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14. ABSTRACT

On September 3 2014, then-Secretary of Defense Chuck Hagel directed the development of a Third Offset Strategy. Hagel asked the DoD to develop new ways for conducting military operations to combat a myriad of cheap technological advances which threaten the military's technological primacy. The first offset strategy, most frequently referred to as The New Look, began shortly after President Dwight Eisenhower took office in 1953. Project Solarium provided the basis of the strategy by examining three courses of action for defeating the Soviet Union. The Second Offset Strategy was launched during the 1970s and sought a technological solution to the enormous quantity of Soviet armored forces threatening Europe without immediately resorting to a nuclear exchange. Comparing The New Look to the Third Offset Strategy reveals that the current effort is not a true offset strategy because it does not address a specific adversary, but is instead focused on technological advancement. DoD officials must cede the fact that a Third Offset Strategy will not offer perfect solutions for combatting every adversary and that this approach will inevitably lead to assuming greater risk against 'lesser' adversaries. In its current state, the title 'defense innovation initiative' is more apropos.

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MASTER OF MILITARY STUDIES

The Third Offset Strategy: Lessons from *The New Look*

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EXECUTIVE SUMMARY

Title: The Third Offset Strategy: Lessons from *The New Look*

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Thesis: The term ‘defense innovation initiative’ more accurately describes the current effort than ‘Third Offset Strategy.’ Although the current defense initiative may be a necessary step in the development of a Third Offset Strategy, technology in of itself is not a strategy.

Discussion: On September 3 2014, then-Secretary of Defense Chuck Hagel directed the development of a Third Offset Strategy. Since the United States had successfully leveraged technology to counter Soviet strength during the Cold War, Hagel asked the DoD to develop new ways for conducting military operations to combat a myriad of cheap technological advances which threaten the military’s technological primacy. There may be lessons to be learned from the past.

The first offset strategy, most frequently referred to as *The New Look*, began shortly after President Dwight Eisenhower took office in 1953. Project Solarium provided the basis of the strategy by examining three courses of action for defeating the Soviet Union. What began as an effort to decrease spending by replacing conventional forces in Europe with cheaper nuclear ones evolved into an enterprise that would prevent another world war. Elements of the findings, ultimately reflected in NSC 162/2, can be traced throughout the remainder of US Cold War strategy.

The Second Offset Strategy was launched during the 1970s in response to the Soviet Union having achieved nuclear parity. The US sought a technological solution to the enormous quantity of Soviet armored forces threatening Europe without immediately resorting to a nuclear exchange. The Second Offset Strategy succeeded by developing “systems of systems” based on real-time intelligence and targeting with precision weapons.

This paper compares *The New Look*, rather than the Second Offset Strategy, with the current defense initiative because of the contextual similarities between when Eisenhower and Obama took office and the nature of the current approach. Both administrations faced the problem of a country engaged in combat operations and needed to find ways to responsibly shrink the size of the armed forces while maintaining credibility overseas. Additionally, they both faced a host of domestic challenges after long expensive wars. Ultimately, both presidents sought offset strategies to counter a mismatch between resources and foreign policy goals.

Conclusion: The current effort is not a true offset strategy, in that it does not address a specific adversary and is instead focused on technological advancement instead of developing a feasible long-term strategy using all the elements of national power, as Eisenhower did in *The New Look*. Additionally, DoD officials must cede the fact that a Third Offset Strategy will not offer perfect solutions for combatting every adversary and that this approach will inevitably lead to assuming greater risk against ‘lesser’ adversaries. In its current state, the title ‘defense innovation initiative’ is more apropos.

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PREFACE

My decision to examine the Third Offset Strategy is the result of recurring themes throughout the academic year at Marine Corps Command and Staff College. Time and time again, speakers and faculty brought up the increasing availability of sophisticated technology as a challenge to the US military's technological primacy. Students were asked to consider if the military was ready to handle the changing world in which we operate. Topics such as urbanization, the proliferation of information technology and social media, operating in anti-access/area denial environments, the commercialization of space, commercial availability of drones and night vision devices, use of ambiguous forces by state actors, portability of lethal weapons, and the adaptability of advanced commercial technology for military purposes were cited as a "wake-up" call for professional self reflection. Although these lectures provided ample topics for reflection and debate, students were often left with a foreboding feeling as speakers neglected to discuss avenues of potential advancement and initiatives underway to address these concerns in a concrete way. Clearly, someone must be thinking about the future operating environment in a more methodical and concerted manner than the exposure that we were receiving in one-hour lectures.

Inundated with more questions than answers, I decided look to the past for context and to determine if there are any lessons to be gleaned for the future. I begin this paper by asking what an offset strategy is, how they have been used in the past, and if we can learn any lessons for their use in the future. Although we cannot predict the future from the past, I contend that we must learn from it in order to avoid repeating mistakes. Ultimately, my goal is for the reader to walk away smarter on how the US has leveraged innovation through the first offset strategy and to provide context on the current defense innovation initiative and any potential shortfalls.

