

071713 Reserve Officers Association, National Defense Industrial Association, and Air Force Association Capitol Hill Breakfast Forum with James Miller, Undersecretary of Defense for Policy, on “Nuclear Deterrence: New Guidance and Constant Commitment.” (For additional information on NDIA/AFA/ROA seminars contact Peter Huessy at [phuessy@afa.org](mailto:phuessy@afa.org)).

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[Text as delivered, edited for clarity.]

MR. PETER HUESSY: I want to welcome you here this morning to this in the next in our series of breakfast seminars on homeland security, missile defense, nuclear deterrence and arms control. And I wanted to give you just a schedule. Tomorrow is Trent Franks talk about the SHIELD Act and EMP. Uzi Rubin is coming here from Israel to talk to us about Middle East missile threats and missile defense capabilities, as well as lessons about the current war in Syria.

On the 25<sup>th</sup> next week we have what I call the B&B luncheon with Barry Blechman and Bob Butterworth, a discussion of the relevance of nuclear weapons in American security policy. On the 30<sup>th</sup> of July we have Mr. Zabko and Mr. MacKinney with the NNDO people who are going to talk about the global nuclear detection architecture. And before we recess for August, General Kowalski is coming to speak on the 31<sup>st</sup> of July.

We also have two new events in September. Keith Payne is going to talk about his new study and book on minimal deterrence on the 18<sup>th</sup> of September. And we'll have an event on China and cyber security on the 19<sup>th</sup>.

For those of you who would like to go to Bloomington, Indiana, we have now approval to do a conference on the cooperative work between the SLBM and ICBM community. NAVSEA in Indiana will be hosting that conference. It will be the week of probably October 14<sup>th</sup>.

And then in November, around Veterans Day, we will have our third triad conference and we will do that in Kings Bay in Georgia. I also want to thank our guests here today from the embassies of Poland, Israel, Russia, Great Britain, Austria and Romania.

And now I'd like to introduce a good friend and person who has spoken in this series, I think now his sixth or seventh time. Jim Miller, as you know, is the Undersecretary of Defense for Policy. He took that position in May 2012.

He advises the Secretary of Defense on national security policy and how to integrate DOD policy to our national security objectives. Before that, he was Principal Deputy Secretary of Defense for Policy. He was with the Center for a New American Security. He was with Hicks

Associates. And before that, back in the 1980s I believe, he was a member of the House Armed Services Committee staff.

I want to thank our sponsors and in particular I want to say hello to one of our principal sponsors General Davis, who is the Director of the Reserve Officers Association. Also, I want to say hello to our former president of ROA, who is here today. I want to thank you for being here, as well as our embassy guests.

And so, Jim, on behalf of ROA, NDIA and AFA, I want to thank you for coming and talking to us today. Would you give a warm welcome please to Jim Miller?

(Applause).

DR. JIM MILLER: Peter, thank you for that very kind introduction. And thanks as well to the three organizations that are cosponsoring this discussion, Air Force Association, National Defense Industrial Association and the Reserve Officers Association. This is a fitting trio of sponsors.

Given today's topic, I perhaps should say "fitting triad of sponsors." And any successful U.S. nuclear deterrent is, in fact, going to require all three of these categories of individuals that are represented by these organizations. First, the excellence of our armed services, as represented by the AFA. The Air Force, as the steward of our bomber and ICBM arsenal, obviously has a central role to play in maintaining and preparing the future nuclear deterrent.

Second, the ingenuity and high competence of our national industrial base, as represented here today by NDIA. The advanced technologies that our nuclear forces require cannot simply be brought into existence by a Pentagon white paper or by a think tank study. I say that with some experience in that regard. Someone has to actually design, make and sustain these technologies and do so under the most exacting performance standards.

Third and last, but certainly not least, is the dedication, patriotism, courage and extraordinary competence of our men and women in uniform, as represented by the Reserve Officers Association. Whether it's in an Active, Reserve, or National Guard capacity, it's the people in our military who define its excellence and its reliability, not just for our deterrent, but for all of our capabilities, both now and in the years and decades to come.

It is great to be here with so many old friends, and I do use that term advisedly. Today is a special day also for our nuclear deterrent. On July 17, 1989, the B-2 bomber conducted its first ever flight test. This was also the first year that I attended a Peter Huessy ICBM breakfast. They'd been going on for several years, but as Peter noted I had come to Capitol Hill and was able to join, along with Bob DeGrasse and others that day.

