CNO: Thank you.

Eleven years underwater. I’m not an Olmsted Scholar, as you know, and I’m not a Rhodes Scholar. In fact, I’m probably not really even considered a scholar. [Laughter]. Eleven years underwater probably, for everybody particularly in the business world is enough to disqualify you from doing anything. So I think it’s a legitimate question to ask, what the heck am I here for? Right? I’m really only here for a couple of reasons.

The primary is to pay tribute to Doug Crowder. He’s finishing up a long-time involvement with the Olmsted Foundation and six years as the Chairman and I just can’t really think of a better ambassador for the Olmsted Foundation than you, Doug. I want to just take a moment to embrace that and let us all think about that together.

You’ve really had an earth-shattering tenure as the President here. I think there were about 670 scholarships awarded during your tenure, which is quite a milestone. And if you think about the influence that is going to be felt by the entire, certainly as you said, you breed leaders. Those leaders go on to lead. So not only in the military, but what they do beyond the military. Your thumbprint is on all of that. And the fact that you would say hey listen, I’d be happy to talk to your organization, do your interview, but the very first thing you have to ask me is about the Olmsted Scholarship. I think that speaks volumes about what a great ambassador you’ve been.

You’ve also been very forward thinking, really moving the Olmsted Scholarship into the future, recognizing that boy, I’ll tell you, if there’s one thing about our current environment is that it’s changing very rapidly. And you were right there recognizing that the scholarship, Olmsted, must change with it. So just like you highlighted that you brought the Coast Guard into the fold and so many other things, you’ve really helped the scholarship keep pace with this rapidly changing environment into which those leaders will go.

I think also as an ambassador, mentor, sensei, you are very keen on highlighting that this is a community, these Olmsted Scholars, and that this community should stay connected, that
there’s strength in those connections, intellectual strength but also I would say that sense of community, that almost emotional resilience that comes up as all these leaders go on and get tested in ways that I think you only know if you’re one of those leaders. Sometimes you really do need to [inaudible] who might have been down that very sparse path before you or with you and can reach out.

You’ve also been keen to recognize that it’s a very diverse scholarship, and there’s no way that one formula can fit all. So you’ve been I would say flexible in terms of working with each of the services to make sure that once we identify the best people we’ll figure out a way to get them on the Olmsted bus, right? We’re not going to let it be too rigid and miss a great opportunity. Particularly in the Navy, naval aviation can tend to be a rigid pipeline, and so there’s that golden path and you get off that golden path at your peril. We’re changing that, thanks to you, [inaudible] and others. You worked with us in terms of making sure that everybody got a chance to take advantage of this amazing program.

So to all of the leaders in this room, again, just thank you for having me. Talk about being nervous. Try giving a talk to you guys. [Laughter]. You get graded as you go.

But I’ll tell you, the results speak for themselves. Just look around the room. Right? We get better decision-makers, all of that cultural training. It teaches us to think on our feet, doesn’t it? And we just have to make do with the tools that we have and somehow make it work. Certainly it’s the epitome of scholarship, but we also become scholar leader diplomats by virtue of the experience in the Olmsted.

So why don’t we give a nice round of applause to Admiral Crowder -- [Applause].

That was really my talk. [Laughter].

Actually it does intersect with my talk a little bit, so what I hoped to do is maybe spin through a couple of charts, lay out some high-level thinking, and then quickly go to the Q&A and the conversation that we’ll have together because I’ve always found that that is so much more interesting.

Before I do, though, I just have to say, Kurt Tidd, would you stand up again? How long has it been since you retired, Kurt?
Admiral Tidd: 1 January.

CNO: 1 January. He’s lost ten years. [Laughter]. He looks ten years younger than he did on active duty. Kurt, thank you so much for your service. [Applause].

I didn’t know you could tan, but you can. [Laughter].

Admiral Tidd: Seven years on the Joint Staff took away all the tanning.

CNO: All of that goes out of your skin down there.

Let’s get going here. We’ll have a fun time, I hope.

We start a lot of our talks with this. I like this quote. If you’re a Navy person you can’t do much better than this quote, to be honest. One of the nice things about this quote is that it was said by George Washington. And we’re finding as leaders that when we start to talk about our business, whether that’s to an internal audience with our Sailors, or whether that’s an external audience like this one or communities or whoever, that it’s not a bad thing to just stop and dwell on some of the foundational principles upon which our nation was founded. Particularly in this audience, I don’t have to tell you about this idea of America and what it means in the world. And particularly right now when there’s a lot of noise in the system, there’s a lot of winds blowing. We in the Navy, and in the services I think, all of them, like to steady up on this course for a little while and talk about what America means. What is the value proposition of the United States in the world today. The foundational ideas. We’re quoting a lot from those documents like the Declaration of Independence, like Common Sense, like the Constitution, the Federalist Papers, speeches by great leaders throughout our history that resonate on that theme of what American means. It’s just so important that we don’t go by this.

