

**Introduction**

Chairman Rogers, Ranking Member Smith, distinguished members of the Committee:

Thank you for the opportunity to testify in support of President Biden’s proposed Fiscal Year (FY) 2025 budget for the Department of Defense.

I am joined for the first time by our outstanding new Chairman of the Joint Chiefs of Staff, General C.Q. Brown. I am also glad to be back with Under Secretary of Defense (Comptroller), Mike McCord. We are grateful for the partnership of Congress and of this Committee in sustaining the most formidable fighting force in history. We remain deeply committed to our mission of keeping the United States secure in a rapidly changing global security environment. Above all, we are constantly mindful that our greatest strategic asset is our people—especially the more than 2 million extraordinary active-duty, National Guard, and Reserve Service members who step up every day to keep America safe.

As always, we understand our duty to be the best possible stewards of hard-earned taxpayer dollars. Our request for resources is rooted in our strategy, even as it recognizes fiscal reality. For the third straight year, the President’s defense budget request builds on the 2022 National Defense Strategy (NDS). To responsibly and effectively implement the NDS and tackle the complex challenges we face, the budget hews to the performance-improvement initiatives that we established to improve the Department’s capabilities, organizations, and management processes.

This budget request is consistent with the mandatory caps directed by Congress under the Fiscal Responsibility Act of 2023, allocating \$849.8 billion for DoD programs and initiatives for the coming fiscal year. Under these caps, we made difficult but responsible decisions that focus on maintaining our readiness and taking care of our people. I am confident that our budget request will continue to make the United States more secure. It will continue to bolster our ability to defend our country, paced to the growing, multi-domain challenge posed by an increasingly aggressive People’s Republic of China (PRC). It will better prepare us to prevent strategic attacks against the United States or our allies and partners. It will strengthen the unmatched

global network of alliances and partnerships that magnify our power and deepen our security. It will expand our ability to deter aggression, even while it prepares our forces to prevail in conflict if necessary. And it will pave the way toward a more resilient joint force and defense ecosystem, built for the security challenges of the 21st century.

The NDS identifies the PRC as the Department's pacing challenge. This budget request therefore focuses on the need to strengthen our integrated deterrence and position the United States to prevail in strategic competition with the PRC.

The budget request will also help us meet additional challenges we face in today's shifting global security environment. The NDS singles out President Vladimir Putin's increasingly aggressive Russia as an acute threat. In February, Russia's unprovoked and indefensible full-scale invasion of Ukraine entered its third grim year. The United States has been the essential nation in rallying support for Ukraine's fight against Putin's aggression and atrocities.

The NDS also highlights the persistent dangers posed by Iran, global terrorist organizations, and other malign actors. Ever since Hamas's vile terrorist assault on Israel on October 7, 2023, the United States has steadfastly supported Israel's right to self-defense; worked to prevent the conflict in Gaza from igniting new eruptions on Israel's northern border; pushed to protect innocent Palestinian civilians and get far more humanitarian aid into Gaza; and moved decisively to deter Iran and its proxies from taking action that would escalate into a broader regional conflict.

Above all, the NDS demands even deeper investments in the Department's people, who remain the bedrock of America's security. We rely on the service and the sacrifice of our troops and our civilian workforce, and the President's budget request will dedicate the resources, services, policies, and programs needed to faithfully support them and their families.

Our commitment to maintaining enduring advantages for the United States is reflected in the Department's requests for procurement and for research and development—\$167.5 billion and \$143.2 billion, respectively.

## **Deliberative/Pre-Decisional**

Provisions of the Fiscal Responsibility Act forced tough choices related to further military modernization. The law's topline limitation requires the Department to make targeted reductions to programs that will deliver key capabilities in later years to preserve the joint force's ability to fight and win in the near term. This approach assumes some risk on mid- and long-term modernization efforts not intended to be delivered until the 2030s, but achieving our strategy will require making up for these funding delays with growth in future years.

Meanwhile, I take seriously Congress's goal for the Department to get a clean audit opinion by 2028. Americans should expect us to account for our dollars and our inventory. That is why this budget will continue to invest in the controls we put in place to ensure that we spend taxpayer resources as intended by Congress. And it is why I directed senior leaders to tie performance results to their organizations' audit objectives.