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First off, I would like to thank my wonderful bride. She has managed to raise our growing family of women with great care and compassion. She is not only better looking than me, but smarter, more determined, and the rock at the foundation of our family. Thank you for giving me the countless hours away from home researching and writing this paper in addition to all of my other academic pursuits at tremendous personal sacrifice. A special thank you to Dr. James Joyner, my MMS mentor and civilian FACAD, who's given me the latitude to pursue this endeavor in my own manner and offered sage advice and needed criticism.

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THE THIRD OFFSET STRATEGY: LESSONS FROM *THE NEW LOOK*

In his opening speech to the Southeastern New England Defense Industry Alliance on September 3, 2014, then-Secretary of Defense Chuck Hagel announced the development of a new defense innovation initiative. Hagel charged the Undersecretary of Defense, Robert O. Work, with developing a third “game changing” offset strategy to overcome a myriad of complex and evolving national security threats. Citing conflict in the Ukraine, tensions in the South China Sea, uncertainty in Pakistan, and turmoil in Afghanistan, Hagel explained how complex the world had become.¹

The timing of his announcement was not accidental. The department was in the middle of downsizing after over a decade of combat in Iraq and Afghanistan and was hampered by the impacts of the 2011 Budget Control Act (BCA) resulting from political gridlock. Hagel explained, “The Department of Defense (DoD) is undergoing a defining time of transition. We [face] a reshaping of our enterprise by a fiscal environment plagued by . . . budget uncertainty and a large decline in resources, and by an historic realignment of interests and influences around the world.”² In calling for a new strategy, Hagel explained that further innovation is required to combat emerging threats eroding the US military’s technological advantages. While the current geopolitical environment and technological threats may be new, the idea of leveraging innovation to implement a national defense strategy is rooted firmly in modern American history.

During his speech, Hagel recounted the critical role that the defense industry has played in maintaining US national security. From its impressive ability to generate massive numbers of aircraft essential to victory in World War II to the development and creation of large stockpiles of nuclear ballistic missiles during the Cold War, American industry has routinely granted the US military a technological advantage in the modern age.³ In calling for a Third Offset Strategy,

Hagel hailed the success of the first two offset strategies implemented to counter the threat of the Soviet Union during the Cold War. Defense expert Dakota Wood summarizes them:

The first emerged in the 1950s centered on nuclear weapons and associated operational concepts to offset the Soviet Union's numerical advantage in conventional forces. The second focused on highly networked forces leveraging guided weapons such that US forces, exploiting modern information-sharing technologies, would be far more effective than any enemy in coordinated, precision attacks—see the enemy first at great range, orient the force more rapidly to gain positional advantage, strike from long range with great precision, and win before the enemy really ever had a chance to get his act together.⁴

Although the US has generally benefited from being the first to take advantage of technological leaps in the past, their utility wanes with time as adversaries modernize their own forces and adopt new operating concepts to combat US technological strengths.

Despite a narrowing technological gap, the need for a coherent defense strategy leveraging national strengths to counter one's greatest adversaries is enduring. This paper compares and contrasts modern day circumstances and the Third Offset Strategy to those that President Dwight Eisenhower faced in December of 1953 when he conceived the First Offset Strategy (hereafter referred to by its more common name, *The New Look*).ⁱ It begins by examining the nature of strategy, the goal of an offset strategy, and provides the contextual background of the previous two offset strategies. Then it examines the current approach to the Third Offset Strategy as well as how Project Solarium was conducted to provide the basis for

ⁱ Indeed, it was seldom if ever referred to as “the First Offset Strategy” before Hagel’s launch of the third iteration. Similarly, what has now been coined the “Second Offset Strategy” was known simply as “the Offset Strategy” up until 2014. However, to avoid confusion, in this paper, the term “Second Offset Strategy” will be used to differentiate it from the “Third Offset Strategy” and “The New Look.”

The New Look. Finally, the paper concludes by pointing out several contextual similarities that may have contributed to the pursuit of another offset strategy, before examining important distinctions between the two.

Perhaps the greatest conclusion of this paper is that the term ‘defense innovation initiative’ more accurately describes the current effort than ‘Third Offset Strategy.’ Although both offset strategies sought technological solutions as a way to maximize military power in the face of ambitious national security goals, there are substantial differences between their methodology and goals. In its current form, the Third Offset Strategy is solely focused on developing new technology rather than leveraging it as a means (as it was during *The New Look*) for a broader strategy. Whereas *The New Look* leveraged existing but nascent technology to produce a holistic strategy for defeating the Soviet Union, the Third Offset Strategy is more narrowly focused at achieving technological superiority. Furthermore, this paper contends that although the defense initiative is a necessary step in the development of a Third Offset Strategy; technology in of itself is not a strategy.