The B-2 has proven itself repeatedly as an incredible delivery system for conventional munitions, in Allied Force in 1999, in Iraq and in Afghanistan. And both Peter and I have repeatedly proven ourselves as delivery systems of breakfasts and speeches over the years. For those baseball fans who enjoyed the All-Star Game last night – and as a Nationals fan, I can say I wasn't particularly pleased with the outcome – there's one more fact about this day: On July 17, 1990, about a year after my first ICBM breakfast – and Peter I don't always measure time in this way, I just wanted to let you know – the Minnesota Twins became the first team ever to turn two triple plays in a single game, notwithstanding that they lost to the Red Sox 1 to 0.

One more piece of history before we dive into the details today. A month ago in Berlin, President Obama announced the results of a two-year review of our nuclear employment policy. That review is, in fact, what I'd like to talk about today.

The president had with him Colonel Gail Halvorsen, now 92 years old, who became known as the "Candy Bomber" for the treats he dropped from his C-47 and C-54 during the great Berlin airlift of 1948 and 1949. And, of course, while Colonel Halvorsen's inspired idea was a terrific boost to West Berlin's morale at a dark time, the security and the freedom of that city and the whole of Western Europe during the Cold War was ultimately guaranteed by a very different kind of payload, our nuclear deterrent, against Soviet aggression.

Now, our geopolitical circumstances are quite different today. Clearly, the most pressing threats that we have today, and that we will face in the near-term and through the mid-term, are the threats posed by nuclear proliferation and the potential of nuclear terrorism. Those are the number-one threats that we identified in the April 2010 Nuclear Posture Review. We were right then, and that is still the case today.

Our policy regarding Iran's nuclear program is one of prevention. We believe there is time and space for diplomacy to work, and we are confident that the crippling sanctions on Iran are increasing their incentives to come seriously to the negotiating table. And we will see whether a new president in Iran, who will be inaugurated in the next couple of weeks, President Rouhani, will result in a more forthcoming approach to negotiations.

But I want to reiterate again today that our policy is to prevent Iran from acquiring a nuclear weapon and that – as the president has said – all options are on the table.

With regard to North Korea, our policy is to roll back their nuclear program. As I think everybody in this room knows, we recently made changes to our homeland ballistic missile defense posture to ensure that we stay ahead of any potential North Korean ICBM capability. In particular, we're increasing the number of deployed ground-based interceptors from 30 to 44. As directed by Congress, we're studying the possibility of additional increases from 44 in the event that the threat grows further. We have not made a decision to go beyond 44, but we

are hedging in case that becomes necessary. And as I think everyone here knows, we are also moving forward to deploy a second TPY-2 radar in Japan to increase our coverage against North Korean threats.

Given these changes in our ballistic missile defense posture, I again want to say very plainly that we do not accept North Korea as a nuclear weapons state. Our missile defenses are intended to make it clear to North Korea that it will not succeed in holding the United States at risk. So in addition to providing protection if needed, our deployments of ballistic missile defense are intended also to reinforce our objective of denuclearizing North Korea. And we remain open to serious negotiations aimed at eliminating the North Korean nuclear program.

Now because of these regional threats, it remains a priority to continue to strengthen regional deterrence and reassure our allies and partners. Even as we pursue nonproliferation globally, and as an urgent priority, the imperative for a safe, secure and effective nuclear arsenal remains today – and it will remain for as long as nuclear weapons exist.

As I said a few minutes ago, over the course of the last two years the administration has systematically reviewed our deterrence requirements and also reviewed what options we should provide to the president in the event that deterrence fails. This was only the third such review since the end of the Cold War more than 20 years ago, and the new guidance for the Department of Defense reflects its findings.

This review and its conclusions have the full support of the Joint Chiefs of Staff and of Strategic Command. Current STRATCOM Commander Bob Kehler, as well as the Vice Chairman of the Joint Chiefs, Sandy Winnefeld, were active participants in the review. And the strong institutional support that its findings have in the Department of Defense are a reflection of its thoroughness.

As many of you know – and as I think I was tweaked about the last time I spoke to this group – this review was initially planned to be a 90-day study. The fact that it took nearly two years to complete, I would take as a testament to the depth and deliberateness of the process and the thoroughness of the conclusions that were reached. Above all, this was a strategy-driven process. The review was guided not by any numerical goals, but by a clear-eyed look at what the requirements are for U.S. security – and for extended deterrence and assurance, as well – in a rapidly changing environment.

The directive throughout the review, from the president down, was that a well-defined strategy must drive nuclear force-structure policy and size decisions, not the other way around. As such, we began by looking at alternative nuclear employment strategies that might meet U.S. deterrence and extended-deterrence requirements. This, in turn, led to a very detailed look at alternative military planning priorities, as well as force structures.

The full details of the resulting guidance are, as you would hope and expect, classified. But for our discussion today, I'd like to give some top-level points, and I'll clump them into three categories.

First and foremost, the review affirmed that the United States must and will retain a credible and effective nuclear deterrent, one that is capable of convincing any adversary that the adverse consequences of attacking the United States or our allies and partners far outweigh any benefits.

