Admiral Stavridis finished off a remarkable military career as the Supreme Allied Commander in Europe, the Commander of the European Command, and just prior to that he was Commander of Southern Command. But perhaps even better, he’s the only guy I know who in every rank, every pay grade, wrote, published and was a thought leader. Yes, a thought leader as a lieutenant. A thought leader as a commander. And that to me is an accomplishment. And he continues today to give his time to all kinds of international security and global issue causes and he’s continued to stay with us in the maritime realm as a speaker and a supporter.

So we welcome, and give a warm welcome to Admiral Jim Stavridis.

Admiral Stavridis: Thanks, Pete.

Well, it’s terrific to be with all of you again today. We’ve got an extraordinary lineup so without further ado if I could ask the three service chiefs to join me up here.

As they’re walking up I’ll just say a word about each of them. Three wonderful careers, lives and stories.

Let me start with John Richardson, Chief of Naval Operations. John is an ’82 grad from Annapolis, a career nuclear submariner and before becoming the Chief of Naval Operations was the Director of Nuclear Propulsion. So I got to know CNO when he was a one star working at JFCOM. I think of John as that rarest of things which is a nuclear trained officer who’s an unbelievable innovator. So we’ll have a chance to plumb that a little bit today. That’s a good thing, Commandant.

My very good friend, Commandant of the Marine Corps Bob Neller is a graduate of the University of Virginia where my daughter went to school, so I know that culture pretty well. There is a little bourbon drunk down there, I’m told. The Commandant has
commanded a Marine division and is I think very well known in military circles for his work as the J3, the Director of all operations globally for the United States. That’s where I really came to know Bob Neller, his quality, his steadiness, his intelligence. I was thrilled when he was selected to be the Commandant of the Marine Corps.

And then thirdly, our third sea service commandant is Paul Zukunft, and he has the hardest name to pronounce of anybody other than Stavridis on this panel. ’77 grad out of the Coast Guard Academy. Paul has had a classic Coast Guard career. Lots and lots of command time including the entire Pacific as well as Joint Interagency Task Force West, a fundamental organization that brings together not only military but the entire interagency.

But here’s a quick question for you. Which officer on the stage has commanded the most ships? And the answer would be the Commandant of the Coast Guard. Because he not only commanded three personally, including the cutter Rush, but also led the Deep Water Horizon rescue effort, and in the course of that had thousands of boats under his operational command.

So you’ve got an extraordinary panel. I’m proud to be here and to facilitate it with a few great questions.

The rules of engagement are, I’ll kick it off with a few to kind of get us started, and then after a little while I’ll kind of invite the audience to join in by stepping up to this microphone and asking some questions.

Please join me in a round of applause for our panelists as we get started.

[Applause]

Let me start right in the middle if I can, CNO. A lot of the discussion of the course of the convention here has been about geopolitics and how they’re changing, and a lot of folks have talked about the return of great power politics. And if we look back 100 years ago we were in that world with the United Kingdom and Germany, and a book you often recommend to people, Rules of the Game, about the Battle of Jutland, just over 100 years ago.

A, are we in fact returning to great power politics? I think the answer is probably yes, but your thoughts. But more importantly, if so, impact on the Navy.
Admiral Richardson: I think the evidence is undeniable that we are back into great power not just politics, but I would go a step further and say competition. And the impact for us in the Navy, and I would say the maritime services in general, is profound, because we, particularly in blue water scenarios, sea control types of scenarios, we frankly have not been in competition for 20, 25 years. That’s a long off season. And all of those off-season habits that accrue -- you gain weight, you slow down. Boy, we have got to get back fit to fight and be ready for this competition for sea control that will enable all of those things that we expect our Navy to do.

Moderator: Yeah, I think we have feasted on benign power projection for a long time. I think we’re going to be competing in these global commons.

Which kind of brings me to the Commandant of the Marine Corps, if I could sir. You have kind of worked very hard on the Marine Corps operational concept which I think is a terrific piece of work. How is that kind of unfolding, and how does that kind of fit into this brave new world we’re discussing?

General Neller: I think it fits in pretty much as the CNO laid it out. You know, when we grew up, we grew up in the military with the Soviet Union, and we had an adversary that, you know, would challenge us in all domains. But those domains then were, even though there was an electronic domain, it was basically land, sea and air.

So you add to that space and cyber and now information, and you have countries out there with capabilities that they’ve generated. You know, I think we’re kind of back to the future. Some of the things that we grew up trying to stay on the net, work through jamming, displace, camouflage, move at night, use a deception plan. We haven’t had to do that for the last few years. So things like camouflage your position, worry about finding the enemy’s signature and masking yours.

There’s enough of us old guys left around that we still remember that stuff, but it’s even more complicated. And I think that the force is going to very quickly adapt. But we’ve got to put them in a position where they have to deal with these things. And we’ve also got to get the equipment to do that. But I think, you know, if we have an advantage, and I think we do have an advantage in our people. So I think it’s great today that we recognize all these Sailors and Marines and Coast Guardsmen.
I was also at Military Intelligence Recruit Depot up at Camp Pendleton today. We gave an Eagle, Globe and Anchor to 500 brand new Marines. So I mean that’s, there’s a lot of cool stuff here and we need all that stuff and we need the resources, but we’ve got to continue to get people like that are wearing the cloth in this room to stick around.

But it’s going to be tough. We’ve got some work to do, and we need a little bit of time and that’s the one thing you don’t know if you’re ever going to have enough of.

Moderator: Indeed.

Well, let me turn to the Commandant of the Coast Guard and ask you if I could, Paul, to talk a little bit about the Coast Guard role in all of this, particularly picking up some of the terrific work that you did yourself, in fact, when you were Pacific Commander, and the Coast Guard continues to do today in the Coast Guard to Coast Guard international space.