National Defense and Offset Strategies

Work, the architect of the Third Offset Strategy, explains that a “successful defense strategy is ultimately about balancing ways and means.”⁵ For the DoD, the means are governed by the overall size of the economy (both present and future), the proportion of government spending which Congress allocates for national defense, and how efficiently the DoD uses both of them to achieve its desired effects. The ways are the possible strategies that the DoD can employ its means to achieve national ends. Technology not only bridges ways and means, but is also subject to the economy. It changes the ways by providing bounds to the possible strategies available. It changes the means by providing new solutions to national threats, thereby enabling

new operating concepts. It is subject to the economy, because it requires national resources in order to develop it. Considered together, strategy, technology, and economy are interdependent elements of the same problem.⁶

A superior defense strategy leverages national strengths against its adversaries' weaknesses. If one views the economy as the US's greatest strength, as many analysts have, then according to Work, a US offset strategy must increase "the competitive advantage of our American forces and our allies over the coming decades."⁷ It must leverage the economy to develop new and superior technological means that enable a competitive advantage and a superior strategy. Technology plays a critical role in gaining an advantage but it is not a strategy in of itself. Rather, technology acts as an enabler for the creation of a new strategy, which is dependent upon its successful employment and the creation of coherent operating concepts. Despite the novelty of any technological advancement, offset strategies have a unique history in America's past.

During the Cold War, American defense strategies focused on technology and innovation to change the rules of the game, rather than increasing the number of pieces on the board. Work acknowledges that "the United States has never tried to match a great power tank for tank, ship for ship, airplane for airplane, or person for person" because attempting to match a foe overseas, where the US prefers to fight, would be futile.⁸ Moreover, attempting to create a force that could match the Soviet Union in Europe during the Cold War would have threatened America's way of life and challenged fundamental beliefs about the role of government.⁹ The belief that the US can prevail against its greatest adversaries by pursuing an offset strategy based on the uniqueness of its technological strengths is an enduring lesson from the successful prosecution of the Cold War and one that the US wishes to replicate in the Third Offset Strategy.

When Eisenhower took office on January 20th 1953, he faced a myriad of political dilemmas and commitments abroad that led him to reexamine President Harry Truman's Cold War strategy. In the Far East, Eisenhower was looking for a way to end the massive combat operations in the Korean War but faced obstacles negotiating peace. In Europe he faced the delicate task of reassuring NATO allies of America's commitment to security while rebuffing their reluctance to shoulder the military and financial burdens of defending Europe from Soviet expansion.ⁱⁱ As the first Republican President in twenty years, Eisenhower recognized the need and felt domestic political pressure to balance the budget.ⁱⁱⁱ Fearful of the expansive role of the military in governance, he viewed the preservation of America's economic supremacy as quintessential, a task that in his view required a balanced budget and the reduction of the national debt.^{iv} However, the nation was still suffering from the financial ramifications of World War II, the subsequent reconstruction programs in Europe and Japan, the price of maintaining a large wartime Army in Europe, and conducting combat operations on the Korean peninsula. Eisenhower was astounded to learn that prior to taking office, Truman had planned to spend a

ⁱⁱ Secretary of State John Dulles was particularly concerned about NATO's reluctance to contribute to the defense of the West. In *John Foster Dulles: Piety, Pragmatism, and Power in US Foreign Policy*, Dulles is recounted as saying that Europe "want[s] to spend their remaining days in peace and repose." And that they were "willing and glad to gamble" that the "Soviets, like Ghenghes [sic] Khan, will get on their little Tartar ponies and ride back whence they came." Founded during combat in WWII and as the Supreme Commander of NATO, Eisenhower was more optimistic in his opinions of Europe and maintained a strong conviction on the necessity of maintaining allies. In his memoirs he wrote, "I believed in the NATO concept; to my mind, the future of Western civilization was dependent on its success." Meena Bose. *Shaping and Signaling Presidential Policy: the national security decision making of Eisenhower and Kennedy*. (TX: Texas A&M University Press, 1998) 22.

ⁱⁱⁱ At Eisenhower's direction, the first point of NSC 149, a draft policy statement for the Planning Board, stated "The survival of the free world depends on the maintenance by the United States of a sound, strong, economy. For the United States to continue a course of federal spending in excess of federal income will weaken and eventually destroy the economy. As rapidly as is consistent with our leadership in the free world, and barring an emergency, the United States will annually balance its federal expenditures with its federal income." Meena Bose. *Shaping and Signaling Presidential Policy*, 27.

^{iv} In his 1961 farewell speech, Eisenhower warns of the necessary danger of the military industrial complex, "we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military-industrial complex." He was also alarmed at the budget deficit handed to him by Truman. In a January, 1952 diary entry, he criticized the \$14 billion projected deficit and the plan to spend \$65 billion on military preparedness. He noted "the danger of internal deterioration through the annual expenditure of unconscionable sums on a program of indefinite duration, extending far into the future." Meena Bose. *Shaping and Signaling Presidential Policy*, 20.

staggering \$140 billion on national security programs, of which only \$3 to \$5 billion per year was being spent on operations in Korea.¹⁰ Acknowledging that isolation was no longer a viable national defense strategy, Eisenhower leveraged *The New Look* as an initiative to leverage nuclear deterrence against the Soviet Union, thereby maintaining credibility around the world.

