

# Washington Watch

By John A. Tirpak, Executive Editor

## Bipolar world evaporation?; Driving bomber risks and costs; China in space ....

### IT'S DIFFERENT THIS TIME

Defense budgets have always been cut after an extended military operation, and it will be no different as the Afghan conflict draws to an end. However, the circumstances in which the Air Force finds itself this time means this drawdown will bear far greater peril of cutting too far, Secretary of the Air Force Michael B. Donley said.

Speaking with defense reporters in Washington, D.C., Donley said the Air Force has been studying the “peaks and valleys” of defense spending, and how the service has managed through the drops in spending attending the end of previous wars. However, the strategic situation today is very different than it was the last time there was a postwar drawdown, in the early 1990s.

In the early 1990s, the Air Force—and indeed, all the military services—had just come off a prolonged period of high spending and recapitalization. The fleet was populated with nearly new F-15s and F-16s, B-1 bombers, and F-117 stealth attack aircraft.

“We had just finished a buildup ... where we bought a lot of military equipment, and we had a fairly modern force,” Donley said April 5.

However, he continued, “we do not have a fairly modern force today, and we’re not in a position where we can delay modernization without some significant risk.”

The fighters that were still fresh in 1993 are 18 years older today, and the entire fleet of Air Force aircraft has been in nonstop combat for 20 years.

Moreover, after the Cold War ended, the so-called “bipolar world” evaporated, seemingly leaving no strong adversaries for the US to face.

“The security environment of today is not of that nature,” Donley noted. “It’s much more dynamic, much more complex, and the threats we are living with ... don’t seem to be diminishing.”

At the same time, Donley said, “it is a different environment this year” on Capitol Hill, “no question about that.” There is “much more serious attention” on curbing deficit spending “and a recognized need to take a different approach, in which defense may be included.” So the Air Force is bracing for “increasing pressure on the defense topline,” Donley said, which could affect necessary modernization that has already been deferred several times.

The F-16, for example, was originally expected to retire starting in about 2005, but it has seen its service life stretched an additional 25 percent. It may have to soldier on another 10 years or more, with or without a formal service life extension program, or SLEP. Meanwhile, its replacement, the F-35, has been delayed by technical issues, while its cost has continued to climb, making it a target of budget cutters.

Exacerbating the financial situation, Donley said, is the series of continuing resolutions that funded the government since October in the absence of an enacted budget. Compelled to constantly shift money around to deal with

a series of potential government shutdowns, the Air Force hadn’t had either the time or the guidance to do substantive work on the Fiscal 2012 budget, he noted.

“One of the penalties of having to work on this continuing resolution is, it’s taking time away from FY ’12. ... We will have work to do this summer, with the Congress and internally, to understand where FY ’11 will come out, and how it will relate to the FY ’12 budget.”



Rescoping the next gen bomber.

### BOMBER BY COMMITTEE

Requirements for the Air Force’s new bomber are not spelled out in an operational requirements document, but in a classified memo from Defense Secretary Robert M. Gates, Donley reported.

Typically, major acquisition programs travel up through channels until they are vetted by the Joint Requirements Oversight Council, a multiservice panel headed by the vice chairman of the Joint Chiefs of Staff. The JROC was created to ensure programs aren’t duplicative and their requirements don’t conflict with what other services are doing. More importantly, the JROC’s requirements process is meant to ensure new systems do everything national strategy demands of them.

However, the new bomber traveled a different route, Donley said.

When the Next Generation Bomber was canceled by Gates in 2009, the Air Force “spent a good 18 months to two years” scrutinizing the program, looking for “what we did not like” and how the project could be rescoped to be more efficient, Donley said.

“When we got through with those discussions, we had a different strategic concept of what we wanted to build,” he said. This led to what has since become known as the “family of systems” concept in which elements that had been part of the bomber project—intelligence-surveillance-reconnaissance functions, communications nodes, etc.—were moved “offboard,” Donley said.

"It's those kinds of requirements that drive risk and drive cost," so they were driven onto other systems, he explained. The review provided USAF with "a much firmer sense of the requirements for affordability ... [and] for what capabilities we would want onboard the aircraft."

All this work was done as part of a broader effort called a "front end assessment" of the Fiscal 2012 budget, Pentagon-wide throughout 2010, Donley noted.

Once the Air Force settled on what capabilities it thought the bomber should have, Donley and Air Force Chief of Staff Gen. Norton A. Schwartz "put together a memo for [Gates] that outlined our ... Air Force assessment," Donley said.

"There were other views, from inside [the Office of the Secretary of Defense], from the policy community, from the acquisition shop, from CAPE [Office of Cost Assessment and Program Evaluation], others, the Joint Staff, others that participated in the front end assessment. It was a collaborative effort."

The many participants "filtered in" their recommendations to Gates, Donley said.