Admiral Zukunft: First, Jim, I’m honored to be able to sit with the Joint Chiefs as we formulated the National Military Strategy, the 4+1. But honestly, that could be the 6+1, but even at the 4+1, we’re depleted of resources.

So what’s not in the 4+1? The Western Hemisphere.

When you look at what is giving flight to refugees and migrants leaving Central America, it’s transnational criminal organizations that are really eroding regional stability in this part of the world, and it’s actually a part of the world where our authorities resonate.

Another part of the world is the Arctic, and we’re seeing commercial, but we’re seeing military activity take place up there. We have surface capability. The Navy’s got tremendous sub-surface capability. But how do we want to shape that domain as we look into the future? So I see a role for the Coast Guard there.

As we look at a 4+1, I put a different 4+1 together for our Coast Guard.

The other thing is, we’ve always prided ourselves as punching above our weight class, but we’ve been in the bantam weight class. It’s time to change weight classes and we’re finally
doing that. So maybe we’re moving up to welter weight. We’ll never be a heavy weight of the Navy and the Marine Corps, but it’s long overdue for us to change weight class. The good news is, we are making that change as I speak.

**Moderator:** Let me just bounce into a particular place you mentioned which is the Arctic, where I would say our icebreaking capability is not welter weight, not middle class, middle weight, not fly weight, not bantam weight, not light weight, it’s like, I’m not sure what’s below feather weight.

**Admiral Zukunft:** No, I would use the CNO’s analogy. We are sitting in the seats drinking a beer, smoking a cigar, and our mid-section hanging over our belt. We’re bystanders. And most folks back in DC equate it to the old missile analogy. How many does Russia have? How many do we have? Russia has 40 icebreakers, I’ve got 2. And our one heavy icebreaker is really a national asset. It’s the only thing of its kind, and it’s now returning from breaking 65 miles of a channel over 10 feet thick. And every evening I’m getting an update on is she going to break down, if she’s going to get back in time.

So the good news is, there is an appropriation in 2017. We’ve stood up a Joint Project Office with Sean Stackley and our folks. Just yesterday we released industry studies to five enterprises. We need to fast forward our ability to deliver ships in the 21st century, whether they’re gray hulls, whether supporting an ARG or whether supporting the Coast Guard. But we’ve got to do a better job of acquisition. We were able to do it in World War II. What has changed that it takes you 12 years to deliver a ship now in the 21st century with all the technology?

So we need to cut through some of the red tape and accelerate the time line when we can bring these resources to bear.

So what we have on record is to build six new icebreakers.

**Moderator:** And just jumping south. You commented on the Western Hemisphere. I know General John Kelly, a good friend of all of us of course now Secretary of Homeland Security, and his demand signal was so high, and to the degree it was met, it was the Coast Guard that met it. And because CNO’s forces were so aggressively deployed in so many different places, and I think that’s another way that Coast Guard manages to fill in so terrifically in all these scenarios.
Admiral Richardson: Sir, if I could just highlight on that, because it is, I think it’s a much more thoughtful team than hey, we can’t be there, so they’re there. And particularly relative to the theme of AFCEA and information sharing, information warfare. You know, Paul and I and our staffs are involved in very detailed staff talks. It is really a very thought burden-sharing in both directions. The comprehensive capability that we bring. And it’s so -- [skip in tape] -- systems, it really is a very well stitched together tam that tries to meet this demand with the forces that we have.

Moderator: That’s well said.

Let me come ashore for a minute if I can, Commandant Neller, and ask about urban warfare. Here you and I were talking earlier, we’re about to send Marines back, some number perhaps to Afghanistan. Obviously we’re all watching events in Mosul, Raqqa next. Clearly, urban warfare is going to be with us. You and I are old enough to remember the so-called Three Block War. Where are you with urban warfare, and preparing our Marines for that all important task of going ashore?

General Neller: Well as we looked at the force for the future, we had our intel guys develop a product called the Future Operating Environment. And as a naval force, you look where the people are. The people live along the coast. And the cities that they are occupying continue to get larger and larger and larger.

So the odds are, whether it’s a humanitarian assistance, disaster relief, a terrorism operation, or even regional conflict, it’s probably going to happen at or near a large urban area or a mega city, and the number of those mega cities is growing. So the ability to operate in there is difficult. And it will consume thousands of Marines or Soldiers or anyone ashore, Special Forces, in a matter of hours.

So we continue to work the urban piece. It’s a difficult targeting piece. It’s a difficult communications piece. It’s a difficult maneuver piece, particularly when you get not in a major built-up area like say somewhere here in San Diego, but you get into where the people live, and then low, more densely populated areas. Some of the [inaudible] and places like you have in Rio and South America. Most cities have got really difficult areas.
So you know, that’s part of the challenge is as we look to fight in cold weather, we look to be able to work back and get our amphibiosity skills back up. Then you’ve got to be able to fight in the city. You’ve only got so much time and so you focus, you try to be good enough in all those things and focus on basic skills.

So we’re working in an urban environment. We’re working more against, in our training, more of a live, not a virtual, but a live living OpFor. So the things that we’ve done for the last 15 years in this counterterrorism fight after OIF I, and where the Marines and Soldiers and Sailors and Airmen and Coast Guardsmen have distinguished themselves, we’re just going to have to change. Because I don’t think that that fight, you know, and we may be wrong, because trying to predict the future fight is fraught with, you know, you’ve got to -- the odds that you’re going to get it wrong historically are pretty high. But I think we’ve got a pretty good idea of what we’re going to have to be able to do, particularly in those type of environments.