Inspired by the strategic and tactical failures of Vietnam, Secretary of Defense Harold Brown and Undersecretary of Defense for Research and Engineering William Perry envisioned the Second Offset Strategy in the late 1970s.¹¹ They realized that the conventional shortcomings of US military forces in Vietnam had damaging ramifications when applied to a potential Soviet front in central Europe. The Arab-Israeli War in October of 1973 solidified their fears as they witnessed the lethality of Soviet anti-tank weapons and air defense systems employed by the Arabs.¹² They understood that a rapid armored assault by the Warsaw Pact into the heart of Europe, the cornerstone of every containment policy since the beginning of the Cold War, would make escalation through tactical nuclear weapons untenable. Allied forces would be severely outnumbered and may even run out of munitions in the face of overwhelming numbers of Soviet armored brigades.¹³ As unsettling as the operational problem in Europe was, the strategic implications were far greater. Owing to a lack of conventional options, containment in the Third World hinged more and more upon European nuclear deterrence.¹⁴ Using the operational dilemma in Europe to frame the problem, they launched the Second Offset Strategy to introduce a host of technological solutions that proved to transform conventional warfare.

As early as 1969, through his experiences in Vietnam, General William Westmoreland envisioned a technological transformation in which “enemy forces will be located, tracked and targeted almost instantaneously through the use of data links, computer assisted intelligence evaluation, and automated fire control.”¹⁵ The ability to find, track, and destroy a target became

the mantra for the defense establishment as it ushered in an information revolution leveraging nascent computer technology.¹⁶ The Second Offset Strategy ultimately created a “system of systems” that used “electronic countermeasures, command and control (communications, data links, and networks), stealth, embedded computers (microprocessors), and precision guidance (advanced sensors)” to overcome Soviet defenses.¹⁷ Unwittingly at the time, this transformation ultimately provided the basis for the Reagan defense build-up in the early 1980s that many scholars attribute to the eventual fall of the Soviet Union.¹⁸

The primary reason for using *The New Look* as a basis for comparison rather than the Second Offset Strategy is contextual. *The New Look* was executed when the US maintained technological supremacy over its adversaries, whereas the Second Offset Strategy looked for ways to gain a conventional advantage after the Soviet Union had achieved nuclear parity. Similarly, this paper takes the position that no adversary can currently match the US military. This assertion is generally accepted by defense experts and is evidenced in the frequent use of the term “near-peer competitors” in describing US adversaries. Secondly, though many suspect the incremental technological advances from the Second Offset Strategy, namely precision guided conventional munitions and complex system networks, to more closely approximate the advancements expected during the Third Offset Strategy, predicting future technological advancements is conjecture and beyond the scope of this paper. Finally, the current threat environment lends itself to a holistic view of US strategy as it was during *The New Look*, rather than as an operational problem as it was during the Second Offset Strategy. *The New Look* sought a grand strategy to defeat the Soviet Union, where as the Second Offset Strategy confined the problem to countering the massive amount of Soviet military power in Eastern Europe should they conduct a surprise attack.

The Third Offset Strategy

Alarmed by the spread of technology threatening America's ability to project forces abroad, the Third Offset Strategy seeks new ways to conduct military operations. Work explained the current threat environment in a January 2015 speech:

“So across the board, we see rapid developments in nuclear weapons, modernization of nuclear weapons; new anti-ship, anti-air missiles; long-range strike missiles; counter-space capabilities; cyber capabilities; electronic warfare capabilities; special operations capabilities that are operated at the lower end. All are designed to counter our traditional military strengths and our preferred way of operating.”¹⁹

In the recent past, advanced stealth technology and force projection capabilities had mitigated foreign threats. However advancements in radar technology and cheap alternatives have begun to undermine their effectiveness. The Third Offset Strategy is about finding new ways to regain the advantage by advancing new technology and complimentary operating concepts.

Work explains that the department began developing the Third Offset Strategy with two assumptions: first, “offset strategies are focused on conventional deterrence against great powers” and second, “this one will not be based on technology alone.”²⁰ Work's first assumption is directed at those who rightfully contend that US does not face a single adversary but multiple and diverse competitors. They contend that one cannot create a strategy for a full range of threats “from small regional states like North Korea and Iran, to large advanced states like Russia and China, to non-state adversaries and actors with advanced capabilities” because of the wide range of tactics employed.²¹ Additionally, many critics see the US's current struggles conducting asymmetric warfare in the Middle East as a continuation of the problems it faced during Vietnam. Critics see the past as evidence that training and equipping for a ‘big’ war provides no

guarantor of success in the more frequent 'little' wars that are bound to occur. Work attempted to silence these critics by explaining that the department must develop "offset strategies" rather than try to "to pick the one single unitary field theory" that will deliver results across a host of unique adversaries.²² Although the weapon systems employed will inevitably be the same from conflict to conflict, the ways that they are used must adapt to the enemy. By acknowledging that a range of strategies must exist, Work confirms that different operational concepts must be created to deal with the multiple adversaries based on the assets available. The proportions of certain types of assets required for one conflict are different than those needed for another. Thus, one of the key decisions in formulating a defense strategy is not only what technology to invest in, but also deciding how much, or how many, of one asset is required at expense of another. In the words of RAND analyst Kevin Lewis, "defense planning becomes, in its fundamental essence, a task of deciding where shortages among the competing enterprises in our defense establishment can be best afforded."²³

