011 period. This spending has been very cyclical, with peaks (in real dollars) approaching twice the level of valleys. The speaker will then discuss the distribution of the current USD budget across what are called “Core Functions: Global Precision Attack, Air Superiority, Nuclear Deterrent Operations, Rapid Global Mobility, Global Integrated Intelligence, Surveillance and Reconnaissance, Personnel Recovery, Command and Control, Space Superiority, Cyber Superiority, Building Partnerships, Special Operations, and Agile Combat Support. The last function includes Personnel and Training, Logistics, Installations, and Research and Development Support. The speaker will then project how future budgets may fall if historical patterns are repeated and will discuss options for changing spending patterns if and when that occurs.

An Exercise-Based Look at Future Crisis Situations. A key feature of the course will be a tabletop strategic planning exercise, led by Roger Molander and Peter Wilson, that will explore how the United States may have to respond to a future international crisis in which U.S. national interests are at stake. These crises may be based on a relatively narrow threat context (e.g., Iran) or may be driven by a wide range of demands and challenging capabilities that will be needed to elicit participants a menu of promising concepts, given budget constraints, to meet these needs. Applying the RAND “Day After . . .” exercise methodology, groups will proceed through a series of fast-moving steps in parallel and will compare the results of their deliberations in plenary sessions.

High-Resolution Modeling and Simulation Capability for Supporting Acquisition Decisions. As defense budgets decline, there is a premium placed on analytic capability that can rapidly and accurately analyze the possible allocations of scarce resources and their effectiveness at the tactical level. This session consists of two parts: (1) a tutorial on different kinds of high-resolution models and simulations that can assist with such planning and acquisition decisions and (2) a case study that applies the methodology to assess capabilities for a small unit that fought in Afghanistan.

Tradespace Tools. John Yurchak will discuss the kinds of tools that service, Joint, and OSD staffs employ to help their senior leadership understand the tradespace and reach decisions about balancing capability, capacity, cost, and risk during the planning, programming, and budgeting phases of DoD’s PPBE system. Representative examples will be drawn from his experience on the Navy staff.

Decision Support for Resource-Allocation Decisions. The speaker will discuss an approach to supporting high-level resource-allocation decisions in a “portfolio analysis” framework. In higher-level resource allocation, the decisions typically involve a variety of different and incommensurate criteria (e.g., multiple requirements), uncertainty in multiple dimensions, and disagreements about how to deal with the different considerations and uncertainties. In such cases, optimization methods are often infeasible or inappropriate. The decision-support methods presented in this talk include top-level “scorecards,” the ability to zoom into detail to understand the reasoning behind specific top-level scores, and mechanisms for generating cost-benefit plots as a function of alternative “perspectives” reflecting uncertainties and disagreements.

New Security Challenges: Policy Issues and Analytic Approaches. The speaker will discuss the growth and the sources of the growth in defense pay and benefit costs. The course will highlight proposals to reform the military retirement system and contain health care costs and will review RAND research on the effects of these proposals on cost, retention, and end-strength.
Irv Blickstein joined RAND in April 2001 after retiring from the Department of the Navy as the Assistant Deputy Chief of Naval Operations for Resources, Requirements & Assessments. He leads research on acquisition, metrics, planning, programming, and budgeting in the Acquisition and Technology Policy Center. He is currently serving as a member of the Chief of Naval Operations' Executive Panel.

John Gordon joined RAND in 1997 following a 20-year U.S. Army career. He has participated in and led numerous studies for the Office of the Secretary of Defense and the Departments of the Army and Navy and has authored or coauthored numerous RAND reports. He has led or participated in RAND research projects for the governments of the United Kingdom, Sweden, Italy, and Germany. Additionally, he has authored more than 20 articles on defense topics in professional journals.

Charles Nemfakos is a senior fellow at RAND. He provides research, strategically oriented analyses, support, and advice to a broad variety of RAND clients. Previously, he was an executive with Lockheed Martin Corporation, Naval Electronics and Surveillance Systems. During his federal service, he served as a budget analyst and as a planner in the Office of the Secretary of Defense and the Department of the Navy. He has been the recipient of multiple Distinguished Service Medals and has been recognized by three U.S. Presidents with four presidential rank awards.

Terrence Kelly is a senior researcher with RAND in Pittsburgh and a retired Army officer. He recently served as the Director of Militia Transition and Reintegration Programs for the Coalition Provisional Authority in Iraq, where he coordinated a series of programs to disband Iraqi militias, negotiated agreements with these militias, put in place implementation mechanisms, and handed the work off to the new Iraqi government. At RAND, his primary research areas are homeland and national security policy.

Cortez Cooper joined RAND in April 2009, providing assessments of security challenges across political, military, economic, cultural, and informational arenas for a broad range of U.S. government clients. He has also served in the U.S. Navy Executive Service as the Senior Analyst for the Joint Intelligence Center Pacific, U.S. Pacific Command. The Secretary of Defense awarded him the Exceptional Civilian Service Award in 2001.

Stuart Johnson is a senior research analyst at RAND, where he directs projects on force planning and programming and on adapting U.S. military forces to emerging challenges. He has been the Chair for Force Transformation Studies at the National Defense University, Senior Scientist at the Naval War College, and Director of Systems Analysis at NATO Headquarters. The Secretary of Defense awarded him the Exceptional Civilian Service Award in 2001.