Notwithstanding our efforts at responsible fiscal management, the lack of timely enactment of full-year appropriations has seriously hindered the Department's operations and planning. I am grateful for congressional action to pass Fiscal Year 2024 appropriations, but when we are forced to operate under continuing resolutions, at the previous year's appropriations levels, the Department cannot start new initiatives or increase the rate of production for many high-priority programs. Stop-gap funding measures delay badly needed investments in our military infrastructure, inflict unnecessary disruptions on our Service members and their families, undermine our recruitment efforts, and give an unnecessary boost to our strategic competitors.

The single greatest way that Congress can support the Department of Defense and our troops is to pass predictable, adequate, sustained, and timely appropriations.

Since my first day as Secretary of Defense, I have been guided by three priorities: defending our Nation, taking care of our people, and succeeding through teamwork. As detailed below, President Biden's FY 2025 budget request will advance all three of these overarching priorities, providing the most lethal fighting force on Earth with the means to defend the American people in turbulent times.

As Congress develops authorization and appropriations legislation in the months ahead, I am grateful for your support of our budget request and the mission and the people of the Department of Defense.

### **Defending the Nation**

To tackle the evolving challenges and threats from the PRC, Russia, Iran, the Democratic People's Republic of Korea (DPRK), and global terrorist groups, as well as transnational challenges such as climate change and pandemics, we must upgrade not just our weapons systems but also our ability to quickly field new capabilities. Today's rapidly shifting security environment demands that the Department ruthlessly prioritize to strengthen our warfighting capabilities, build a skilled and innovative defense workforce equipped for tomorrow's challenges, and work together more powerfully with our indispensable allies and partners.

### **Outpacing the PRC**

As the NDS notes, an increasingly aggressive PRC is trying to shape the global system to suit its authoritarian preferences. This is a generational challenge, and the Department will continue to meet it. We also seek a free, open, and prosperous Indo-Pacific region in which all countries are free from coercion. The FY 2025 budget request will help us realize that goal.

In FY 2025 and beyond, we will strengthen U.S. integrated deterrence by advancing new operational concepts, investing in cutting-edge capabilities across all domains, and deepening our cooperation with our outstanding allies and partners in the Indo-Pacific. Across the region, we are experimenting with new technologies to expand our warfighting advantages and refine the way that we operate.

We have made historic improvements to our force posture in the Indo-Pacific. Last year was the most transformative year in a generation for U.S. force posture in Asia. In 2023, we made major infrastructure improvements in airfields, logistics, and domain awareness across the region.

Meanwhile, we are modernizing U.S. posture in Japan and have deployed additional forces in Japan, Australia, Guam, and, on a rotational basis, in the Philippines.

Through a \$9.9 billion request for the Pacific Deterrence Initiative, the Department continues to prioritize investments in our activities and infrastructure to reinforce security and stability in the Indo-Pacific region and bolster our advantages and those of our allies and partners west of the International Date Line. With our allies and partners, we will continue to increase the complexity and the scale of our exercises, which will boost deterrence and enhance interoperability. We also continue to staunchly support Taiwan's self-defense, consistent with our longstanding policy anchored in the Taiwan Relations Act, the three Joint Communiqués, and the Six Assurances.

### **Answering the Acute Russian Threat**

Putin's unprovoked and unjust 2022 invasion of Ukraine has taken a harrowing toll on the Ukrainian people and threatened security in Europe and beyond. Putin's war is a frontal assault on the hard-won, post-World War II rules-based international order that has produced decades of prosperity without great-power war. If Putin prevails in Ukraine, it would embolden would-be aggressors everywhere. The world of chaos and conquest that Putin seeks—one in which autocrats think they can rewrite borders by force—would leave the United States far less secure. The price of U.S. leadership remains far lower than the price of U.S. abdication. There is no good reason to think that an emboldened Putin would stop with Ukraine, which could mean unthinkably high costs for the United States. This is not just about Ukraine's survival; it is also about America's security.

The United States has therefore rallied a broad coalition of allies and partners to support Ukraine's brave fight against Putin's war of choice. The FY 2025 budget request will position the Department to continue to oppose the Kremlin's aggression, while bolstering U.S. force posture in Europe and reinforcing our allies and partners.

As Putin's forces continue their attacks against Ukraine's front lines, cities, and civilians, support from Congress is more crucial than ever—including the supplemental funding that Congress recently approved. This supplemental will strengthen American security and save Ukrainian

lives; it will enable us to meet Ukraine's urgent self-defense requirements, even as we maintain our own readiness and advance our military modernization; and it will meet our commitments to our partners in Israel and in the Indo-Pacific region. Moreover, because the additional arms and ammunition provided to Ukraine will be produced by our own defense industrial base, the supplemental will invest billions of dollars in the U.S. economy, creating quality jobs for Americans and increasing the resilience of our vital supply chains. Thank you for securing those vital resources.