His second assumption dismisses those who contend that the US is searching for "the next big thing." Work explains, "This is not about a revolution in military affairs. There's always a strong technological component, but it is strategy based, technologically oriented, and you want operational and organizational constructs that give you an advantage and an offset against your adversaries who might outnumber you."²⁴ Additionally, the diverse nature of America's threats must dictate a strategy that "has a much more temporal component" than in the past. As an example, he explains that applying the offset strategy to the Russian conflict in the Ukraine would include both "a high technology component as well as an innovative whole-of-government concept."²⁵ Work acknowledges that military technology must complement other instruments of national power.

Finally, one of the biggest differences between this offset strategy and those executed in the past is that it will be driven more by the commercial sector than through military labs. Acknowledging that more capital is available in the civil sector for research and development than from government spending means that the DoD will have to find new models for spurring commercial development. It may also have a profound impact on the way that future technology is fielded and the rate at which it becomes available for commercial applications. Additionally, civil and military technology continues to converge in many areas, particularly in many of those being pursued by the Third Offset Strategy. Previously, technology like the Global Positioning System (GPS) was fielded by the military and then migrated to the civil sector. Currently, many commercial products are available immediately to the public and then later adapted for military applications. Although this transformation has led to the greater availability of lethal technology by America's adversaries, it may also allow for investment in a wider range of capabilities. The DoD must create innovative and compelling incentives for companies to develop technology that can be leveraged initially for the military with subsequent plans for commercial use.

Knowing that new operational concepts would be required, the DoD had to decide where to invest its limited resources. Work set up three groups to decide where to target future investment. In the near term, the Strategic Capabilities Office began by examining how existing forces could be used in more innovative ways. Looking further into the future, a series of strategic portfolio reviews focused on which projects could benefit from immediate investment to bring about new capabilities within the next ten years. Finally, the Long Range Research and Development Planning Program (LRRDPP) looked to develop capabilities within twenty to thirty years. Work found efficiencies by tackling the problem concurrently through overlapping timeframes.

In addition to looking internally for future technologies, Work also opened the door to defense contractors and commercial industries. Shortly after Hagel's announcement, Steve Welby, deputy assistant secretary of defense for systems engineering, issued a request for information to the public in order to inform the LRRDPP. The effort was designed to "open the aperture and engage the broadest community, including non-defense commercial entities, academia and the public."²⁶ To focus efforts of contractors and the like, the DoD set up five working groups focused on space, undersea, air dominance and strike, air and missile defense technologies, and emerging military and commercial technologies.²⁷ One year later, at the same annual conference as Hagel's initial formal announcement, Work described the results of the reviews stating, "about 70 to 75 percent of the time they're [each group] saying exactly the same thing, which gives us a lot of confidence."

Speaking generally about their findings, Work explained that human-machine collaboration and combat teaming were two areas highlighted as ripe for investment. To support his claim, Work added that nearly every person on a recently concluded Defense Science Board believed that "we are at an inflection point" in the fields of artificial intelligence and autonomy.²⁸ The department decided to pursue these avenues using five "building blocks:" learning machines, human-machine collaboration, machine-assisted human operations, advanced human-machine combat teaming, and autonomous weapon.²⁹ Learning machines would be able to help human decision makers during events that are operating at speeds too fast for traditional decision making, for example those that may occur during a cyber, space, missile or electronic warfare attack. Harnessing the power of mass computing, human-machine collaboration is fundamentally about "allowing a machine to help humans make better decisions faster" by integrating and analyzing tremendous amounts of data and then framing the problem for human decision makers.

Assisted human operations and combat teaming, while not new fields, continue to show great promise in advancing the use of robots and unmanned systems to conduct combat operations in the most hazardous roles.³⁰ Finally, autonomous weapons could act with little or no guidance after they've been set in motion to monitor or destroy an objective(s).

Although plans to use robots in combat and the creation of autonomous weapon systems seem reminiscent of Hollywood science fiction movie scenes today, the use of ballistic missiles with the ability to annihilate entire cities at the push of a button may have seemed far-fetched to much of the American public in 1953. Despite having detonated two atomic bombs over cities in the previous decade, the precise role that nuclear weapons would play in the military and national defense strategy remained uncertain. It took time for leaders to truly appreciate how they could be used as a deterrent rather than as simply the next advancement in the evolution of lethal weapons. Although the technological and geopolitical differences between today and 1953 are evident, many of the reasons that Eisenhower undertook *The New Look* are similar to those that prompted President Obama's administration to call for a Third Offset Strategy. However, examining *The New Look* also reveals a substantial difference in the way that offset strategies come to being.