The guidance seeks to strengthen deterrence of regional actors like North Korea and Iran, while assuring our allies and partners that the U.S. nuclear umbrella remains in place. The guidance also seeks to support strategic stability vis-à-vis Russia and China. It recognizes that these major powers are fundamentally different from the regional powers I noted before.

Second, the guidance – consistent with the Nuclear Posture Review – seeks to reduce the role of nuclear weapons in U.S. strategy. I'll say much more about this, but among its directions is for the Department of Defense to reduce the role of "launch under attack" in U.S. contingency planning while still retaining that ability to "launch under attack" if directed. And it includes very deliberate guidance for planning for the use of non-nuclear capabilities.

Third, this review and new presidential directive updates some important aspects of how we will deploy our nuclear arsenal. Specifically, it adopts the recommendations of the Department of Energy and the Department of Defense for a new hedging strategy as we think about how to hedge against both technical risk and geopolitical risk. I will address each of these three areas in turn, and then open up the floor for questions.

First, our commitment to a safe, secure and effective nuclear deterrent. On the same day that President Obama spoke in Berlin, Secretary of Defense Chuck Hagel gave a speech back in his home state of Nebraska. As all of you are very aware, Nebraska also happens to be the home state of the Strategic Command.

In his speech, Secretary Hagel said that when it comes to our new nuclear guidance, he wanted to emphasize three things that will not change: First, the U.S., will retain a ready and credible deterrent; second, we will retain a triad of bombers, ICBMs and ballistic missile submarines; and third, we will ensure that our nuclear weapons – and our arsenal overall – remains safe, secure, ready and effective.

Now I'll give some more details behind those points. President Obama has consistently asserted, and the new guidance reaffirms, that as long as nuclear weapons exist we will retain a safe, secure and effective nuclear arsenal. In accordance with this principle, we have supported significant investments to modernize the nuclear force, even in the era of declining resources in

which we find ourselves. This has resulted in a 17.3 percent increase for the National Nuclear Security Administration.

More specifically, the president's budget request for modernizing the infrastructure of the nuclear enterprise and the stockpile has increased by 28.7 percent since 2010. Unfortunately, sequestration has reduced the NNSA's FY 2013 resources by 7.9 percent. I'll say more about sequestration and its deleterious effects, to be sterile about it, in a few moments. Nevertheless, we will continue to seek the funding necessary for a safe, secure and effective nuclear arsenal – and we will continue to push hard for Congressional support for this effort.

The president's 2014 budget contains a 15 percent increase over the previous year for direct stockpile work. It includes \$7.9 billion for NNSA weapons activities. That's \$291 million above the FY 2013 requested levels; again, that's pre-sequestration.

Very importantly, the budget request also includes \$1.2 billion for the naval reactors program. That's \$160 million more than the FY 2013 requested levels – again, pre-sequestration. This budget request funds critically important aspects of operations and maintenance of our sea-based deterrents, including funds for the sustainment of the SSBN(X), our Ohio-class replacement submarine.

That brings us to the commitment to the nuclear triad. As I said, consistent with the 2010 Nuclear Posture Review, the new guidance provides that the United States will retain all three legs of the triad. We see this as the best means to continue to promote strategic stability at a reasonable cost, while hedging against either technical problems or future vulnerabilities.

I know there have been some questions about the role of ICBMs. Peter asked me about that when I walked in. Let me just be very explicit. We remain committed to this leg, as well as the other legs of the triad. Our land-based missiles, among their other attributes, provide a critically valuable means of hedging against a technical challenge or vulnerability in either of the other two legs.

The new guidance also affirms the importance of globally deployable nuclear weapons and extending deterrence to U.S. partners and allies. The guidance does not explicitly address where we go in the future for forward-deployed nuclear weapons in Europe. This issue was examined, as you all know, in depth in NATO's deterrence and defense posture review. That review reaffirmed our allies' support for further U.S.-Russia nuclear reductions, and underscored that any changes in NATO's nuclear posture must be an alliance decision.

I wanted to emphasize that extended deterrence, to us, is a vital means of demonstrating to potential regional adversaries that their pursuit of nuclear weapons will only undermine any goals they have of achieving military or political advantages by seeking these

nuclear weapons. Such a posture also reassures our allies and partners that their security interests can be protected without the need for their own nuclear deterrent capabilities, and so serves the objective of non-proliferation as well.

Even as we remain fully committed to extending deterrence to our allies and partners, we seek to maintain and indeed strengthen strategic stability vis-à-vis Russia and China. We have engaged Russia in strategic stability talks and are working to create an appropriate environment for further reductions below New START levels. And we will continue to pursue this policy because we believe it is in the United States' strategic interest to do so.

