



International and Domestic Security Challenges Facing the United States

Presentation to: The Aerospace Alliance

16 September 2011

**BARRY R. McCAFFREY
GENERAL, USA (RETIRED)**

Biography of General Barry R. McCaffrey, USA (Ret.)



Barry McCaffrey served in the United States Army for 32 years and retired as a four-star General. At retirement, he was the most highly decorated serving General, having been awarded three Purple Heart medals (wounded in combat three times), two Distinguished Service Crosses (the nation's second highest award for valor) and two Silver Stars for valor.

For five years after leaving the military, General McCaffrey served as the Director of the White House Office of National Drug Control Policy (ONDCP). Upon leaving government service, he served as the Bradley Distinguished Professor of International Security Studies from 2001-2005; and an Adjunct Professor of International Security Studies from 2006-2010 at the United States Military Academy at West Point, NY.

General McCaffrey has been elected to the Board of Directors of the National Association of Drug Court Professionals, as well as the Atlantic Council of the United States. He is also: a member of the Council on Foreign Relations; an Associate of the Inter-American Dialogue; Chairman of the Vietnam Veterans Memorial Education Center Advisory Board; and is a member of the Board of Advisors of the National Infantry Foundation and the National Armor & Calvary Heritage Foundation. He has served on the Board of Directors of several corporations in the engineering design, technology, and services sectors. He is on the Board of Directors of CRC Health Group – the nation's largest behavioral health care company.

General McCaffrey attended Phillips Academy, Andover, Mass.; and graduated from West Point with a Bachelor of Science degree. He earned a master's degree in American Government from American University and attended the Harvard University National Security Program as well as the Business School Executive Education Program.

In 2007 he was inducted into the US Army Ranger Hall of Fame at the US Army Infantry Center, Ft. Benning, GA. In May 2010, he was honored as a Distinguished Graduate by the West Point Association of Graduates at the United States Military Academy.

General McCaffrey is married to Jill Ann McCaffrey. They have three adult children and six grandchildren. Their son, Colonel Sean McCaffrey, is currently serving in Afghanistan.

Currently, General McCaffrey is President of his own consulting firm based in Alexandria, Virginia www.mccaffreyassociates.com. He also serves as a national security and terrorism analyst for NBC News.

DoD Budget – Looking To The Future



- FY 2011 Request \$708.2 Billion
- FY 2012 Request \$670.9 Billion
 - (-) \$37.3 Billion – 5% Reduction
- FY 2012 – FY 2016 Topline = (-) \$78 Billion
- DoD Budget since September 11th Attacks:
 - FY 01 = \$316 Billion
 - FY 11 = \$708 Billion

DoD Budget – The Challenge



- National Security spending now averages 4% to 5% GDP.
 - (Cold War spending averaged 6% to 7% of GDP.)
- We have an aging population.
- There is steady decline in the military capabilities of our NATO allies.
- We now plan on \$350 Billion of new cuts.
- Bipartisan committee must find \$1.5 Trillion deficit reduction by 23 December 2011.
 - (Social Security, Medicare, low income programs exempted.)

The Seven Principle Challenges to Global Security



- The proliferation of nuclear, biological, and chemical weapons.
- Regional war among nation states. (4 state sponsors of terrorism).
- Civil war and failed states. (50,542 total US killed and wounded in Iraq and Afghanistan).
- International terrorism. (48 Foreign Terrorist Organizations).
- The global recession and poverty.
- International crime and drug cartels.
- Humanitarian crisis/refugees.

Global Tools to Shape the International Environment



- Diplomacy is under-resourced. Excellent leadership by Sec State Clinton and Sec Def Panetta.
- International Development Assistance lacks money and leadership.
- Arms Control is more effective than air attacks.
- International Law Enforcement Cooperation is a major success.
- Nonproliferation Initiatives lack a modern framework and international leadership.
- Shaping World Opinion is a function of sound policy and collective diplomacy -- not slick public relations.
- International Covert Action and Collection Potential has improved enormously with new resources and courageous dedication by the global intelligence community.
- UN/NATO/US Military Intervention must be the tool of last resort. When employed it must be violent, focused on clear objectives, and fully integrated with other elements of national power.

Protecting US Critical Infrastructure



- Protecting America's critical infrastructure and key assets is a formidable challenge. Our open and technologically complex society presents a huge array of targets.
- The macro numbers are enormous: 87,000 communities; 1,800 federal reservoirs; 2,800 power plants and 104 commercial nuclear power plants; 5,000 airports; 120,000 miles of railroads; 590,000 bridges; 2 million miles of pipeline; 80,000 dams.
- 85% of our critical infrastructure is privately held. Critical Infrastructure Protection (CIP) must be a public-private enterprise. Owner-operators must protect their resources.
- It is impossible to defend everything against every conceivable threat. We must move beyond gates, guards, and guns. We need to design security features into new infrastructure. We need new technology to protect potentially high-casualty targets.
- Federal Government support is vital in the transportation sector. Transportation choke points are a particular concern. We must develop a coordinated mechanism for assessing vulnerabilities and evaluating risk mitigation activities.