### **Persistent Security Threats**

Other malign actors, including the DPRK, Iran, and global terrorist organizations, continue to threaten the security of the United States and our allies and partners. Russia has deepened its ties to Iran, the DPRK, and the PRC—all of which seek new ways to undermine U.S. interests across the Indo-Pacific, the Middle East, and Africa. The FY 2025 budget request ensures that the United States is ready to deter and respond to these persistent threats.

In the Middle East, the Department remains committed to Israel's right to self-defense; to ensuring that Israel never has to endure another assault like October 7th; to the swift return of all hostages in Gaza, including American citizens; and to preventing the further spread of conflict. At the same time, we continue to press Israel to protect Palestinian civilians and to increase the flow of urgently needed humanitarian assistance into Gaza.

The Department is also focused on Iran, whose nuclear ambitions, dangerous proxies, support for terrorism, and threats to freedom of navigation undermine regional security and threaten U.S. forces, allies, and partners. Through investments including integrated air- and missile-defense systems, maritime domain awareness, and counter-uncrewed aerial systems, the FY 2025 budget request will help us strengthen our partnerships in the region and preserve our ability to deploy combat-credible forces when needed.

On the Korean Peninsula, we will continue to shore up peace and security, despite the DPRK's ongoing provocations. With our allies in the Republic of Korea and Japan, we are reinforcing our extended-deterrence commitment and strengthening bilateral and trilateral cooperation. That

includes information sharing, joint exercises, new missile-warning data-sharing systems, and increased U.S. rotations. The FY 2025 budget request will ensure that U.S. forces in and around the Korean Peninsula remain ready to respond to aggression by the DPRK.

Our ability to monitor and disrupt terrorist threats to our country and our citizens has grown dramatically in the two decades since the September 11, 2001, attacks by al-Qaeda. The FY 2025 budget request will continue to sharpen our over-the-horizon counterterrorism capabilities. The Global Coalition to Defeat ISIS—now in its tenth year, with 87 members—is a lasting example of the value of working with allies and partners toward our common counterterrorism goals

### **Investing to Win Across All Domains**

We continue to strengthen our capabilities across all domains of potential conflict. To strengthen our sea power, this request includes \$48.1 billion for naval and shipbuilding capabilities to enhance and modernize our fleet. The Navy’s commitment to stable acquisitions remains the foundation of a healthy shipbuilding base. The Department plans to invest more than \$9 billion over the next five years to improve public repair yards through the Shipyard Infrastructure Optimization Plan.

We are also making a historic investment in our submarine industrial base to develop supply chains, attract and retain skilled workers, and ensure the on-time delivery of Columbia and Virginia Class submarines. The FY 2025 budget request includes \$4 billion for the submarine industrial base, which follows the nearly \$1.2 billion requested in FY 2024 and \$3.3 billion in the recently passed supplemental funding bill. These investments account for existing production capacity at our shipyards and represent an investment strategy that will allow us to support both our domestic production goals and our commitments under the AUKUS initiative. These investments will enable the Navy to maintain undersea dominance, keep a strong presence in key regions, respond effectively to emerging PRC threats, and continue the transition to Distributed Maritime Operations.

The FY 2025 budget also requests \$61.2 billion in key areas to assure U.S. air dominance. This includes continued funding for the modernization and sustainment of the F-35 and F-22 fleets,

while developing the next-generation fighters and autonomous collaborative combat aircraft critical to maintaining superiority in the skies. Our request also prioritizes long-range fires, including hypersonic weapons; a modern air command-and-control framework; rapid global mobility; and preeminent electromagnetic-warfare capabilities. To further increase strategic deterrence, the FY 2025 budget request will invest in the development, production, testing, and deployment of the B-21 strategic bomber and the Long-Range Standoff Weapon, which will enhance the Air Force's penetrating strike capability.

On land, the FY 2025 budget requests \$13 billion to bolster Army and Marine Corps combat capabilities. It will continue to strengthen and modernize the Army's Organic Industrial Base, including improvements to its arsenals, maintenance depots, and ammunition facilities. It also invests in electromagnetic-warfare capabilities and command-and-control systems, as well as air- and missile-defense systems and land-based long-range fires. Additionally, the budget request will invest in technology to counter small uncrewed aerial systems, including sensors, a common operating picture, data libraries, and both kinetic and non-kinetic mitigation capabilities. And once again, we ask Congress to provide necessary flexibility for a portion of this funding to enable the Department to rapidly respond to emergent operational needs and evolving force protection requirements.