Project Solarium

Following the death of Stalin on March 5, 1953, Eisenhower commissioned Project Solarium at the suggestion of Secretary of State John Foster Dulles, to examine three distinct strategies to defeat the Soviet Union.^v Task Force A was headed by George Kennan, author of

^v In a memorandum of record describing the exercise, it announces that the President “would like to see set up some teams of bright young fellows, each team to take an alternative, each team to tackle its alternative with a real belief in it just the way a good advocate tackles a law case – and then when the teams are prepared, each team should put on in some White House room, with maps, charts, all basic supporting figures and estimates, just what each alternative would mean in terms of goal, risk, cost in money and men and world relations.”
Meena Bose. *Shaping and Signaling Presidential Policy*. 22.

the famous long telegram, which outlined the fundamental differences between The Soviet Union and The United States in February of 1946. He was charged examining the present strategy of containment that had begun under Truman.³¹ Task Force B, headed by Air Force Major General James McCormack, was charged with adopting a more aggressive strategy to combat communism by drawing a continuous line around Europe and the Western Pacific and making it clear that any advancement by the Soviet Union or one of its satellites threatened general war.³² Although the report did not use the term, ‘massive retaliation’ became the concept for the consequence of Communist expansion.^{vi} In its report, Task Force B assumed that the US would “apply its full power – whenever, however, and wherever necessary to defeat the main enemy.”³³ Task Force C, under the leadership of Navy Vice Admiral R. L. Connelly, held the most aggressive position by developing a strategy that took “a positive course of action designed to seize the strategic initiative and deliberately undertake the task of eliminating the Communist threat to the free world.”³⁴ Although it rejected the idea of an ultimatum or preemptive attack, the Task Force acknowledged that it would increase the risk to general war in the short term and “involve the use of conceptions and techniques of international action – such as subversion, pressure, and threat of force – previously foreign to us.”³⁵ Given their guidelines, the teams worked tirelessly for approximately six weeks preparing their strategies before submitting their reports and presentations to Eisenhower and key staff in the Solarium room at the White House.

On July 16, 1953 Eisenhower, along with Secretary of State John Dulles, listened to each Task Force present their findings for consideration. After listening intently to each presentation

^{vi} In his famous speech to the Council of Foreign Relations on January 12, 1954, Dulles used the phrase “deterrent of massive retaliatory power” to convey the Administration’s belief on maintaining an asymmetrical response to Soviet aggression. Although many critics viewed asymmetric response as synonymous with using nuclear weapons in response to any minimal provocation, it proposed “reacting to adversary challenges in ways calculated to apply one’s own strengths against the other side’s weaknesses, even if it meant shifting the nature and location of the confrontation.” John Lewis Gaddis, *Strategies of Containment: A Critical Appraisal of Postwar American National Security Policy*. (Oxford University Press, 1982) 147.

and then spending almost an hour recounting their main points, Eisenhower directed NSC assistant Robert Cutler to combine the “best features” from their individual reports into a unified presentation for congressional leaders and to provide an overall outline for future policy.³⁶ On October 30, 1953 Eisenhower approved NSC 162/2 drawing upon each of the Task Forces findings. Keeping with Task Force A’s findings, it declared that the US would seek to “prevent Soviet aggression and continuing domination of other nations,” but would not “dictate the internal political and economic organization of the USSR.” Although it did not draw a line around the Soviet bloc, it adopted elements of Task Force B’s policy by making clear that “in the event of hostilities, the United States will consider nuclear weapons to be as available for use as other munitions.” Finally, keeping with Task Force C’s guidance, it recommended the use of propaganda and covert measures to undermine communist governments.³⁷

Although Eisenhower commissioned other studies that would influence *The New Look*, Project Solarium was unique because it was conducted in a rigorous, deliberate, and methodological manner.^{vii} By examining multiple courses of action and synthesizing them into a coherent national strategy, he was able to both educate and communicate his national security strategy within the administration and government writ large. Regardless of whether one agreed with the strategy, its basic premises and assumptions were widely understood and often debated. Although *The New Look* was not a radical departure from the containment policy that Truman had begun under NSC 68, it placed a greater emphasis on the primacy of economic superiority, incorporating effective covert operations and propaganda, the importance of maintaining

^{vii} On July 1, 1953 Eisenhower directed Defense Secretary Charles Wilson to have the new JCS develop a policy “for the most effective employment of available national resources to insure the defense of our country for the long pull which may lie ahead.” However in doing so, he directed them to consider the “great equation,” that is the balancing of military needs with financial responsibility. Taken from the name of the Navy Secretaries yacht upon which it was drafted, the report became known as the *Sequoia* Exercise. In it, the JCS recommended the redeployment of US forces over the next two years and asked that the administration publicly announce “a clear, positive policy with respect to the use of atomic weapons,” a call that was never accepted by the Eisenhower Administration. Meena Bose. *Shaping and Signaling Presidential Policy*. 35.

cohesion of coalitions, and the integration of nuclear deterrence to mitigate concerns about American military overextension.³⁸ In terms of developing a strategy by balancing ways and means, Eisenhower approached his quest by examining the problem and using existing means and technology, rather than looking for new means and technology. However rational its inception, the ultimate test of strategy is in assessing how well it did to meet national security and domestic objectives.