Moderator: On predicting the next fight, Secretary Gates, who we all know and have worked for and really esteem, used to say that actually, our record is perfect on predicting the next war. Perfect in that we’ve never gotten it correct. Perfectly wrong.

So to the Commandant’s point we, I think, can only go so far in the predictive mode which is why the train, equip and organize function is just crucial in the ability to reach back to all the tool sets that each of you are applying.

Well, the Commandant mentioned, and I’d like to ask each of you about the personnel side. I know we would all agree it’s so impressive to see our senior enlisted folks recognized here today.

If I could ask each of you, starting with the Commandant of the Coast Guard, what’s kind of your biggest challenge in the personnel zone, and what are you doing about it? Paul?

Admiral Zukunft: My biggest concern was that we’ve been dead reckoning with the most critical resource in the Coast Guard and it’s our people. So last year I signed out a Human Capital Strategy. Not just for our active uniform, our reserve, our civil servants. Believe it or not, I have 30,000 all-volunteer Coast Guard Auxiliarists. So how do I recruit? How do I train? But more importantly, how do I retain this work force? How do I get into the business of talent management?
I’ve spent time in Silicon Valley and others, only to discover that the talent that I am growing is a talent that they would like to have on their payroll. I cannot outbid them on what they would pay. But how do you convince your work force that the work that you do is so relevant to our nation’s security, and it’s your character. You know, this whole sense of what we call service before self, and it resonates along every Sailor, every Marine. But your connective tissue to the mission that you do. And just taking the time to recognize.

The Master Chief Petty Officer of the Coast Guard every day will call up a Coastie somewhere and say hey, I saw that rescue you did. I saw the fact that you know, you found that mission component and made that airplane fly again. And just those on-the-spot recognitions, wow, I didn’t know anyone really appreciated what we do.

But right now I enjoy 40 percent retention among each recruit that comes through our Recruit Training Center. They will be on active duty 20 years later. My officers, 60 percent will be on active duty 20 years later. Pretty high retention rates. What I need are E6, E7s, lieutenant commanders and above, and we need to make sure that by the time they’re an E6 they’re a subject matter expert. As a lieutenant commander, you are a subject matter expert. Now the challenge is, how do I retain them? How do I retain pilots? How do I retain engineers? People that have fungible skills, that may mean you don’t have to move.

We did something as fundamental as removing any stigma with geographic stability. We have a lot of dual career military members, and oftentimes one will have to sacrifice for the other. We split families up. We move them at different times of the year. And recognize the fact that the family comes in your sea bag as well. So how do we manage that?

So it’s a -- [tape skip] -- sector, but I don’t offer off ramps and on ramps because we’re a military service, and we’re called to serve wherever those threats may be. But at least we’re doing it in a more deliberative process.

**Moderator:** Thanks. CNO?

**Admiral Richardson:** I’ll pick up on some of the themes that Paul stressed.
One, knock on wood, we are meeting our recruiting goals and our retention goals in almost every area. We’ve got some canaries that are starting to labor a little bit, and we’re keeping our eye on that.

They come in, just as Paul said, I think of the values that we offer them. The chance to be part of something bigger than themselves.

Our commitment then has to be that once in, once aboard, do we behave as an organization consistent with the values that we espouse as a profession?

We just signed out the Leader Development Strategy, and leadership is going to be absolutely key to this.

So one, going back to this idea of competition, all of our leaders have got to be, they’ve got to be waking up every morning and spending their day thinking about how they can beat the competition. We have got to get competitive. And if you think about those leaders that you admire, they have a solid record of winning. They’ve got to do so, though, in a way that’s sustainable. You can’t just drive everybody in -- they’ve got to come back and win again and again with that team.

The path to that type of leadership we -- [tape skip] -- Paul highlight. You’ve got to become an expert -- [tape skip] -- and it’s the combination of competence and character that leads to the competent -- [tape skip] -- take your team over the horizon and come back stronger than when you left. So I think if we can get that right we’re going to continue to meet our recruiting goals and -- [tape skip] --

Moderator: Commandant Neller?

General Neller: We’re in a good place as far as recruiting. I don’t take that for granted. It takes a lot of work. Our recruiters are out there working really -- [tape skip] --. We’re able to grow the force. You know, the most important thing is -- [tape skip] --. But like Paul -- [tape skip] -- more difficult. Particularly as we grow people in certain skill sets that all the people out here with coat and tie on want to go hire.

I was at MARFOR -- [tape skip] -- sergeants and staff sergeants, the gunnies that work in that field, and -- [tape skip] -- in here. I said, well that’s a really good question, because I
have no idea. Because I can’t afford to pay you what you could probably get on the outside.

So we’re going to have to look at certain communities that maybe have a different path, because, like the CNO said, and like the Commandant said, you know, the thing I think that will keep people in in addition to a decent life, decent pay, good leadership, is the opportunity to do what they think is really -- [tape skip] --. I still have to have somebody go be a drone instructor. I’ve got to have somebody go be a recruiter. I’ve got to have somebody go be a Marine combat instructor so all Marines go through combat training. Every Marine can’t, we can’t apply the Special Operations model to every community.

So that’s kind of the tension that’s out there right now. But we’re going to have to change what’s not a lot, but there are certain skill sets that are not traditional sets. But it’s people that know about cyber, people that know about network security, -- [tape skip] -- repairing drones, additive manufacturing, all these things. Because that’s not something that’s out there. It’s here, now. And -- [tape skip] -- be flexible and react to that.

**Moderator**: It’s a nice spread of initiatives, and you see the fit and finish of it as well as each of you are kind of grappling with the same thing and I think very creatively approaching it.