The FY 2025 budget request includes a \$29.8 billion investment in munitions, including procurement for critical weapons such as Maritime Strike Tomahawk and Long Range Anti-Ship Missiles at or near maximum production-capacity levels. The Department is committed to boosting the variety and quantity of our air-, sea-, and ground-launched munition inventories and to maintaining a consistent and predictable demand signal for our industry partners. Congressional support of the Department's previous requests for multi-year procurement authority would help grow the advanced munitions industrial base.

The FY 2025 budget request will support the Department's pursuit of base-resilience and base-hardening initiatives to protect our forces and installations from air and missile threats—and to recover quickly if struck. This request will continue to strengthen our missile-defense capabilities, including multiple new radars and launch systems for the Guam Defense System.



We are also seeking resources to improve infrastructure for our joint forces across the Indo-Pacific. We will increase the lethality and the survivability of our Army and Marine deployments in the Indo-Pacific by providing them with the capabilities they need to operate in distributed and contested environments. For our Air Force, this budget request will improve the resilience of our forward basing by funding hardening and dispersion activities.

In the space domain, we will continue to invest in the systems and the capabilities to build advantages over any competitor. The Department will commit \$33.7 billion to strengthen our space architecture, including strategic and tactical missile warning and tracking; communications; positioning, navigation, and timing; space sensing; and the supporting ground architecture. The budget request will also fund upgrades to our launch infrastructure to support more government and commercial launches.

Beyond our cooperation with the American commercial space sector, this budget request will also allow the Department to enhance our engagement with our allies and partners in the space domain. Consistent with the Space Strategic Review, these investments continue to focus on deterring hostile uses of space and ensuring that the United States can prevail should deterrence fail in this critical domain.

The FY 2025 budget request proposes an investment of \$14.5 billion in cybersecurity and other investments in cyberspace. This includes, among other things, developing and fielding advanced cybersecurity tools and techniques to protect our networks and critical infrastructure; expanding data-centric and artificial intelligence programs; upgrading our cyber-operations training platform; and accelerating our use of cloud-based capabilities.

Finally, the COVID-19 pandemic—which killed more than 1.1 million Americans—underscored the national-security risks from biological threats. It is important, therefore, that in August 2023, the Department released the Biodefense Posture Review. This foundational document outlines key reforms to posture the Department to prevail in the face of future threats, including from adversaries who seek to disrupt U.S. military operations. Building on these reforms, the

President's FY 2025 budget request will further enhance our ability to keep America safe from biological threats.

### **Innovating and Modernizing**

A safe, secure, and effective U.S. nuclear deterrent is the ultimate check on strategic attacks against our country and our allies. The Department is committed to maintaining and modernizing all three legs of the U.S. nuclear triad even as we remain ready to pursue arms-control measures that enhance U.S. and allied security. The FY 2025 budget request includes an investment of \$49.1 billion to fund our nuclear enterprise and invest in U.S. nuclear command, control, and communications. This budget request will enable the Department to maintain our reliable and effective legacy systems while building and fielding their replacements.

The replacement for the ground-based leg of the nuclear triad, the Sentinel weapon system, remains one of the largest, most complex programs within the Department. The Department notified Congress in January that Sentinel had experienced a critical cost overrun, and we are now reviewing the program, as required under the Nunn-McCurdy Act. This robust review will be completed within 120 days after the submission of the President's budget. The Department remains determined to prevent gaps in capability as we modernize our intercontinental ballistic missile fleet.

The Department also continues to invest in cutting-edge defense capabilities, from uncrewed systems and smarter munitions to advanced energetics and manufacturing. We are integrating human-machine teaming, developing autonomous systems, and fielding reliable and resilient networks and data. At the same time, we are taking steps to optimize the practices and systems that are working best, while phasing out our technical debt—those quick fixes that we know will be costly or obsolete in the future. All this will make our operations faster, more lethal, and more survivable for our forces, allies, and partners. As I have repeatedly said, when we sharpen our tech edge, we expand our military edge.

In this sustained period of record or near-record low unemployment, the Department is finding new ways to develop and recruit the talent that will help us maintain America's position as the

global leader in research and development. We are cultivating skilled scientists and engineers through the Science, Mathematics, and Research for Transformation scholarship-for-service program and other initiatives. This budget request will also continue to pilot the Defense Civilian Training Corps and civilian cyber-workforce-incentive programs to strengthen skills in other critical fields such as acquisition, digital technologies, Zero Trust, and cybersecurity.