Gates then "made his decisions and captured those in a memorandum that gives us direction for the new long-range strike penetrating bomber, and the parameters of that and other aspects of the 'family of systems.' And that's a classified memorandum."

Donley was asked if there is, in fact, an ORD for the bomber. "I'm not sure I have a clean answer for you on that, in terms of the distance between the programmatic direction we've gotten from the Secretary and what we have determined will be a more streamlined management process going forward," Donley said. However, "we'll be using the Rapid Capabilities Office to help manage this project."

Apparently, the bomber program is not considered a new start, and is therefore allowed to continue under the continuing resolution budget situation. Donley noted that there is \$3.7 billion in the Future Years Defense Program for bomber technologies. After the Next Generation Bomber was shelved, money was applied to "an R&D program that we fashioned to continue some of the essential work, even though the program got canceled. And we will now bridge that research and development work into the new bomber program," Donley said.

### **THE COST OF CONTINUING IRRESOLUTION**

The Air Force won't be able to make payroll for the last pay period of Fiscal 2011 if a 2011 budget is never officially adopted, Donley said.

Congress authorized a 1.4 percent pay raise for uniformed personnel for Fiscal 2011 and "we've been spending that, but it's not funded, so we're not able to make payroll for the last pay period of this year unless we get a full-year appropriation," he explained.

Not only that, but the Air Force has been paying for relief missions in Japan and no-fly-zone activities in Libya from its operation and maintenance accounts.

The Libyan operations alone were costing upward of \$4 million a day in early April—on top of an accumulated expense of more than \$75 million by April 5. This cost does not include the value of the F-15E Strike Eagle destroyed in a crash in Libya—so the growing, unbudgeted expense "puts us at further jeopardy through the year," Donley noted.

"We would have faced a significant reprogramming this year in any case," he continued. "If we do not get an appropriations bill, that reprogramming is going to have to be substantially larger and will impact our position and investment programs even more so."

Donley had previously explained that the continuing resolution would make it impossible to launch a new radar program for the F-15 in Fiscal 2011 and would upset MQ-9 Reaper

delivery schedules, which were to ramp up to a significantly higher production rate this year. The Air Force is under strict orders to achieve 65 orbits of Reapers by 2013—a goal now at risk because of slower-than-expected Reaper deliveries.

### **AEROSPACE CHINA**

China's growing aerospace capabilities are making it stronger militarily, but it's not clear what America can or should do about it. So said the authors of a new RAND study, "Ready for Takeoff: China's Advancing Aerospace Industry."

China's rollout of what appears to be a prototype fifth generation stealth fighter earlier this year—the J-20—has prompted many to wonder if American cooperation with China's commercial aerospace development is not undermining US security.

The authors—Roger Cliff, Chad J. R. Ohlandt, and David Yang—note that China's aerospace capabilities are advancing rapidly. For instance, "by 2020," they project, "China will likely have a fully deployed satellite PNT [position, navigation, and timing] system comparable to the US Global Positioning System." China's Long March rockets "have arguably become the world's most reliable medium space launch vehicles," and China has learned how to build weather, reconnaissance, communications, and signals intelligence satellites.

There is "no question that China's growing civilian aerospace capabilities are contributing to the development of its military aerospace capabilities," the RAND authors asserted. "Many aerospace systems are inherently dual-use or can provide a basis for the development of military systems."

China's limited domestic helicopter production will likely be able to satisfy its own demand for the foreseeable future, but the country won't be able to fill its needs for commercial airliners with indigenous products, the authors note. Although China is producing an indigenous small airliner comparable to the Boeing 737 and a large airliner is in the works, neither will produce in quantities necessary or soon enough to meet China's needs, so the country will have to import "roughly 4,000 new jetliners over the next 20 years."

As part of deals for new aircraft, China has demanded that its aircraft vendors set up local manufacturing capabilities and provide technology transfer. China exports those parts, which are used on airliners worldwide. Sometimes, aerospace companies establish joint ventures in China to take advantage of cheap, skilled labor. However, "today, only about one percent of US aerospace imports come from China."

But should the US do anything to try to slow or curtail China's aerospace expertise and capacity?

If the US were to try to achieve a worldwide cutoff of aerospace cooperation with China, it likely wouldn't work, the RAND authors said. "Many countries would refuse to go along with such an embargo."

A solo embargo by the US of aerospace goods and know-how to China would likewise be a self-spiting exercise, the authors said.

"A US-only ban would likely slow the development of China's military aerospace capability by only a small amount, while handing business opportunities to European and Asian companies and aggravating relations with Beijing."

Since armed conflict with China is "not inevitable," the question of what, if anything, the US can or should do about China's growing aerospace proficiency is still open.

"Whether the United States could improve its security through alterations of policy toward civil aerospace cooperation with China without having a significant negative effect on its own economic interests is unclear," the authors concluded. ■