We've also begun to have more substantive discussions with the Chinese with respect to nuclear policy. I had the opportunity, as part of the strategic security dialogue last week, to describe at a high level what our current policies are and how they've changed with this recent review. That leads to a second important point I wanted to cover in the new guidance: It will allow further reductions in our strategic nuclear weapons.

Let me say at the outset that in a world with nuclear weapons a credible U.S. nuclear deterrent will remain essential to peace and security, as it has since the end of World War II. However, as a result of the work that we've done in this study, we can say without question that we currently have more nuclear weapons than are needed to meet our deterrence requirements.

More specifically yet, we can ensure the security of the United States and of our allies and partners – and maintain a strong and credible strategic deterrent – while safely pursuing negotiated reductions with Russia of up to one-third in deployed strategic nuclear warheads from the levels established in New START. This negotiated reduction would be reasonable and prudent, and is supported by the civilian and uniformed leadership of the Department of Defense.

The new guidance that has been provided by the president is consistent with the long-standing fundamental tenets of U.S. deterrence policy. Let me say explicitly that this guidance does not represent a move toward a “minimum deterrence” strategy. When the START Treaty entered into force in 1994, the United States and Russia each had over 10,000 deployed strategic nuclear weapons. When the New START Treaty is fully implemented in 2018, we will each be down to no more than 1,550 accountable deployed strategic weapons; the actual number is somewhat higher because of a bomber-counting rule.

And so we do intend to seek negotiated reductions with Russia to move further down – and further away – from our Cold War nuclear postures. At the same time, we'll work with our NATO allies to seek bold reductions in U.S. and Russian tactical nuclear weapons in Europe.

The third and last broad theme of the guidance that I want to talk about this morning is the update with respect to nuclear force posture. As I mentioned before, the new guidance instructs the military to examine and reduce the role of “launch under attack” in U.S. planning. This reflects the reality that the potential for a surprise disarming nuclear attack – one that would threaten our capacity to retaliate – is exceedingly remote. Because it is still possible, we will retain the capability to launch under attack. At the same time, the department has been directed to focus on more likely – albeit, thank goodness, unlikely – regional 21<sup>st</sup> century contingencies.

Some may ask – I’m anticipating questions – why we didn’t go further and ask for our nuclear forces to be de-alerted. Our analysis did look at this issue and did examine postures that involved some additional de-alerting. Today our bombers, as you all know, are not on a day-to-day alert. We found that additional steps in this regard would be difficult to verify on the other side – and, more importantly, could be destabilizing in a crisis as alert levels were raised back up.

The new guidance does continue our current posture of open-ocean targeting, to minimize the human toll in the highly unlikely event of an accidental or unauthorized launch of a strategic weapon. The new guidance directs the Department of Defense to conduct detailed planning for the use of non-nuclear capabilities across the full range of contingencies. It recognizes that non-nuclear capabilities are not a substitute for nuclear weapons, but that we need to give the president the widest range of options, and we need to take advantage of new capabilities that have been and can be deployed.

In addition, the guidance provides a new, more cost-effective approach to maintaining our non-deployed warheads, which provide a hedge against geopolitical or technical surprise. Our hedge strategy under this guidance is conservative. It plans for compensatory deployments both within an individual leg of the triad and across legs if necessary. This will give us sufficient backup weapons – weapons in the stockpile to protect against a technical failure or a challenge with any weapon.

Over the longer term, progress in restoring NNSA’s production infrastructure will allow the United States to rely on a responsive infrastructure instead of a lot of extra non-deployed weapons. We aren’t there yet, and even with substantial investments it will be many years before we are. In the meantime, we’ve established a reasonable – and, as I said, conservative – approach to providing a technical and geopolitical hedge through non-deployed warheads. I want to thank, in particular, General Larry Welch for helping us think through how to frame this problem.

I would like to wrap up my prepared remarks by again reiterating that we need to continue to modernize our nuclear force, as well as continue to adjust the doctrines governing its potential employment. That this is occurring today, and will occur in the future against a continued backdrop of geopolitical change. In order to do this right, we need to continue to focus on long-term strategy.

We also need to be mindful of the current fiscal constraints that we are facing. That's where Congress comes in. Today's nuclear arsenal of the United States remains safe, secure and effective. However, there is no getting around the fact that long-term fiscal uncertainty – and the types of cuts that are imposed by continuous sequestration – will place the health of the nuclear enterprise at greater risk.

Sequestration in fiscal year 2013 has already strained the nuclear enterprise's ability to plan for long-term needs, and to continue to make the investments necessary to sustain our arsenal. It's had a major impact on the readiness of our forces more broadly. And I will say that along with current-day operations in Afghanistan and globally, our guidance has been to ensure that our nuclear deterrent is preserved as much as possible under sequestration. Yet there have been early signs of impacts already.