The Powerful US Global Economy



- 2010 global GDP was \$61.96 trillion
 - US (population 307 million) contributed 24% (\$14.72 trillion)
 - China (population 1.3 billion) contributed 9% (\$5.745 trillion)
- Giant US GDP:
 - Brazil GDP = Florida + Illinois GDP
 - Russia GDP = Texas GDP
 - India GDP = 1/2 of California GDP
- US Defense spending 4.7% of GDP. (Includes war direct expenditures).
 - Operations in Iraq & Afghanistan have cost the U.S. \$1.1 trillion, with \$999 billion going to DoD, as of 1 September 2010.
- US is a leading global exporter.

Afghanistan in Peril - 2011



- Afghanistan (28 million people) has become a nation with a struggling democratic government; a developing economy; a reasonably effective Army; a mostly free press; and active diplomatic and economic ties with its neighbors and the world.
- Afghanistan – 2nd most corrupt nation on earth, and the 5th most impoverished.
- The intensity of fighting against the Taliban has increased rapidly. NATO combat forces have increased to 150,000 (US 100,000) troops in Afghanistan. NATO now has lead for the entire effort (42 nations).
- Afghanistan is a Narco-state which produces more than 6,900 tons of opium per year (74% of the global heroin trade). \$61 Billion annual opiate trade. \$3.4 Billion in criminal money. 900,000 drug users. Two million people are employed in the opium trade. Taliban and warlords collect \$200-\$400 million a year from opium production.
- The US has tripled non-military aid to Pakistan to \$1.5 billion a year for five years. (Since 2002 total \$12.3 billion total aid). The Pakistan Armed Forces are taking selective military offensive action against Taliban in the border regions. The political stability of a nuclear armed Pakistan is uncertain.
- This war is about 40,000 villages.
- Operations in Afghanistan cost \$10 billion per month. The war is not supported by two thirds of the American people.
- Special Operations Forces are a brilliant tool of enormous leverage. (Bin Laden Termination)

Iraq – An Uncertain Success



- General Lloyd Austin, top Commander in Iraq now commands a US troop presence with a “train and assist” mission. We will be largely gone within a year. The Maliki government is unstable.
- The morale, fighting effectiveness, and counter-insurgency skills of U.S. combat forces have been simply awe-inspiring. (4,469 killed; 32,130 wounded).
- The Iraqi Army is reasonably effective and responsive to central authority. They lack joint capabilities (air and maritime). The Iraqi Police are the focus of continuing efforts in training, leadership development, and equipment. (670,000 military and police.) The security forces in general still are feared as sectarian by the Sunni and Kurdish populations.
- Iraq cannot sustain economic recovery (31.5 million people) without enhanced, long-term international support.
- The Iraqi state has fragile and uncertain democratic institutions and continues to be impaired by corruption and competence issues.

The Threatening Situation in Mexico



- Mexico's courageous senior leadership – President Felipe Calderon, the Mexican Army and Navy, and SSP Secretary of Federal Police leader Genaro Luna are successfully confronting criminal drug cartels. (Increased security budget from \$2 billion to \$9.3 billion.)
- The Mexican State is engaged in an increasingly violent, internal struggle against heavily armed narco-criminal cartels. (35,000 murdered). Drug trade generates approximately 5% of Mexican GDP.
- President Calderon has boldly used the tool of extradition to the US. Bi-national cooperation is extremely good. (300+ major drug criminals sent north.)
- Mexico has formed a strategy to break up the major drug cartels and strip away their firepower and huge financial resources.
 - Calderon has deployed 45,000 soldiers to 8 Mexican states with the highest levels of drug-related violence.
- President Obama has endorsed the promising US-Mexican Merida Initiative. (\$1.3 billion promised over three years).
 - This vital program is under-funded and slow to be implemented.
- Much is at stake for future US economic and national security policy.
 - Drug addiction is a social malignancy that has put more than 2 million Americans behind bars, clogged our courts, and placed enormous burdens on our health system.
 - Drug legalization would intensify the addiction problem and incentivize the drug cartels.