Let me shift from people to, which is kind of train, and we’ve talked a little about equip. But I’d really like to drill in on your equipment. The good news is with the new administration there’s been a very clearly stated commitment to increase spending for defense. So what’s on your, what’s at the top of your wish list? What are you working on?

And CNO, if I could start with you. You’ve spoken a great deal about the Ohio Class replacement and so forth. I think that was probably going to come through. But what, now that we’re seriously having a conversation about a 340 ship Navy, 350 ship Navy, what’s at the top of your list that you’re going to kind of used some of that trade space for?

**Admiral Richardson**: I guess I’ll answer it this way. If we realize increased resources, and there is -- [tape skip] -- dollars are going to go to restore readiness right now. And I think that for all of us, that also goes to our people. Our people join to operate and go out and do what Sailors do. --
[tape skip] -- when they don’t have the gas to go to sea and train, they don’t have the parts to repair their gear, they don’t have the weapons in their magazines. That starts to impact their decisions. So that’s the first goal is to restore readiness, and there’s a lot we can do there. And that will be like that first bottle of water to a dehydrated athlete. It will just feel so good throughout the entire force.

**Moderator:** Gatorade for the --

**Admiral Richardson:** Exactly. Yes, sir. The energy drink.

After that, we’ll move into modernization. We’ve got ships that are built to last for decades, aircraft that are built to fly for thousands of hours. But they can only stay relevant in this very fast-moving environment if they’re appropriately modernized and so we’ve been putting some of that on hold as we make ends meet.

And then as you said, sir, capacity is a third piece. We’re on our way. We’ve designed and outlined a plan to propose to the Secretary to define the path to that bigger Navy. I will tell you that there’s going to be some time required for industry to be able to stand up and really churn out -- [tape skip] -- earlier, but we’re ready to work very closely with them. The partnership couldn’t be better. Everybody’s in. And we just need to get the resources.

**Moderator:** -- [tape skip] -- the current administration comes in, hopefully -- [tape skip] -- and that’s an important piece that’s missing right now. -- [tape skip] -- military uniformed apparatus and we have a terrific industry cohort. What we’re going to need is that senior civilian piece that’s going to have to fit in.

Commandant Paul, tell us about the Coast Guard and I would guess that although you’re not part of the Department of Defense, I was actually surprised to learn the Coast Guard has evidently been in six different departments in the last -- [tape skip] -- year of course, part of the wonderful Department of Homeland Security -- [tape skip] -- as well. How are you approaching it?

**Admiral Zukunft:** Probably in three areas, as John alluded to. Modernization -- [tape skip] -- our capacity is modernization. The good news is -- [tape skip] -- Alexander Hamilton chartered to build out of 10 revenue cutters in 1790. We were already added to the program of record for national security cutters.
These things pay for themselves in the first deployment. The value of cocaine removed. The Coast Guard cutter Hamilton returned from her maiden voyage with a billion dollars’ worth of cocaine on her flight deck.

We just awarded the Offshore Patrol Cutter -- great reward. That will be our largest acquisition in history. We’re building 58 very capable, much like the PC fast response cutters. Icebreakers are now being appropriated.

I’ve got a whole ‘nother fleet. These are the inland river tenders that maintain a latticework of maritime highways that move $4.6 trillion worth of commerce every year. So if you can imagine you’re on the I5 and you’ve got Siri, but you have no overhead signs, where’s the exit, none of that. That’s kind of what we do on the inland waterways, but we mark them with aids to navigation.

I was on one on Christmas Day, my wife Fran and I showed up unannounced in Fort Macon, North Carolina, with baked goods. And we go on this 72-year-old inland river tender. And I asked the watch stander, what’s the best ship in the Coast Guard. He goes, it’s my ship. And that sense of ownership is the only reason why these ships are around for 72 years. But that’s a fleet that we need to modernize and we can do it at very modest cost, about $25 million a copy. So we need to modernize that component of the Coast Guard.

We often, as I said, we liked being in that bantam weight league and we need to move up a weight class because oftentimes, well, that would mean we need a bigger Coast Guard. So the other piece is, our human capital we need to grow as well.

I was out at our Pay and Personnel Center in Topeka, Kansas. A big Coast Guard domain. I’m not sure how we ended up there, but we’re in Topeka, Kansas. I was just there three weeks ago and our civil servants, their average age is over 50. And I asked, how many of you plan to retire in the next three to four years? Over a third of them. And if I see a hiring freeze and I can’t hire their replacements, people don’t get paid. I submit a travel claim, and it may not get reimbursed for several months. So we need to be very mindful of the value that our civil servants bring to the table as well.

So I view that as another piece. Call it modernization if you will, but I do have an aging civil servant work force.
The last thing is, I have a very aging shore infrastructure. As we modernize the fleet, modernize aircraft, we really do it at the demise of our shore infrastructure. A lot of our stations are literally artifacts, and I can’t tear them down and I’ve got to keep them up. And we have crews that are doing the roof patching, the plumbing, the electrical work and a lot of self-help. That’s another area. It’s not as glamorous as christening a new ship, but it’s certainly an imperative for us as well.

**Moderator:** Gotcha. I’m going to ask the Commandant to answer the same question. But while he does so, I think we can now open it up for a few questions from the audience. If you’d like to ask a question just please queue up here at this microphone.