We in the Pentagon will continue our dialogue with Congress, and we've been providing briefings to key committees, and indeed are today. We recognize that it's our duty to help inform the public and its elected representatives on the importance of maintaining a safe, secure and effective nuclear deterrent as long as nuclear weapons exist. Events like this one, and others on the Hill, are a great way to do that.

I want to thank Peter and our sponsors again for allowing me this opportunity today. And as I look around the room, I thank each of you for what you're doing to ensure that the United States sustains a safe, secure and effective nuclear arsenal while reducing nuclear dangers globally. As I look at our allies and partners, thank you for our work together, each of which is unique and each of which is critically important.

I would now be very glad to take some questions, and look forward to a good discussion. Thank you.

(Applause).

Okay, Peter has advised me to ask each person to identify himself or herself. I know many of you, but please go ahead identify yourself even when that's the case.

MR. TODD JACOBSON: Todd Jacobson, Nuclear Weapons and Materials Monitor. I wanted to ask you about the 3-Plus-2 strategy for the stockpile. It's based a lot on

interoperable warheads and that concept going forward. There's already been some pushback from Congress, both on the technical aspects of that and the funding aspects of that. How worried are you, going forward, about support for that idea and how key is that to the reductions that you guys are considering? How key is that strategy?

DR. MILLER: Todd's referring to an approach that would have three ballistic missile warheads and two warheads available for bombers and tactical aircraft. And the concept of that is that for the bombers it'd be strongly preferable not to be down to a single warhead in case there's an issue associated with it, and therefore to have an inherent hedge. And for the ICBMs and SLBMs to be able to have at least one swing warhead so that, in effect, if you have one warhead that's interoperable between ICBM and SLBM, that means with three overall you have one ICBM and a swing and one SLBM and a swing; you've got an inherent hedge built in.

We continue to think it's very sensible. We've been talking to people on the Hill in this regard. And it comes down, as in every case, to the resources required to implement the strategy. I've seen nothing in either our analysis or in comments that come from the Hill or elsewhere to make me think that we should shift from that strategy. And it does undergird the approach that we take in the hedging for technical and geopolitical change that I mentioned earlier.

And as I mentioned earlier, I want to give credit to General Larry Welch. I had a conversation with him several years ago that over time has led us to conclude this is an appropriate approach. We'll continue to make the case. We think the case makes sense. And we'll continue to answer any and all questions about why it makes sense, about how to implement it, that Congress and others have.

MR. TOM COLLINA: Tom Collina, Arms Control Association. A question on missile defense and the recent test which, unfortunately, did not succeed. How does that impact your schedule going forward with the 44, with the additional 14 interceptors, the decision itself? And then, how does that affect your testing schedule going forward? Thank you very much.

DR. MILLER: Thank you, Tom. We had, the Friday before last, a test failure of the ground-based interceptor. It was the first flight test of the so-called CE-I since 2008, and the result was surprising. We said a little bit about why we believe it happened, but the in-depth analysis is underway right now by the Missile Defense Agency.

At this point in time, we still expect to have shifted from 30 to 44 by fiscal year 2017. And what the Missile Defense Director, Vice Admiral Jim Syring, is doing with his team now is looking in detail at these test results and then considering what should be the timing for the next test of the CE-I; and whether that should precede or follow a test of the CE-II.

As you all know – and I’m sorry to get a little bit geeky on this, but I think most of the audience could go five levels deeper – CE-II is intended to be the follow-on. We had technical challenges with that. Based on everything I’ve seen, they have a high degree of confidence that the technical fixes that MDA, the Missile Defense Agency, has put in place will address the challenges with the CE-II.

But we want to test it, and so what happens in terms of CE-I and CE-II testing at this point within the next 12 months is currently being re-evaluated. I would like to see a test of both versions, certainly within the next 12 months, preferably in less than that. I’d like to see us get to a testing pattern that is more frequent than it has been in recent years, both as a matter of good acquisition and maintenance practice, and as a demonstration that these systems work and can work.

MR. JACK MANSFIELD: Jack Mansfield. How long does the Air Force think it will be able to maintain Minuteman?

DR. MILLER: Jack, as you know, our plans and programs at this point have been at least [to] 2030. I know that the Air Force, as well as the prime contractor and the subs as well, is considering whether that can be extended. The work on a follow-on ICBM has begun, the initial work. One of the key questions will be whether we can push 2030 further out. There are a number of other questions, as well. And just so I’m explicit, I don’t know the answer today. We’re looking at whether it can go beyond 2030. Frankly, I don’t see any reason – from what I know so far – why it couldn’t go beyond 2030. But extending it further may decide other options in this analysis of alternatives that the Air Force is initiating.