Libya – The Middle East in Chaos



- Col. Gaddafi and his family – 41 years of hated rule.
- Disconnected political objectives among NATO, the Coalition, the Arab states, and the United States.
- Support required to bring down the Gaddafi regime:
 - Diplomatic recognition of the opposition.
 - Covert operations to de-stabilize Gaddafi and his key officials.
 - Arming the opposition.
 - Release of frozen Libyan financial assets to the opposition.
 - Intensified NATO air support targeting armor, artillery, and command and control.
- The flawed process of going to war – The War Powers Act.
- War weariness and the American people. (50,000+ US casualties and \$1 trillion+).
- Generalizing the conflict – Syria, Iran, Iraq, Bahrain, Yemen, Algeria, Saudi Arabia, et al.

International Security

Looking Toward the Future



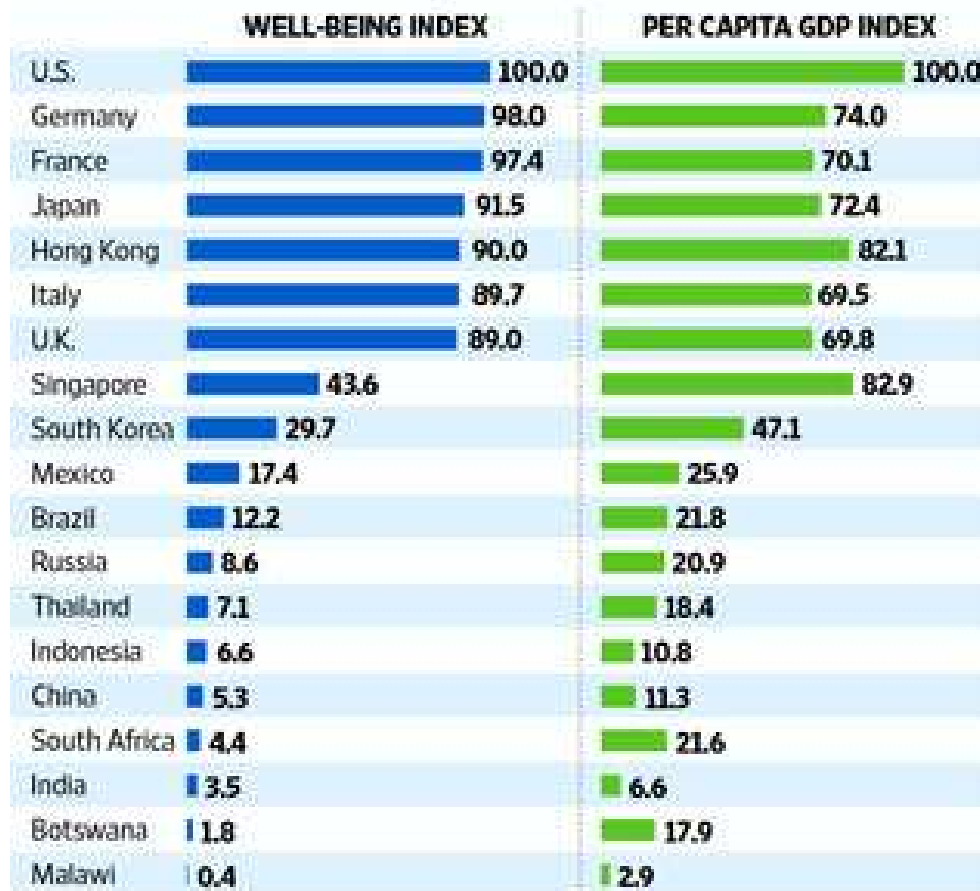
- Russia relations with the west will grow more difficult – Prime Minister Putin has re-established authoritarian control of the state.
- China will emerge as a major Pacific naval and air power.
- The next five years in Afghanistan will be complex. The country is in misery. Our Allies are leaving. President Karzai has become a serious political and diplomatic liability.
- North Korea will come apart. The international community must facilitate a soft landing for this dangerous regional nuclear power. (Eight+ possible nuclear weapons and 200 missiles that can range Japan and South Korea). 250,000 North Koreans are starving in concentration camps. One million have died.
- The continued support of Pakistan is crucial. The international presence in Afghanistan would be untenable without Pakistani support. (80% all NATO logistics by truck thru Pakistan). There is massive animosity to US national security policy among the general population. Pakistan is cooperating covertly with militants to protect its long term interests in the tribal areas and Afghanistan.