**Commandant Neller?**

**General Neller:** I think we see it the same. When Secretary Mattis came aboard he told us that there might be the potential we could get some supplemental funding, and that his priority was on readiness of the force. And so what are those things? Flight hours, parts, spares, grounds part spares, secondary repair -- [tape skip] -- on the margin. And then after that it’s modernization. Buy new aircraft, buy new ground vehicles. -- [tape skip] --

The war has not stopped. We’re still as deployed and as engaged, and I say that for all the services, as we were at the height of Iraq and Afghanistan. Now the level of combat, thankfully, is not what it was. But the number of people deployed in our service, all the services, is maybe even higher. So it’s not like, you know, the world stopped.

So when you ask yourself, well how did this happen? Well, we’ve been fighting for 16 years. And our stuff got old. It’s well maintained, but it’s been used, and we need to recapitalize. So the [doma] we have is we’ve got to sustain the forward deployed force in the fight. We’ve got to sustain the readiness of the legacy force that we’re still going to fly or drive for the next 10 to 15 years, or sail. And then we’ve got to buy new stuff. And it’s not going to be cheap. Because we’re, I think we would all say that any Soldiers, Sailor, Airman, Marine that is out there at the pointy end has got the best gear. They’re operationally ready. They’re well trained. They’re well led. They’re well equipped. They’ve got everything they need. But that has come at the expense of the bench back here, and that’s what we need to get -- we’ve got to get the bench deeper and
stronger. And it would be nice if we had a little more capacity, because the time at home station, which goes back to retention, particularly for the career force, that time in home station over the years when we used to deploy for 6 and be back for 18, now we’re deploying for 6 or 9 and we’re back for 12 or 14. And over time -- the young Marines and Sailors, they love that. That’s what they came to do. But for the career force, that creates stress.

**Moderator:** Let’s bring up some audience questions. Please give us your name and your organization and fire away, and I’ll try and direct the traffic.

**Question:** Thank you Admiral Stavridis. Dave Grundies, Navy League, San Diego.

First, thank you to CNO for reinstalling, reinstating the Navy rating systems. I think that’s a great tradition. Thank you, sir.

[Aplause]

Admiral Stavridis, to all the service chiefs, I wonder if they view with concern or are looking forward to the new retirement system as far as how that’s going to affect retention and the future work force.

**Moderator:** Thanks for a short, crisp question.

CNO, do you want to start us off on that one?

**Admiral Richardson:** I’m not too concerned about its effect on retention. What I want to make sure that we do though is, it’s definitely more complicated than the one we have right now. It offers our service members more choices. They can tailor it. But they’ve got to make sure that we get the education out there so that they’re making sensible choices that are right for them. They don’t leave that thing that may sound most great. So I don’t need a bunch of retirees driving high performance cars and have no future after that. So It’s important that we get the education so that they can make the right choices and tailor their retirement to their needs.

**Moderator:** Anything to add to that, Commandant?
General Neller: You know, I think we don’t know. We’re going to find out. On 1 January, if you’ve got less than 12 years you’ve got to make a pick. You’ve got a choice.

So I think there’s great options there. There are certain advantages. But there’s also going to be, like the CNO said, some education.

So I’m not overly concerned. I’m more curious to see how it plays out and what the choices are, what the choices people make are, and then we’ll know. But I’m paying attention to this.

Moderator: Commandant Paul is there any, your system changes are not alongside ours, or?

Admiral Zukunft: I would just echo the sentiments of the CNO and the Commandant of the Marine Corps. But there’s a cost involved. So we will find out next year how many people opt in. Over half of my work force has less than 12 years of service. How many opt in, and then how many of those do I have to pay at 12 years or whatever year point we decide to incentivize them to stay on? Because that comes out of my operating base. So I’m going to pay those incentives out of an operating base, and so we need to educate our appropriators that there’s a real cost involved in doing this. This was not a retention tool, it was a compensation tool for those who serve less than 20 years, but it comes at a real cost. So I just need to make sure that it doesn’t erode our operation base.

Moderator: Thanks a lot. Next up?


Since I have three service chiefs together at an event about things electronic that go beep and ping, I want to ask, as we look at future concepts of operation and emerging concepts -- not just for warfare, but also for all the things the Coast Guard does, there’s a lot of emphasis on multi-domain, on cross-domain, on using cyber and electromagnetic spectrum with the traditional kinetics. And this seems to blur traditional service lines. How are you changing your roles, the way you work together jointly, in this new domain or group of domains that everybody actually shares?

Moderator: Commandant Neller?
**General Neller:** That’s a great question, Sidney. Thank you so much.

I think Paul mentioned the National Military Strategy and I think one thing in that strategy is a recognition that what we used to look at certain plans for certain areas, they were just kind of regionally focused. Now we realize that any conflict is not going to be bounded by a certain part of the Pacific or a certain part of this, it’s going to be trans-regional. And I would say the same thing about operating in those domains. I mean that’s the one thing that makes cyber so difficult is because it’s hard to geographically bound it. If you think of it like fires, like dropping a bomb or shooting an artillery shell or a Navy gun.

So I think we’re going to learn through joint exercises and through simulation and modeling what impact this has across the joint force. And I think the last 15, 16 years of fighting have not -- [tape skip] -- Admiral Rogers were up here, I think he was here earlier, -- [tape skip] -- domains and the impact.

So I think all of us recognize that these things are not bounded geographically, even though the effect might be in a geographical area, and that we’re going to have to look at our training, we’re going to have to look at our, the gear we buy. We have to have enough commonality so that we can communicate with each other and help defend each other. And we’re entering an area where joint training is going to be probably as important or more important than it’s ever been in order to sort through the stuff that I think you’re trying to get at.

**Moderator:** Anything to add?

**Admiral Richardson:** I don’t really have anything to add.

**Admiral Zukunft:** Just a quick one, Sidney. I look at where we have gaps in the electromagnetic spectrum, and especially space-based, so we’re well aware of what those gaps are in a high latitude. So we’re working on how do we close that particular gap.