MR. MARK JOHANSON (ph): Mark Johanson with Boeing. You mentioned conventional prompt global strike. How do you balance that along with our nuclear deterrent and where do you think the department is going in that area?

DR. MILLER: The question is, where do I think the department is going with conventional prompt global strike? If you look at our budgetary submission for this year, you see that we’re retaining a technology program for conventional prompt global strike. And we want to retain the option to go forward with that in the future.

At this point, we’ve made no decision to go forward to deploy that capability. We were looking, in particular, at sea-based options. There are land-based and sea-based options. We’re looking at the studies of that, and looking in particular at boost-glide, although a typical ballistic approach is also something that we would consider.

The value of being able to get after a target essentially anywhere in the world in a 30-minute timeframe is significant. My view is that if we do go forward, we would intend to do so

in limited numbers, because while there's great value in having that prompt capability, if you think about the types of targets that we might be considering, they are of a limited number. And I'll just say explicitly, I'm thinking about the couple of regional actors I had referred to earlier.

MS. ELAINE GROSSMAN: Elaine Grossman with National Journal. The new guidance said it was going to be emphasizing counterforce targeting and de-emphasizing or steering clear of counter-population targeting. I'm wondering if that's a departure of some sort from the immediate past years or not, and if it is a departure, in what ways?

DR. MILLER: The question was about counterforce versus countervalue. As I said, we explicitly looked at a so-called "minimum deterrence" approach and rejected that. We explicitly rejected the targeting of cities. This is consistent with U.S. nuclear policy for decades. This is a place where I'll just say, frankly, some critics had anticipated this administration making a change that would shift from the continued maintenance of counterforce capabilities to a so-called countervalue strategy. We wanted to say explicitly that that was not the case, that the tenets of this strategy are consistent with long-standing U.S. policy that includes counterforce capabilities.

MS. GROSSMAN: Can I follow up? Does this start getting you into the realm at all of at least looking like a possible first-strike capability is what's on your mind, if you're talking about counterforce?

DR. MILLER: No – I think if you looked at what our policy and what our doctrine is for the potential employment of nuclear weapons, what you see is that we'd use nuclear weapons only in extreme circumstances to defend the vital interests of the United States or our allies, as I talked about before. And that we're looking to move away from a posture and any doctrine that would imply "launch under attack" as a requirement, or that would posture ourselves as intending to conduct a comprehensive first strike.

As we think about strategic stability, part of what we have to understand is that for decades, that's been based on mutual vulnerability vis-à-vis Russia. We do not see any prospect of that changing within the foreseeable future, through any combination of offensive deployments and defensive deployments.

MR. MARTIN FOYER (ph): Martin Foyer with Datek (ph). You referred to extended deterrence and I wonder if you could elaborate a bit on that, and in particular how we could enhance the credibility of that extended deterrence as countries like Iran and North Korea continue their nuclear weapons efforts?

DR. MILLER: Sure, the question is about our extended deterrence and how to enhance the credibility. A two-part answer: First is to sustain the capabilities. And we've made clear that we will do that, including platforms and weapons systems for the forward deployment of nuclear weapons. That includes dual-capable fighters – the F-35 in the future, and others today – and it includes long-range bombers as well. So, sustaining the capability is part one.

And second, a combination of communicating to our allies and partners – and to potential adversaries – that this capability is one that we not only have on the shelf, but that we exercise and are capable of employing if necessary. And as you look at both the communications that we make to allies and partners, and the actions that we've taken – and I would include in this exercises that are visible to North Korea in particular recently – I think that's an important part of sustaining the credibility of this extended deterrence.

DR. WILL CURTIS: I'm Dr. Will Curtis from the U.S. Naval Academy. You mentioned long-term strategy. And one of my questions would have to do with maintaining strategic stability in a multi-polar environment. In 1975 Richard Rosecrance wrote an article. In that article -- I believe the title was "Strategic Deterrence Reconsidered" -- in which he essentially said that one of the characteristics of a multi-polar international environment would be that every state that has nuclear weapons would have to prepare to defend itself against all the other states in the system.

Now in light of the proposal to downsize our strategic forces and so forth, I'm a little bit concerned about this idea of assuming to some extent that we won't have horizontal proliferation. And within that multi-polar environment, I think we are transitioning to that now. What are the considerations on the part of the administration? I've been hearing rumors about downsizing to 1,000. If, in fact, Rosecrance's theorizing is correct, how do we deal with that?

DR. MILLER: The question is about strategic stability in a multi-polar world. I'll just say that I think it's an interesting theoretical question, and I thought so in 1975 also. We are nowhere near a multi-polar world with respect to nuclear weapons. After New START is implemented, the United States and Russia will still have more than 90 percent of the nuclear weapons in the world. And if we reduced mutually by one-third below New START, we'd still have upwards of 80 percent – perhaps more, depending on what we each do with our stockpiles.