Michael Kennedy is a senior economist who has been with RAND since 1977. He has served as the Program Director for Project AIR FORCE’s Resource Management and System Acquisition Program, as Associate Program Director for Aerospace Force Development, and as Manager of the RAND Economics and Statistics Group. His recent research includes analyses of the Air Force budget, new U.S. Air Force special operations, aerial refueling, and ISR systems.

Adam Grissom is a senior political scientist at RAND, where he leads studies on force planning and small wars. He is also a Research Fellow at Georgetown University’s Edmund A. Walsh School of Foreign Service, where he teaches strategy and social science methods.

Mark F. Cancian is Chief of the Force Structure and Investment Branch at the Office of Management and Budget. Previously, he served on various weapon acquisition and analysis staffs in the Pentagon and as assistant staff director of the Commission on Roles and Missions of the Armed Forces. He also served 34 years (active and reserve) as an infantry and artillery officer in the United States Marine Corps, including service in Iraq (two tours), Desert Storm, and the evacuation of Vietnam. He is the author of numerous articles on military strategy, history, weapon acquisition, and force structure.

Gary R. Bliss is the Director, Performance Assessments and Root Cause Analyses (PARCA), in the Office of the Assistant Secretary of Defense for Acquisition. PARCA carries out performance assessments of Major Defense Acquisitions Programs (MDAPs) and conducts root-cause analyses for MDAPs with Nunn-McCurdy breach status or when requested by senior DoD officials.

Peter Wilson is a senior political scientist who specializes in defense policy and planning research. He has conducted numerous studies for the Army, Navy, Marine Corps, Air Force, the Secretary of Defense, and various foreign clients. He has also coauthored a variety of RAND studies and has published articles on a broad range of national security issues.

John Matsumura is a senior engineer at RAND who has worked on a wide spectrum of defense-related research with particular emphasis on assessing how advanced concepts and technologies can improve military capability. During his more than 20 years of experience at RAND, his research has involved providing quantitative analysis of system performance, assisting acquisition decisions, and shaping defense policy. He recently completed a second consecutive term on the Army Science Board.

Paul Davis is a senior principal researcher at RAND. He has been with RAND since 1981. His research and books have largely been concerned with strategic planning, counterterrorism, strategic-level decisionmaking, and advanced methods of analysis and modeling. Prior to joining RAND, he was a senior executive in the Office of the Secretary of Defense (Program Analysis & Evaluation). He reviews regularly for professional journals and has served on numerous national panels.

Walter Perry is a retired U.S. Army officer who has been with RAND since 1984. He has conducted extensive work on developing metrics for assessing military information systems. He co-led an Army-sponsored Iraq study that resulted in a multivolume, fully documented account of the conflict. Recently, he led a team focused on developing counter-IED measures for the conflict in Iraq. He has published extensively at RAND and in several scholarly journals.

John Yurchak has more than a decade of immersion in DoD’s PPBE system as a CPU and force structure requirements analyst and strategic planner on the Chief of Naval Operations staff and 2nd echelon staffs. Following retirement after 30 years as a naval officer, his last government assignment was as the civilian deputy director of the Navy’s Quadrennial Defense Review team.

Chris Bowie joined Northrop Grumman in 1994, where he held a variety of management positions at the B-2 Division, Air Combat Systems, Integrated Systems, and Corporate. Prior to joining Northrop Grumman, he served as a member of the Secretary of the Air Force’s personal staff, for which he was awarded the Exceptional Civilian Service Medal. He has also served as Associate Director of the National Security Studies program at RAND.

Greg Jaffe is the new Pentagon Reporter at the Washington Post, but he has been covering the Pentagon and defense for over two decades. Prior to joining the Post, he was a reporter with the Wall Street Journal. He covered the Pentagon full time for the Journal out of the paper’s Washington bureau. He shared a Pulitzer Prize in 2000 for a series on defense spending. In 2002 and 2005, he won the Raymond Clapper Award for Washington coverage. He also won the Gerald R. Ford award for defense coverage in 2002. In 2007 he won the Military Reporters and Editors award for best overseas coverage.

Beth J. Asch is a senior economist specializing in defense personnel issues at the RAND Corporation and is the Associate Director of the Forces and Resources Policy Center within RAND’s National Defense Research Institute. Since joining RAND in 1986, she has been involved in and led studies on the recruitment, retention, compensation, retirement, and language capability of personnel in the U.S. military and federal civil service. Her work includes numerous RAND reports, peer-reviewed journal articles and book chapters, and op-ed pieces, and she is often interviewed by the media as an expert on military personnel issues.

Rick Burke is the Deputy Director for Cost Assessment within the Cost Assessment and Program Evaluation (CAPE) office, within the Office of the Secretary of Defense. Previously, he served as the Deputy Director, Resource Analysis, for Program Assessment and Evaluation (PA&E).
What earlier participants had to say about the program:

“Excellent course. I look forward to attending future courses at RAND.”

“The exercises were engaging and provided substantive discussions of a high caliber.”

“Instructors were experts on their topics and it was wonderful learning directly from them.”

“Presentations were challenging and stimulated debate and discussion.”

“Well-balanced mix of personnel and perspectives in the class.”

“Overall, a wonderful impression. The course was well worth the time.”