At the same time, yeah, we are plugged in with a flag officer that works on US CYBERCOM. The J6 at the Pentagon is now a Coast Guard flag officer. So we’re not operating in isolation. We operate in the DOTMIL domain. And then what we do is we bring that back to DHS, who stood up in Joint Requirements Council.
So we’re taking some of the best ideas and initiatives from DOTMIL and then how do we populate that into the DOTGOV domain as well, so we’re trying to build some of that connective tissue. Not just mil to mil, but then how do we apply that to our interagency partners as well.

**Moderator:** Thanks a lot.

**Question:** Good afternoon, gentlemen. My name is Joe [inaudible] with the Naval Institute.

Admiral McRaven was in the press this morning. He said the notion, the idea, the media is the enemy and must be challenged, and the statement may be the greatest threat to democracy in my lifetime.

I’m curious, I don’t want any active duty folks to weigh in on that question particularly, but I’m interested in your thoughts on --

**Admiral Richardson:** Who else is up here? [Laughter]. Admiral Stavridis would be good.

**Question:** How do you engage the media? How do you balance transparency and security? And unlike corporate CEOs, I mean you’re the heads of public trust, multi-billion dollar budgets, but you have 320-plus million shareholders. So just your thoughts on how you engage the media and balance all those things.

**Moderator:** I think all three of the service chiefs can certainly say a word about how they engage the media. A perfectly good question. Who wants to start off?

**Admiral Richardson:** I’ll start.

I mean we’ve got, I think, a responsibility to communicate with the American people. There’s certainly a vital role for the media. There’s a vital role for national defense. And then there’s areas where our common interests overlap. And those are areas where we can do great work. But I think that it’s a responsibility that we all have to put some deep thought into and be proactive about that.

**Admiral Zukunft:** I’ll take the next stab at it. Really, a potential treasure chest is our ability to leverage social
media. So not just traditional, but really social media. I was here about a year and a half ago and we had the Coast Guard Stratton offload 32 metric tons of cocaine. We showcased the boarding team that made most of these interdictions and we let them speak. I step out of the picture and really place credit on these young Coasties, doing the front-line operations. And we had over 3.5 million hits on that, which then got fast forwarded. And our authorizing and appropriating staffs follow me on Facebook, Twitter and Instagram. Then right after that we get the Offshore Patrol Cutter is awarded and OMB backed off on it.

So you really have to use this strategically, but most importantly, consistency and messaging.

I remember, I was trying to shut down a station in a very political sensitive area because I had an authorization to do so. It’s rare you get something in an authorization bill. So as we’re working with the Hill, the lieutenant who ran the station said I don’t know why the Commandant would ever shut this thing down.

So we need to make sure -- he’s still a lieutenant, by the way. [Laughter]. We need to make sure --

**Admiral Richardson:** Ten years later.

**Admiral Zukunft:** -- our messengers are speaking the same strategic message. We’re doing a better job of making sure consistency in messaging. But more messengers, and not just the service chief being the sole messenger for your service.

**Moderator:** Commandant?

**General Neller:** We live in a democracy. We’re a military that’s under civilian control. Part of living in a democracy is you have an active, vibrant press that reports things. Now there’s rules and each of us have responsibilities, so I think it’s an opportunity, I think CNO mentioned that, to communicate. When one percent of the population is serving in the military, why would we not want to let everybody know what we’re doing so that they understand this is their military. It belongs to the American people.

So at the same time, I need you to help communicate with the force, with their families, with the international community so that they know within national security means, what we’re up to.
And anyone out there who might want to contest us. I think they need to know what we’re doing. And there are some things that they probably don’t need to know, but so to me it’s part of our obligation and responsibility as Americans to be open, transparent, straight up, and it’s the job, I think, of the media to listen to that and report accurately.

I think Admiral McRaven, I have great respect for him, and he’s a very competent, capable guy, and so I would align myself with his view.

**Admiral Richardson:** If I could just add a little bit. We’re having this discussion inside the Navy in terms of just how transparent we need to be. And it’s, frankly, venues like this that we have to be very thoughtful about what we talk about. We don’t want to give any kind of a give-away in terms of how we’re going to defeat our competition. Right? And sometimes we’re maybe a little bit too prone to run to the microphone, talk about capabilities, maybe talk about operations, those sorts of things. I’m not interested in providing any kind of advantage to the media or any other source, but there’s, to the Commandant’s point, there’s a tremendous amount that we do need to communicate in terms of the purpose of what we do, our role in protecting the nation, connecting with our people. So a thoughtful approach is the best way to go.

**Moderator:** I think another way to think of it is, Joe, it’s not an on and off switch where the choices are total transparency or compete non-communication and the military does its thing. It’s a rheostat. You have to dial it in and it depends on the mission, the capability, the source of the commentary. I will pick up on CNO’s point that fora like this that give an opportunity for a very wide spectrum of Americans to come in and hear directly from military leadership I think is a very valuable aspect.

**Question:** [Inaudible] Thurman, 1st Marine Division, 3rd Tracks.

My question for you gentlemen is, I know you touched on our physical fitness and our readiness for operations. With that being said, is there any implementation for a physical assessment prior to billeting Sailors or even Coast Guard to operational billets to get in those orders.

**Admiral Richardson:** We’ve got a physical fitness program. You have to meet those standards. You look like you’ve spent a fair
amount of time in the gym, and you’re asking this question from a position of strength. [Laughter]. You know, that we’ve very mindful about not sending someone to a job that they’re not qualified to do, and that includes the physical qualifications.