We publicly stated the number of nuclear weapons in the stockpile several years ago as 5,113 for the United States, plus several thousand additional weapons awaiting dismantlement. We are slightly down from that number today – relatively slightly. Under the reductions that we would be talking about, just do the math: From 1,550, if you went to one-third down, you

would still be looking at – between the strategic weapons, any deployed non-strategic weapons, as well as the stockpile – a very robust nuclear deterrent, and one that I believe does not raise questions of multi-polarity.

I think if you were to go substantially below the levels that we have talked about – in other words, New START, one-third below New START, and then substantially below – you begin to get into those questions. And we'll leave that for another day.

MS. : I want to go back to what you were talking about with GBI – (off mic).

DR. MILLER: The question is whether there's a plan B for ground-based interceptors if the next test doesn't go well. The CE-I version of the interceptor has had, I'll say, a relatively successful test history. You know, it's batting more than .500. That's not where we would like it to be, but as it was in development for a period of time, it's not surprising to have seen some challenges.

So I think we had an unusual anomaly in this test. I don't understand why we did not have the effective separation of the exo-atmospheric kill vehicle from the third stage. But I believe that's something that ought to be relatively easily resolvable. So if you look at the CE-I, we've seen it succeed in past tests. We believe that we can fix the issues associated with this test, details to be determined.

Then, not plan B but part two, is the CE-II. And to say that the Missile Defense Agency is giving it a thorough shakedown after the two flight-test failures that occurred – it's an understatement to say it has gotten a thorough shakedown. And we need to go forward with the testing of that.

One of the considerations is which one, the CE-I version or the CE-II version, should be tested first? At this point, I would expect that both of the versions will be demonstrated to be successful and capable. Any given test could have a problem, but I expect that both will be successful. One of the reasons that we established a new technology program -- a common technology platform – for a kill vehicle is so that we look at the full range of technology issues associated with the ground-based interceptor – and, in principle, other systems – and ensure that we're doing things both in a way that is technically robust and also capable of dealing with the threats we may face from the regional actors I noted before.

MR. ROD KEEFER: Rod Keefer, Northrop Grumman. Jim, when you first talked to this forum about New START you talked about the 1,550. You talked about the 700 operationally deployed SNDVs. And then the total of 800 operationally deployed plus non-deployed.

With this, all that has been in the press and that you talked about is the 1,000 warheads. I assume you're not talking about numbers for a reason. But can you help us understand the value of platforms: the subs, the launch facilities, the actual launch facilities for the ICBMs and the bombers, as you go to lower numbers, and what that does for stability, flexibility, resilience and also a sign to our allies and friends that the extended deterrence covers them?

DR. MILLER: I will say flat out that under one-third reductions I would strongly recommend you sustain a robust triad. Now let me say why that is. First, start with the SSBNs. They provide the most survivable system that we have. They are, it turns out, the most expensive, but they are highly survivable and we need to maintain a sufficient number at sea on a day-to-day basis to ensure that no adversary thinks it can undertake a strike against the United States and disarm us. So, to put it bluntly, we should not go to a monad – but if you are a monad person, you would start with the SSBNs.

On the other side, we have our heavy bombers, which first and foremost provide a conventional capability. And if you look at the incremental cost of having a nuclear capability, it is, ballpark, three percent. That is the incremental cost of having that associated with the new bomber, for example. And so those bombers provide, first, a hedge against any technical challenge or vulnerability with another leg, but also the ability to forward-deploy and the ability to signal, as well, which is valuable. That, I think, is a good complement to our dual-capable tactical aircraft.

And finally, for ICBMs, what they provide is a number of attributes which will be emphasized differently for different audiences. But from a stability perspective – which I would emphasize – with a significant number of deployed ICBMs, any adversary would have to conduct a comprehensive large-scale attack on the United States to have any hope of significantly reducing our nuclear deterrent. And that raises the threshold significantly, in my view.

They provide a hedge against a challenge. And if there were any challenge in the SSBN leg, they provide a hedge against that, and without having to go back to a strip alert for bombers. And by the way, as you all know, we've paid for them, and the cost to sustain them at least through 2030 is incredibly modest.

So to me there's a compelling and somewhat different case for each leg individually, but a compelling case to sustain the triad under New START and under any reductions. And I think that if you start from the assumption that strategic stability is the fundamental objective, then diversity in your force structure is at least equally important – if not more important – as you go to lower numbers.

MS. CYNTHIA KELLY (ph): Cynthia Kelly with Heritage. Sir, what may be U.S. steps with regard to our nuclear posture ... if our friends in Moscow don't agree to the next arms-reductions agreement?