We are also investing in research partnerships focused on critical technologies with our allies and partners. Our unparalleled network of alliances and partnerships is key for technological development, co-investment in combined capabilities, and production capacity.

The Department continues to vigorously develop and test advanced weapons prototypes. The FY 2025 budget request will foster the development of several hypersonic weapons programs, prioritizing surface-launched boost-glide capabilities and air-launched cruise missiles. Also in FY 2025, the Army will field its third Medium-Range Capability battery and its second Long-Range Hypersonic Weapon battery. Our budget request will also invest in further improvements to our subsonic cruise missiles to keep them effective against rapidly evolving threats and targets.

To sustain U.S. technological superiority for the future force, the public and private sectors must work even more closely together. The FY 2025 budget will advance the work of the Defense Innovation Unit, which is working with venture-capital firms and tech innovators who are often doing business with the Department for the first time. By building bridges with private industry, we can acquire commercial technologies that will deliver game-changing capabilities at speed and scale. In 2022, I established the Office of Strategic Capital to provide the Department with new, loan-based tools to catalyze private investment in domestic production and manufacturing of the crucial technology supply base, at limited cost to the Department and the taxpayer. The recent passage of the FY 2024 appropriations bill will empower this new office to help attract and scale private capital to invest in the critical technology components that underpin our most important weapons systems.

We also continue to invest in programs to test and scale emerging technologies, such as the Strategic Capabilities Office, the Rapid Defense Experimentation Reserve, and the Accelerate the Procurement and Fielding of Innovative Technologies program.

Additionally, the Department will continue to work with Congress to tackle emerging concerns through the new Replicator initiative to accelerate capabilities from prototype to scale. The Department is currently focused on producing thousands of attritable autonomous systems over the next 18 to 24 months, creating a repeatable process that will enable the rapid delivery of future capabilities.

To improve the speed, quality, and accuracy with which commanders make decisions, we are actively pursuing the Combined Joint All Domain Command and Control capability, which seeks to integrate and deploy information across all domains and the electromagnetic spectrum. As Deputy Secretary Kathleen Hicks recently announced, the Department has delivered its initial iteration of this capability, an important step in scaling it across the joint force. The FY 2025 budget request will help the United States maintain our edge in command and control across all domains, as the pace and amount of information in warfare increases.

### **Improving Our Resilience**

As the NDS warns, the climate crisis is reshaping the Department's strategic environment and threatening U.S., allied, and partner interests. Climate change is placing new demands on the joint force and challenging our readiness. Extreme weather events have inflicted billions of dollars of damage on DoD installations and assets. And in places such as the Arctic, climate change is creating new potential points of friction.

By working with allies and partners to enhance climate resilience, we strengthen our defense relationships and bolster our ability to respond to instability and humanitarian emergencies. Meanwhile, by reducing the operational energy demand of our platforms, we can act more nimbly and freely in contested logistics environments and sustain distributed operations.

This budget request will invest in enhancements to our operational capabilities, mission resilience, and readiness. This includes programs that reduce or avoid the risk of energy and water supply disruptions to military facilities—whether caused by extreme weather, cyber operations, or kinetic attack. The budget request also includes funding to improve the energy efficiency of combat operations and platforms, to enhance the joint force’s agility, and to reduce logistics risk in contested environments like the Indo-Pacific region. Throughout, our focus is on maximizing our operational advantages—and, when necessary, preparing to fight and win under any conditions.

**Taking Care of Our People**

Doing right by our people is a readiness imperative. This budget request therefore will enable the Department to invest in significant additional quality-of-life improvements, military pay raises, and benefits for our outstanding Service members and their families. Furthermore, it helps to implement historic military-justice reforms, counter the scourge of sexual assault, build positive command climates, and deepen our efforts to prevent suicide in our ranks.

**Strengthening Support to Service Members and Families**

Our Service members and their families deserve competitive compensation packages that make the Department an employer of choice. After troops received a basic-pay increase of 5.2 percent in 2024—the largest in more than 20 years—the FY 2025 budget request will support a 4.5 percent pay raise in the coming year. At the President’s directive, we will continue to examine compensation through the Quadrennial Review of Military Compensation.

The places where we work and live affect our people’s ability to carry out their missions and the overall recruitment and retention of the force. The FY 2025 budget request will build on recent investments in construction, maintenance, cleanup, and conservation, including \$2 billion for family housing construction and operations and more than \$1 billion in military construction for unaccompanied housing. This continued investment reflects the commitment in our “Resilient and Healthy Defense Communities” strategy to ensure that our people live, work, and train in healthy, functional, and resilient spaces.