I will tell you, going back to leader development and behaving consistent with our values in the design for maintaining maritime superiority. I talk about four core attributes. The attribute that I’m talking about -- and I take one of those and we sort of highlight it each month. This month is the attribute of toughness, and I think that toughness has a lot of dimensions. One is certainly physical. But there is also this aspect of mental toughness, of good order and discipline, the ability to stick to your plan and fight through adversity. We just had the USS Mason demonstrate terrific capability down in the Bab el Mandeb. She defended herself against coastal defense cruise missiles out of Yemen. That sort of toughness is going to be a critical part of our competitive stance as we become more and more capable. It does come down to our people. And boy, the toughness of our people are really going to make a huge difference. Physical toughness, mental toughness, spiritual toughness, the whole thing.

**Moderator:** Anything to add from the Commandants?

**General Neller:** I think what you’re getting at is if you’re physically fit you have a better potential to be successful with the task and if you’re assigned to 3rd Amphibian Assault Vehicle Battalion then you’re with Marines and so you’re not going to get a lot of slack from them. [Laughter]. Nor would I expect you to. And I don’t think you want any.

But like what the CNO says, I mean this is, what we do is serious stuff. It’s serious business. And everybody’s got their own motivation for why they join, but at the end of the day, the military’s here to defend the nation. We’re here to fight. And if you’re going to fight you’ve got to be mentally, physically, morally, spiritually fit and that takes a lot of individual work and it takes leadership from everybody in the chain of command. And it’s more than just going to the gym. It’s being mentally prepared to do what you’ve got to do like those Sailors on the Mason. I’m sure they were not expecting when battle stations went off they were going to get shot at. But they trained and they were prepared and they got it done. That’s just, there is no other option.
So I appreciate the fact that you stuck your hand up and joined the Navy and got vol and told to join the Marines. Hoorah.

Moderator: Thanks a lot. Next, pleas.


I’d like to follow up on the 355 ship Navy. Obviously there’s quite a bit of planning that still needs to take place after the Force Structure Assessment and the Future Fleet Architecture Study, but it seems like you have quite an opportunity to not only do more as you grow, but also do differently. I was wondering how you all are looking at that opportunity and what principles are guiding sort of that planning for what a new, larger Navy might look like.

Admiral Richardson: Paul, you want to take that one? No, I’ve got it.

Admiral Zukunft: Just don’t paint my white ship gray.

Admiral Richardson: I’ll tell you what, Meghan, it’s a great question, and so just to your point, growing a bigger Navy and just making more of what we have right now is not going to deliver the Navy that the nation needs in the future. And so we are looking forward to those sorts of technologies and capabilities, those sorts of operating concepts that are going to allow us to continue to be competitive and win in the future. So those things such as directed energy. Those things such as unmanned technologies, artificial intelligence, additive manufacturing. Those have a big role in the future of our Navy.

So when you say 355, what that will be composed of is work yet to be done. But I will tell you that in the near term, sort of the immediate actions. If given the resources to grow, we know that right now a destroyer is something that’s going to be relevant and capable as far as we can see into the future. Submarines, same thing. We’re going to continue to need amphib. You never have enough of them.

And the good news also is, that those production lines are hot. So we can just see how much more we can build with those production lines, working very closely with our partners in industry. So immediate action if given the resources, we know and have confidence that there are certain platforms right now we can just dial up on.
Then we’ve got to, just as urgently, figure out what are those capabilities that technology is going to bring. I will tell you, I’ve got to because I’m here, talk about the role of information technologies and information in our future. And that’s a thing that allows us and the Coast Guard to stitch together so well. We’re sharing it very much with the Marine Corps. Providing those data standards and communication standards that allow not only within the Navy but our sister services to communicate, sense, target together. That’s going to be a real force multiplier. So there’s a digital part of this that’s going to be extremely important.

**Moderator:** Thanks.

I think we’ve got time for two more questions. So the next two at the microphone. Sorry, guys.

**Question:** Good afternoon, gentlemen. Captain William Hochrind from [MCNESS]. I’m the course coordinate for the [inaudible] course.

That being said, gentlemen, this question for all of you. Understanding how cyberspace and space have truly become operational warfighting domains, the level of classification that the majority of the training exists at is at the TSSCI or higher levels. One of the things that we’ve truly struggled with within the schoolhouse is how to bring that training level down to the level where we can actually teach to it without having to have the extreme level of classifications.

So that being said, the second part to my question really comes down to when we start trying to educate not only our communications folks, but also our commanders, so that when you have an expeditionary landing force commander transitioning to shore, truly understanding how they can exercise and use these space and cyberspace capabilities. How do we see this transitioning moving forward when the classification levels continue to stay at that level?

**Admiral Zukunft:** I’ll take a first stab at that because we put out a Cyber Strategy about a year and a half ago. One is, we’ve got to defend our cyber domain. Two, we need to be able to leverage it offensively. We have a third, which is a fairly unique one. It’s how do we protect the private sector in their world of cyber.
So just go north of here to the Port of LA/Long Beach. It is the number one, number two largest container ports in the United States. I flew over there two years ago, and there was a contract renegotiation with the ILWU and off-shore 70 fully-laden container ships. Production lines are now shutting down in the Rust Belt. They don’t have warehouses. It’s just in time inventory, and their inventory is in a box on a ship off-shore because they can’t get it in there. That industry relies, about 95 percent of it is run through industrial control systems, SCATA technology, and about 25 percent of our maritime transportation sector resides behind what I would call a bonafide firewall. The other 75 percent is exposed.

This would have a ripple effect throughout all of our worlds of war. So we’re now working with Maritime Security Committees, now working with the private sector of how do they harden their sites? Working with the National Institute of Technology. And here are some of the best practices that you can use to make sure you get to where the financial sector is today. About 98 percent of that resides behind a bonafide firewall. So how do we get that component up there?