DR. MILLER: The question is, what will we do if Russia doesn't agree to the next arms agreement? We will continue to implement New START. We will continue to engage Russia in discussions on strategic stability, and what we mean by that and what we think we should mutually understand in that regard.

By the way, we'll continue to engage Russia and offer missile defense cooperation. I have undertaken that with my friend and colleague, Deputy Defense Minister Anatoly Antonov, a number of times. I am not going to predict that we're on the threshold of a breakthrough, at this point.

The offer is on the table. We think it's in our mutual interest. And we'll continue to take steps to ensure that we have a safe, secure and effective nuclear deterrent.

I can't speak for the president with respect to how long an offer is on the table, but I believe that it's in our mutual interest to come down. I think we can both sustain deterrence requirements and stability, and that – as we think about our nonproliferation goals and as we head into the next NPT review – demonstrating additional moves is in our interest as we work to put pressure, particularly, on North Korea and Iran.

Let me say explicitly on that, I don't think that Kim Jong-eun is going to go, "They're going down by a third, I think I'll get rid of my nukes." But as we work to establish a strong international coalition to put pressure on them through sanctions – and as we contemplate potential additional steps, if necessary, with respect to both Iran and North Korea – having a strong coalition in support of us will be vital. And us showing that we're willing to reduce – I think part of the fundamental bargain of the Nuclear Non-Proliferation Treaty – is something that we should do.

Reductions by themselves won't improve stability, but if they're done appropriately they can. And so that will be our objective. I understand that in order to take the next step in mutual reductions, we need Russia to be ready to take that step with us.

MR. BOB DEGRASSE: Bob DeGrasse. The follow-on question to that is, as you well know, the political issue of whether or not reductions are taken under a treaty or through presidential initiatives or some other mechanism, is certainly going to be one of the key issues that's debated here on the Hill. I wondered if you would spend a few moments talking about that?

DR. MILLER: Thank you, Bob. I think that this is pretty straightforward. The president of the United States has said he intends to seek mutual reductions, right?

MR. DEGRASSE: Yes.

DR. MILLER: And you're familiar with the way – the way that the question gets asked is, and it has been asked of me in testimony is, okay, Miller, will you rule out that the president – this president or any future president – would make any reductions below New START levels that weren't negotiated with the Russians? The answer is that Miller will not rule that out, and there's two reasons.

The first is that we need the ability to manage the force. And when a boomer, when an SSBN comes in, if work needs to be done, we shouldn't have to have exactly the same number of deployed warheads. If there's an issue with an ICBM – you know it well. It applies to each of the legs. And so it will be a little bit plus or minus and we ought to be able to manage the force. And it would be foolhardy not to give that flexibility.

What it means, though, is when you manage the force, if you're going to abide by the treaty, you're not going to go above the treaty limit. It means for some periods of time you're going to be a little bit below. So that's part one.

And part two is the president said he was going to seek mutual reductions and seek to do so through negotiations. To me, that stands on its own. If you asked me would I recommend making significant reductions in the absence of those negotiations, no. I think it makes sense to pursue negotiations. But we've got to be able to manage the force and we need to be able to also, as every president has – since Truman with a very small stockpile, but really Eisenhower – we need to be able to manage the stockpile and need to find a way to get Congressional support for making the investments that we need, including the interim plutonium strategy, and to be able to do so. So the answer is the president has said he's going to seek mutual and negotiated reductions.

MR. DEGRASSE: I guess the follow-on would be, if there is a negotiation and both sides – and you reach an agreement – does that get implemented through treaty or through just consent? I think that's the challenge you're going to face.

DR. MILLER: I think the president has answered it, honestly. And so, I in general don't like to engage in hypotheticals, with the large exception that, you know, knock wood, if we talk about nuclear conflict. Let's hope and plan that that is a hypothetical. And the way in which we do that is, once again, to sustain a safe, secure and effective nuclear arsenal, and to continue to modify our policies as appropriate.

Peter, thank you. It has been a pleasure.

(Applause).

MR. HUESSY: I would like to conclude with one comment. It'll get us both in trouble.

DR. MILLER: Why don't you just get yourself in trouble?

(Laughter).

MR. HUESSY: No, no, I agree with most of what you said – in fact, 99 percent. That's either going to get you in trouble or me in trouble. But what I have to say is, it has been an extraordinary presentation.

The things you said on de-alerting and on the triad – for many of us who have been doing this for so many years, that is good news, let me say that. And your explanation of the president's proposals, I want to thank you for that and for coming over here and spending your time. It was an extraordinary presentation. You can see from the crowd here how much we looked forward to it. So I want to thank you again. On behalf of ROA, AFA and NDIA, thank you, Mr. Secretary.

(Applause).