Although *The New Look* receives mixed marks as a strategy for implementing the overarching goal of containment, one must evaluate it against its own objectives to determine its worth as a strategy. If the objective was to avoid another world war, then *The New Look* was a success. It effectively deterred nuclear war between the US and Soviet Union. Using nuclear forces as a deterrent to the numerically superior Soviet forces in Europe, the US nuclear enterprise flourished as stockpiles expanded from just over 1,000 in 1953, to 12,000 in 1959 before reaching more than 20,000 in the late 1960s.³⁹ However, if a fundamental objective of *The New Look* was to replace conventional with nuclear forces, then it largely failed due to a more important objective of maintaining cohesion amongst the allies. American troops stationed in Germany were only reduced by 10% from 1956 to 1960.⁴⁰ Finally, if Eisenhower's goal was to preserve the economic strength of the US, then it generally succeeded but not by reducing defense spending in the way that he had envisioned. Calculations from the Office of Management and Budget show that despite a GDP growth of 20% over an eight-year period, defense outlays never fell below 9.25%. Ironically, this represented the greatest percentage of any Cold War President.⁴¹

However, as retired Army Chief of Staff and vocal critic of *The New Look*, General Taylor Maxwell pointed out, "While our massive retaliatory strategy may have prevented the

Great War... it [had] not maintained the Little Peace.”⁴² In his critical book, *The Uncertain Trumpet*, Taylor pointed to “the preferred form of Soviet aggression: internal subversion and limited war” experienced in “Greece, and Malaya, Vietnam, Taiwan, Hungary, the Middle East, [and] Laos” between 1945 and 1960 as proof that *The New Look* sacrificed too much conventional capability to respond to Soviet expansion in favor of nuclear deterrence.⁴³

Ironically, *The New Look* enabled the subsequent strategy of ‘flexible response’ by drastically reducing the chances of an all-out nuclear exchange between the US and Soviet Union. All things considered, despite *The New Look’s* challenges integrating nuclear weapons into the grand strategy of containment, particularly into the Third World, the strategic position of the United States relative to the Soviet Union was more advantageous when Eisenhower left office than when he began.⁴⁴

The New Look versus The Third Offset Strategy

Although the geopolitical situation today is much different than it was in 1953, both Eisenhower and Obama faced similar circumstances upon taking office. Both faced the prospect of finding a way to end major combat operations and shrink the size of the armed forces, while maintaining credibility overseas. Eisenhower faced a large standing force in Europe in addition to conducting combat operations in Korea. Today, despite a reduction in troops, US presence abroad is overstretched.⁴⁵ Diplomatically, just as Eisenhower had to balance the NATO alliance during times of fiscal austerity, so Obama has struggled with reducing the American military presence in the Middle East and bolstering the ‘pivot’ to the Asia-Pacific. Finally, just as Eisenhower struggled to find ways to end the Korean War, Obama continues to face setbacks in the Middle East.

Both presidents faced domestic challenges as they took office from the opposing political party of their predecessor and had to justify changes to their campaign promises. After long expensive wars, both presidents felt domestic pressure to shrink military spending regardless of the ramifications to national security. Just as deficit spending from WWII plagued Eisenhower, military spending on Operations Iraqi and Enduring Freedom plague Obama's domestic agenda. A 2014 Congressional Research Service report estimates that a total of \$1.6 trillion had been provided to the Department of Defense, the State Department, and the Department of Veterans Administration for war operations, diplomatic operations and foreign aid, as well as medical care for Iraq and Afghan war veterans funding (based on funding following the September 11, 2001 attacks through FY2014).⁴⁶ Although a balanced budget has not been an Obama administration benchmark the same way it was for Eisenhower, both administrations sought to shrink debt as a percentage of the GDP over time.⁴⁷

Ultimately, both Presidents faced a mismatch between resources and foreign policy goals. Although Eisenhower was able to curb the growth of conventional land forces in Europe and frequently discussed a reduction in the number of US troops committed to NATO, the Soviets' advancing nuclear capability and the proliferation of communist movements around the world challenged the foreign policy goals of containment. To combat the expansion of communism, Eisenhower and Dulles were forced to expand commitments while largely maintaining the status quo in Europe. After taking office in 2009, Obama proceeded with the planned reduction of troops stationed in Iraq taking them from 50,000 in September 2010 to 100 to 200 by the end of 2014.⁴⁸ However, Obama authorized two surges in Afghanistan at the request of his military advisors, ultimately adding an additional 50,000 troops, peaking with 100,000 in May 2011.⁴⁹ Currently, the US remains embroiled in the Middle East in support of coalitions and regional

stability operations as it attempts to fill the power vacuum left in the wake of its campaigns against the Taliban and Saddam Hussein.