The FY 2025 budget request will provide additional economic support to our Service members and families across a range of programs. The Department is making childcare more accessible and affordable, and we are expanding the availability of childcare-fee assistance through the Military Child Care in Your Neighborhood PLUS initiative. Additionally, in 2023, the Department established the opportunity for Service members and their families to contribute to dependent-care flexible spending accounts, which make the costs of childcare and other forms of care for family members easier to bear. I have also taken direct action to reduce commissary prices and to increase opportunities for our military spouses to excel in their own careers.

With thanks to Congress, the Department has implemented expanded parental-leave benefits for our Service members. New parents now receive 12 weeks of paid, non-chargeable leave, whether they become parents by birth, adoption, or long-term foster care. And when a Service member suffers the tragedy of the death of a spouse or child, DoD has implemented a bereavement leave benefit that Congress provided, which allows Service members who have not yet accrued significant annual-leave balances to take up to 14 days of non-chargeable leave in these times of grief.

### **Protecting Our Teammates and Ensuring Accountability**

As I said on my first full day in office, sexual assault in the military is a scourge, and ending it is a leadership issue. Every member of the force deserves a workplace free of sexual assault, sexual harassment, and personal fear, which erode cohesion and trust within our units. The FY 2025 budget request will ensure that the Department will have the capabilities, the programs, and the integrated prevention workforce needed to implement the recommendations I approved from the 2021 Independent Review Commission on Sexual Assault in the Military.

The Department also recently reached a milestone in strengthening accountability and increasing Service members' trust in the fairness and integrity of the military justice system. In December 2023, the Offices of Special Trial Counsel within the Military Departments reached full operational capability, shifting prosecutorial discretion for 13 serious criminal offenses away from commanders to specially trained and independent judge advocates who report directly to the Secretaries of the Military Departments. This landmark change to the U.S. military justice

system significantly strengthens the independent prosecution of sexual assault and other serious criminal offenses, such as domestic abuse and child abuse and neglect. It is the most important reform to our military justice system since the creation of the Uniform Code of Military Justice in 1950, and I am grateful to Congress for passing this important law.

The Department also remains laser-focused on preventing suicide in our ranks, and we are committed to implementing enabling actions informed by the work of the Suicide Prevention and Response Independent Review Committee. In September 2023, I announced a comprehensive suicide-prevention campaign plan implementing more than 80 actions, including steps to improve suicide-prevention training, reduce the stigma associated with seeking help, expand access to support services, and promote the safe storage of guns and potentially dangerous medications.

### **Addressing the Recruiting Challenge and Growing Our Talent**

The Department of Defense must recruit and retain the best of America, building pathways of opportunity for all qualified patriots who seek to serve. Many factors can affect recruiting, including a competitive economy, shifting attitudes toward institutions, limited familiarity with the military, and the aftermath of the Iraq and Afghanistan wars. To push past the headwinds in meeting the recruiting mission, we must clearly convey the full range of opportunities and benefits offered by military service. Recent legislation and ongoing activities by the Services are opening pathways for recruiters to reach more young people while upholding our standards. Amid today's challenging recruiting environment, retention remains high. The Department has moved effectively to incentivize members to remain in the military, to strive for promotion and increased responsibility, and to enhance their skills and abilities. This budget request envisions additional ways to tap into the full range of talent across America.

The FY 2025 budget request will also support a properly sized, highly capable civilian workforce aligned to the Department's mission and workload. The Department will continue to work to make the best possible use of our deeply dedicated people, including our troops, our civilian workers, and our contractors.

The Department continues to provide exceptional opportunities for service and professional development. This means attracting more personnel with technological skills, foreign-language abilities, or other talents. We are investing in training and education, as well as creating scholarships for science, technology, engineering, and math. The Department is committed to attracting, retaining, and developing the best talent in America, especially rising stars with expertise on emerging technologies and cutting-edge capabilities such as AI, data analytics, digital modernization, and cyber operations.

### **Succeeding Through Teamwork**

Our long-term security and success demand teamwork—across the Department and beyond. That means working closely and effectively with our interagency colleagues, Congress, industry, and our peerless network of allies and partners worldwide. The FY 2025 budget request will enable the Department to deepen our cooperation with the allies and partners who magnify our power and advance our shared security interests.