So we’re able to do all of this at an LE sensitive, without divulging what our national capabilities are, but how it might impact them. So I just use that as an example of how do we get down to our private sector stakeholders who are keenly interested and their cyber vulnerabilities.

I’ll just, to clarify that, four years ago there were 120 ships on international voyages whose GPS signals were hacked. They were not aware of it, and they were deviating from course. Six mobile off-shore drilling units wandered off their drill site because someone introduced malware, so now these are floating and dependent upon a DGPS signal. And when they wandered off, we didn’t have another major oil spill, but the cost to industry, just for each one of those, was over $20 million.

So the penalty of lost connectivity is now starting to be understood. Right now we have a lot of vulnerabilities and we’re only as strong as the weakest link in this whole cyber chain.

Admiral Richardson: If I can pick up on that. One, the good news is that we’re not the only ones concerned about this, right? So this is an area where we can partner very effectively with industry as everybody is concerned about security in this domain.
I’d like to pick up on your question, and something that the Commandant of the Marine Corps said earlier in terms of the multi-domain aspect of this, and you picked up on two domains -- space and cyberspace, and then you talked about leadership.

You know, my concern about this and where we are working hard is the command and control of all of that. If you think about now space, cyber, you’ve got the standard, you know, maritime, the physical in the three physical domains. All of that has to be orchestrated to the fine tuning, just like the San Diego symphony and the authorities that have to come with that to be able to act with that synchronization to achieve the effects that you need. There’s a lot of wargaming that needs to be done to iron that out.

**General Neller:** On the training piece, I think there’s a way to bound the training area, like a training range so it’s closed so you don’t let the stuff get out into the wild, if you will, and maybe we can do that. I’m going to have to — that’s a really good question about the classification of that so that you can actually train Marines to do that. Give me your information and I’ll get back to you. I have to talk to the folks I know that are working this thing. Because we do have training ranges, and we’re, I don’t know if General Crowel’s here, maybe he can give you some general insight into that because he’s much more conversant in that.

But as far as advising the commander, I think it’s going to over time as we attrit out of the force people like me who are digitally challenged and the digital generation takes over. It’s going to become second nature. And the idea is to grow people. So instead of when the Artillery Liaison Officer of the Naval Gunfire Liaison Officer showed up, the Cyber Liaison officer’s going to show up. Because as a commander, I don’t, I’m not really interested in the one’s and zero’s. I just want the effect on that target, and this is what I want it to look like at this point in the operation. And how we achieve that, whether it’s kinetically non-kinetically, electronically, that’s really what I want, and it’s going to take us time.

We’re going to have to grow people and we’re in the process of doing that, who understand how to achieve that effect. I think that’s happening, but it’s not going to happen overnight.

**Moderator:** I’ll just add as I walk around on the floor out here, I have seen a number of vendors who have technical
solutions that I think would be very much a part of this. Good question.

**Question:** Thank you, gentlemen. My name’s Celina Hayes with Hayes Group International.

I often look at the enemy where we’re going up against right now, and it’s really changed. It’s really a 15-year-old girl on SnapChat who’s controlling the narrative, who’s very flexible and agile and disruptive.

So what do you propose within the force moving forward, some of the resources and solutions for an enemy that looks very different right now.

**Moderator:** Let me just make sure we understand your question. As in, you mentioned SnapChat, you’re talking about use of social networks controlling narrative?

**Question:** Correct.

**Moderator:** Proselytizing recruiting and so forth. Got it.

**General Neller:** I think most of us have a 15-year-old that, 19-year-old Soldiers -- Soldiers, Sailors, Airmen, Marines or Coast Guardsmen who could compete against that 15 year old because they grew up in the same type of world doing the same type of thing on social media as that individual. So I think that’s part of the leveraging the human talent and skill set that we have, and finding that person. They’re out there and you’ve just got to put them in a position to compete. And I think we all have people who monitor social media, who try to help us message on social media, who track social media. A lot of engaged in how people monitor tracking these particular capabilities in these domains. So I think we all have people that know how to do that. Part of the problem we might have is do we have the permissions if we wanted, your hypothetical 15-year-old, if we wanted to deny them the ability to continue to continue to operate in the domain, we would have to get some sort of permissions and authorities to do that, unless we were in a designated area of hostilities. That’s a whole separate question.

**Moderator:** Anything to add to that?

**Admiral Richardson:** Very quickly, you talked about a very tactical type of capability there. I would, to the Commandant’s
point, I would match our tactical operators in that domain with anybody else’s, but it’s got to be nested inside of a strategy that really moves us and keeps us on track. We really don’t want to be subject to the whims of the latest Tweet. We’ve got to really define where we’re going, where the United States is going in the world, how each of us as a military service can contribute to that, and make sure we don’t get blown off that course.

**Moderator:** I’ll simply add, going back to a point in the conversation earlier, that some of the offensive work that’s done in these social networks is in this area of fake news. It’s constructing narratives of, for example, in Europe recently, a whole social network campaign came out saying that German troops were raping people. And the ability to counter that is not only finding our people who understand it and using the tools that the CNO mentioned, it’s also part of the responsibility of the media to investigate this, to unpack it. There’s a media, a legitimate role for legitimate media in debunking this kind of purveyance of fake news, which I think is a very dangerous, fast-moving, tactical scenario that we need to be mindful of as the service chiefs have said.

What a terrific panel, and I think Admiral Dailey is lurking around to wrap it up for us, but please join me in a terrific round of applause for an extremely candid group. Thank you very much. Good job.

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