Key Differences and Recommendations

Despite the contextual similarities between Eisenhower's *New Look* and Obama's Third Offset Strategy, several important differences emerge that warrant consideration and have enduring implications for the future. Perhaps the greatest of which stems from the differences in the way that each was formulated. In *The New Look*, Eisenhower conducted a methodical, thorough and disciplined review of the US's strategy to combat the Soviet Union. The review proposed several different courses of action based on escalating levels of risk. Although Eisenhower's strategy was influenced by current technology, it was not subservient to it. *The New Look* emerged as a strategy that extended naturally into a foreign policy mainly because it started with the Soviet Union in mind. In contrast, the third offset is largely a call to develop new means (in the form of new technology and accompanying operational concepts) rather than examining ways to defeat a specific adversary. It seeks to develop technology as a means for determining a strategy rather than a call to develop technology and operational concepts that serve a strategy. Indeed, the fact that the Secretary of Defense rather than the President or Secretary of State launched it is a harbinger of its focus. To this end, a Third Offset Strategy should begin with a specific adversary and examine several alternative approaches using existing technology to develop a feasible long-term strategy. Additionally, a Third Offset Strategy should leverage every element of national power the same way that *The New Look* did. It is interesting to note that the advancement of nuclear weapons, a hallmark of *The New Look*, played a role in every one of the strategies presented during Project Solarium. Careful examination of current adversaries may yield similar technological imperatives.

The second major difference between *The New Look* and Third Offset Strategy is that *The New Look* leveraged existing technology rather than searching for the next great technological advancement to shape its strategy. Although *The New Look* would advance the nuclear enterprise by shrinking nuclear warheads and developing more advanced delivery vehicles, the fundamental premise of nuclear deterrence was a key aspect to the strategy. The required technology to achieve those ends merely followed suit. In contrast, Work's admission that the new strategy would be accompanied by operational concepts does not silence the critique that the new offset strategy is focused more on future technology than strategy.

The Third Offset Strategy is an initiative to identify which fields show the most promise for investing a research and design budget. Again, the current strategy builds its foundation on future technologies rather than composing strategies based on a requisite capability. According to a recent press release, Work expects FY17 to allocate approximately \$12 to \$15 billion toward verifying that the Pentagon has identified the proper "building blocks," a figure absent any procurement activity.⁵⁰ Verifying potential building blocks does not constitute a new approach. Although investment in promising technologies is critical to maintaining a cutting edge, it is a misnomer to call this a strategy. Admittedly, a substantial technological investment could lead to the development of a future offset strategy. However, in its current state, the title 'defense innovation initiative' is more apropos than Third Offset Strategy. Work and other senior defense officials should avoid calling the current effort a Third Offset Strategy until it offers a new way(s) for defeating US adversaries.

Finally, the current threat environment is much different than the one Eisenhower faced. *The New Look* was executed in a bipolar world to combat a single, expansionistic ideological adversary. By contrast, Secretary of Defense Ashton Carter recently spoke of the threat

environment in terms of fighting in four contingencies and one ‘condition.’ The four contingencies are a North Korean attack on South Korea, the Chinese invading Taiwan, an Iranian attack, and Russian aggression, with the ‘condition’ being a long-term global counterterrorism fight.⁵¹ Clearly, there is a wider range of actors at play for the DoD to consider than existed during the Cold War. When Work speaks of developing ‘offset strategies’ to combat the many foes that the US faces today, he confuses the issue. The military can only truly optimize against a single adversary. The number of strategies developed to combat against every other adversary must be subject to the military forces that have been fielded. The DoD can either optimize the force against a singular ‘most deadly’ adversary, thereby accepting varying degrees risk against a host of others, or accept varying degrees of risk against every adversary in order to maintain greater freedom of action against them all.

When Work says, “nothing can match the destructive potential of high-end war between great powers. We want to make sure we can ensure our national leaders that we are ready in case someone makes a miscalculation,” he’s talking about an offset strategy in the traditional sense against the ‘most deadly’ superpowers.⁵² However, when he discusses the development of a host of ‘offset strategies’ to combat every adversary, he really means that the DoD will have to create new strategies based on the military force that has been procured as a result of another offset strategy. To that end, DoD officials must cede the fact that a Third Offset Strategy will not offer perfect solutions for combatting every adversary and that this approach will inevitably lead to assuming greater risk against lesser adversaries.

In 1957, Pulitzer Prize-winning author and military-affairs editor of *The New York Times*, Hanson W. Baldwin, pointed out, “In the Western World – though not in Russia – costs are a more decisive factor in shaping defense than is military logic.”⁵³ Indeed, this statement rings true

in the US as well as in Western democracies around the world today. In the past, offset strategies have bridged the gap between political will (i.e. resources) and national security. The DoD must continue to balance investment with current operations. A coherent defense strategy must begin with analyzing the problem and identifying a grand strategy for achieving victory the same way that Eisenhower did in *The New Look*. If leaders can articulate a grand strategy, then technology and the DoD will follow suit.

ENDNOTES

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- ²¹ Ibid.
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