The NDS is rooted in the immutable military reality that strengthening our work with allies and partners deepens our common security and lets us share the burden of forging a safer and more prosperous world. For example, the Defense Security Cooperation Service that I established in May 2023 will improve the way the Department trains, organizes, and equips itself for security cooperation, which in turn will let us more swiftly and effectively deliver capabilities to our allies and partners. This budget request will support the initial phases of the establishment of this service, which will put our embassy-based Security Cooperation personnel on par with those in the Defense Attaché Service.

### **The AUKUS Partnership**

I am grateful to Congress for its support of the historic AUKUS partnership, including passing legislation to allow for more seamless defense innovation and trade with two of our closest allies, Australia and the United Kingdom. The FY 2025 budget request will support the AUKUS initiative to forge a more secure balance of power in the Indo-Pacific region. Our three proud democracies are jointly tackling the threats of the 21st century, building on our proud work together in the 20th century.



Last year, the President announced our plans for the first major initiative of AUKUS: providing Australia with a conventionally armed, nuclear-powered submarine. The phased approach to that initiative will allow us to provide this capability on the fastest possible timeline, while strengthening the nuclear nonproliferation regime. The first phase of that initiative is on track: the first Australian submariners have graduated from our nuclear-power school; two of our submarines have conducted port visits in western Australia; and Australian workers are building their skills alongside Americans in our ports in Hawaii and Guam. In December 2023, I hosted my U.K. and Australian counterparts at the Defense Innovation Unit in Silicon Valley, where we committed to seeking even greater innovation and interoperability among our defense industries. This AUKUS initiative will deepen trilateral cooperation in several areas, including artificial intelligence and autonomy, quantum technologies, cyber capabilities, hypersonics, and more.

We are also expanding our bilateral defense and security cooperation with Australia, particularly on force posture and capabilities development. In 2023, our two governments entered into an arrangement to collaborate on a flexible guided weapons production and maintenance capability to be located in Australia.

#### **Allies and Partners in the Indo-Pacific**

Our network of allies and partners in the Indo-Pacific is deep, wide, strong, and committed to a shared vision of peace, prosperity, stability, and deterrence. The FY 2025 budget request will ensure that the United States can continue to strengthen these key alliances and partnerships.

To deter the threat that the DPRK's nuclear weapons and ballistic-missile programs pose to the American homeland, we have increased rotations of strategic assets to the Korean Peninsula and returned to large-scale, combined, live-fire exercises with the Republic of Korea.

We are working closely with our Japanese allies to forward-deploy more versatile and resilient U.S. capabilities, to enhance Japan's counterstrike capabilities, and to modernize our alliance's command and control.

**Deliberative/Pre-Decisional**

We are modernizing the U.S.-Philippines alliance by enhancing maritime cooperation, strengthening Philippine capabilities, and improving interoperability and information sharing. Under the Enhanced Defense Cooperation Agreement, we have expanded our rotational presence to four new strategic locations in the Philippines. These steps underscore our unwavering commitment to our Mutual Defense Treaty with our allies in the Philippines.

Our annual Cobra Gold exercise with Thailand helps strengthen relationships among participating regional partners. Last year's exercise saw the largest U.S. contingent in a decade, as well as the participation of dozens of other countries, in a welcome return to pre-pandemic levels.

With this budget request, we are beginning a new chapter in U.S.-India relations, under our Major Defense Partnership. Our militaries are accelerating joint exercises, information-sharing, and other operational activities to boost maritime security in the Indian Ocean. By bolstering the Indian military's capabilities, we can work together to uphold a more stable balance of power across the wider Indo-Pacific. We are committed to ensuring that the growing U.S.-India partnership supports the efforts of our broader network of allies and partners, especially the Quadrilateral Security Dialogue among Australia, India, Japan, and the United States.

The FY 2025 budget request will also enable the Department to remain engaged across the Pacific Islands region, in alignment with our Indo-Pacific strategy. That includes building on the Defense Cooperation Agreement that we secured last year with Papua New Guinea, as well as increased security cooperation and closer bonds with the Freely Associated States—Micronesia, the Marshall Islands, and Palau.

Strong multilateral cooperation, including with the Association of Southeast Asian Nations (ASEAN), underpins all these efforts to foster a free and open Indo-Pacific. As I have said, the Indo-Pacific remains our center of strategic gravity.