International Security Looking Toward the Future



- India will become a global economic and military power.
- Iran (Persian/Shia) will become a nuclear state and create instability in the Persian Gulf. The Sunni Arab nations will create a nuclear-military coalition to counter Iran. The wave of instability (the Arab Spring) in the Middle East will intensify. (Libya, Yemen, Egypt, Bahrain, Syria, Algeria, Lebanon.)
- Saudi Arabia will continue to modernize, maintain stability, and greatly improve the capabilities of their Armed Forces and internal security.
- Mexico is in desperate need of serious US political and economic support to confront violent criminal drug cartels. Mexico will not be a failed state. Who will be the next President of Mexico and what new policies will emerge?
- The death of Castro -- meltdown of repression – 250,000 Cuban refugees within 36 months.
- Political confrontation with Chavez in Venezuela -- instability and oil.
- Terrorists will strike repeatedly against the U.S. and our allies in the coming decade.

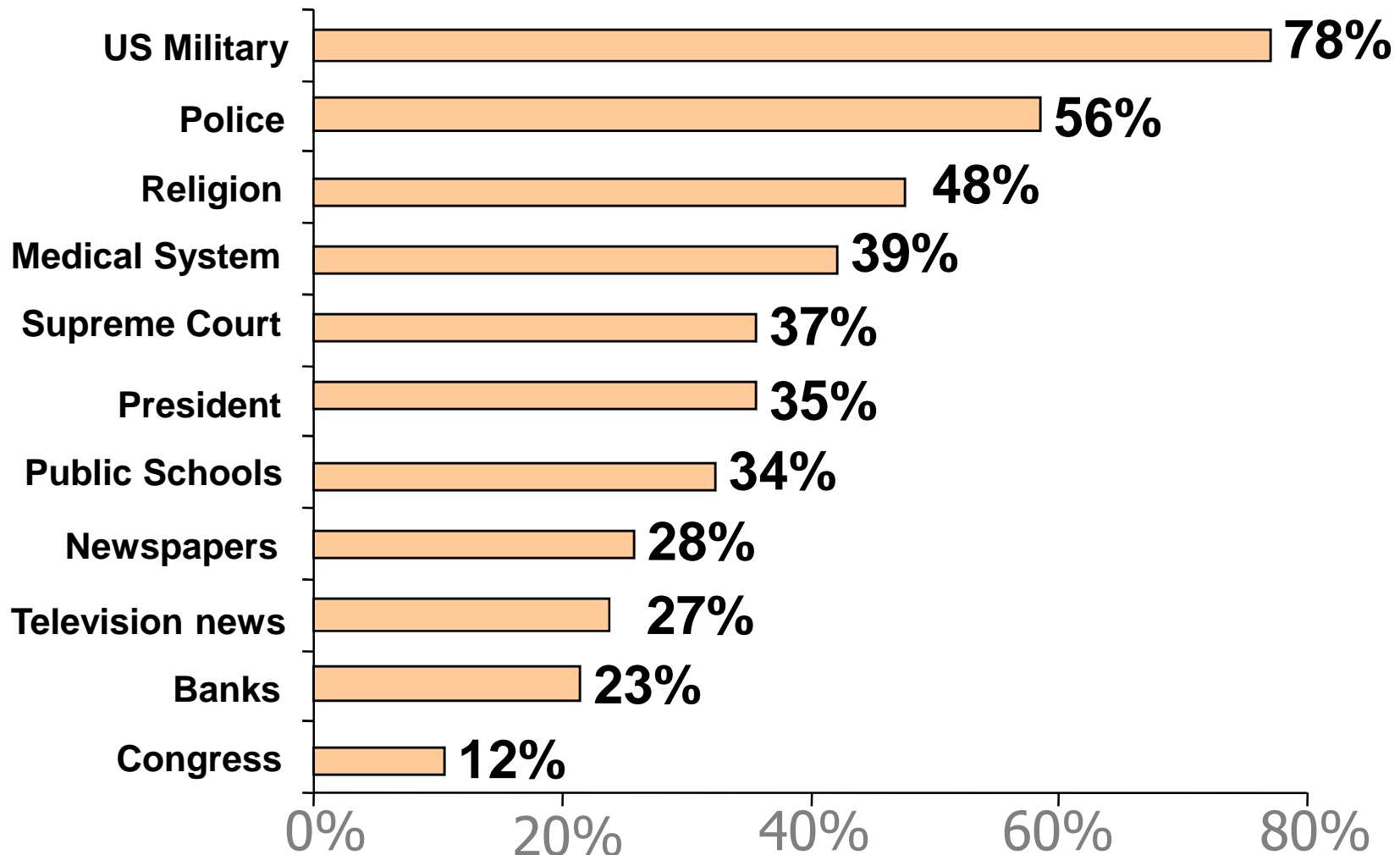
Putting a Value on America



Note: 2000 data

Source: Peter Klenow and Charles Jones, Stanford University

The American People: A Crisis of Confidence in Institutions



Source: The Gallup Organization, Poll dated June, 2011