## European Security and Support to Ukraine

The United States continues to work closely with our allies and partners to support Ukraine's fight for freedom. The engine of our efforts is the Ukraine Defense Contact Group, the coalition of some 50 countries that I regularly convene to meet Ukraine's immediate battlefield needs and support its long-term security and sovereignty. Members of the Contact Group have organized new, multinational "capability coalitions," focused on supporting such areas as Ukraine's air force, integrated air and missile defense, artillery, maritime security, armor, information technology, de-mining, and drones.

Putin's war of choice poses the largest threat to European security since the height of the Cold War, and NATO is more united than ever. The greatest alliance in history has gained two more highly capable defense partners with the recent accession of Finland and Sweden, and the United States has moved urgently with our allies to further fortify NATO and bolster its defenses on its eastern flank.

Allies are also increasing investments in their own militaries at levels not seen since the end of the Cold War. More allies than ever are meeting their pledges to invest at least two percent of their GDP in defense—including, as NATO Secretary General Jens Stoltenberg has noted, a real increase of 11 percent in defense spending in 2023 across our European and Canadian allies. This is historic progress, and we will continue to encourage further investments and urge every member of NATO to meet its obligations under the Defense Investment Pledge.

Our commitment to Article Five of the North Atlantic Treaty remains ironclad. We will not be dragged into Russia's war of choice, but we will stand with Ukraine as it fights to defend itself, and we will continue to strengthen NATO's collective defense and deterrence. We cannot have a secure America without a strong NATO.

The Kremlin's war poses a direct threat to security in Europe and beyond. The world will only become more dangerous if Putin and his fellow autocrats conclude that they can wipe democracies off the map and force free people to live in fear. So we will continue to support

Ukraine's brave defenders—both because it is the right thing to do and because it is central to America's continued security.

### **Investing in America's Defense Industrial Base**

The United States needs an adaptive, resilient, and robust defense industrial base to meet its 21st-century defense challenges. Today, our defense industrial base still relies heavily on foreign production and vulnerable supply chains. Providing military capabilities at the speed and scale necessary to maintain our competitive advantage—without relying on competitors for capital, technology, or raw materials—will require cooperation and investment from both the private and public sectors to build a modern defense industrial base.

In January, the Department published the National Defense Industrial Strategy, which will guide DoD actions—in partnership with industry and our allies—to meet the production demands posed by evolving threats. This budget request will shore up critical domestic and allied supply chains for sectors such as microelectronics, casting and forging, and batteries and energy storage. It will also help secure upstream supplies of rare earth elements essential to U.S. economic and national security, including by supporting programs to boost innovative manufacturing methods, the use of alternate materials, and strategic stockpiling.

The budget request also outlines investments to revitalize our submarine industrial base. That will create good American jobs, grow our manufacturing capacity, and strengthen our submarine supply chains.

When we invest in America's defense industrial base, we do not just strengthen our national security; we also boost our economy. The defense sector can catalyze innovation, create jobs, and make technological advances. Our relationships with industry can strengthen America's defense even as they sustain America's economic growth.

Such progress relies on a fully funded defense budget. Dependence on short-term funding measures damages our ability to invest in our defense industrial base. Under continuing resolutions, critical national-security programs are delayed or put on hold, and the fiscal

uncertainty destabilizes the U.S. economy. The only clear path for the United States to maintain our global strength and continue to outpace our rivals is for our valued partners in Congress to provide full-year appropriations. Building on Congress's meaningful investments over the past three years, the Department is committed to working with Congress to ensure that our industrial base can continue to meet the needs of our warfighters—and ensure continued security for the United States.

### **Conclusion**

As the President has noted, we stand at “an inflection point in world history.” Amid a global battle between democracy and autocracy, our friends, our rivals, and our foes are all looking to America. Our security in these turbulent times relies on American strength of purpose. We remain determined to meet this moment.

The FY 2025 budget request will ensure that the Department will be able to continue building the most lethal, resilient, and responsive military on Earth. We hope that our valued partners in Congress will help us make the critical, targeted investments to strengthen America's security in this time of historic challenge. To that end, the single best thing that Congress can do to strengthen our national defense is to pass a full-year appropriation. Our competitors do not have to operate under continuing resolutions. When the Department does, it erodes both our country's security and our ability to compete—today and in the future.

We make this request mindful of the need to be faithful stewards of taxpayer dollars. The American public, including of course our extraordinary troops and veterans, should never expect anything less.

Finally, I want to thank our Soldiers, Sailors, Airmen, Marines, and Guardians; their families, caregivers, and survivors; and our civilian employees. They are our greatest strategic asset—and they never waver in their drive to make our union more perfect, our country more secure, and our world more just.

Thank you.