There was a really great article in Foreign Affairs, the last edition, that talked about the fact that as a nation we really don’t have thousands of years of cultural momentum to define us, that stitches us together by virtue of our history. We’re a pickup team in the history of the United States. What binds us together is our story and our values. We’ve got to come back and revisit that narrative as often as we can and look for opportunities to strengthen it, to strengthen that story among
our people so that we don’t lose sight of who we are and what we mean.

It’s particularly important we think for the military and I would say first among equals the Navy, because it’s not uncommon that the first person, the first physical manifestation of this idea might be a sailor or a soldier or an airman or a marine or a coast guardsman who is out and about doing the business of our Defense Department and meeting people. So it’s important, we think, to just make sure everybody understands the responsibilities that come with that, that you are on contact, a diplomat, by virtue of representing our nation, so they should have an idea of what our nation means. So this idea — honorable and glorious — is an important one that maybe I’ll circle back to at the end.

But today we’re going to talk a little bit about, and we probably spend the vast majority of our time talking about what it means to be a decisive naval force. So as we think about that, it’s a great time for us to come together and have this conversation because following the National Defense Strategy which was issued about a year ago, a little bit more than a year ago now, and really got us focused on this idea of great power competition, our Navy strategist -- Stuart Munsch -- leading that team got together and we started thinking about okay, what does this mean for our strategy? What does this mean for Navy strategy? And we’ve done a lot of thinking, and that all wrapped up at the end of last year, first part of this year, calendar year. So this is a good time to try all these ideas with you, so I look forward to sharing some of our thinking.

We think about if you’re going to be decisive, decisive where? What does it mean to be decisive? What is the environment in which you have to decisive? So we describe the environment like this. We’ll work from the top of the slide down.

One, we talk about it now in terms of a spectrum. A spectrum of competition, a spectrum of rivalry, however you want to think about it. But it seems that some of the traditional approaches to this competition where we think about this linear phasing, right? Phase zero, phase one. It’s becoming less and less relevant today as our competitors are moving with great agility up and down that spectrum with speed and surprising us in ways that we have to get our minds around.

So the first part is, think about this as a continuous spectrum. And it’s also not only continuous, but we’re competing in ways
that are non-linear. So particularly if you think about, well, let’s think about the last time we were in a great power competition. This domain, information domain, cyber domain, all of that didn’t even exist. Now we can’t do anything without it. It’s one of our major strengths and one of our major vulnerabilities at the same time. Right? It defines and speeds up so much of what we do -- not only the competitors have changed, but the rules of the game themselves have changed. So things like space and cyber are brand new and they span the entire spectrum. So you could be operating in different points on this spectrum in this competition at the same time. Right? And some of our competitors can escalate very quickly to a higher point on that spectrum, reestablish a new normal, and then go back to day to day operations. And if we’re not ready to respond or anticipate with that level of agility and effectiveness, we’re just going to be behind.

I like sports analogies, football analogies, just in recognition of the front row here. We could have person, player by player, the best person in that position in the entire league. So position by position, the best at that position in the league. But if that defense is not rehearsed and practiced and trained to go against a no-huddle offense, they’re going to get behind with every play. And more behind. And more behind. And they’ll be caught with too many people on the field. They’ll be penalized. Until the offense will walk into the end zone almost untouched. So there’s this idea of speed and agility that’s central.

As we look at this spectrum we think that in the lower end it’s primarily a challenge of our imagination. This is not generally going to challenge us from the technology standpoint, it’s not generally going to challenge us from the resourcing standpoint. This is going to challenge us intellectually, so it comes right back front and center to the very problem that the Olmsted Scholarship strives to solve. How do we become better thinkers? More agile thinkers.

If you consider this part of this spectrum, we really don’t even know what to call it. You’ve probably heard terms like gray zone or gray war. Not super imaginative. There’s this phrase out of the National Defense Strategy, sir you have to check me, it’s such a mouthful, this competition below the level of traditional conflict. Try saying that five times fast.
Again, it doesn’t give you a whole lot to go on in terms of characterizing what this is. What is this challenge that faces us? So you can see, a conceptual challenge for sure.

At the high end, always a capability challenge. And this is another I think a matter of agility. So we want to make sure that we’re going to remain superior at the high end of that spectrum so that we can not get outfought by virtue of material out there.

So a response to this really is in three general areas. One of which is to get after and restore some of that agility that we talked about. I talked about this conceptual agility as being one of three agilities that we’re after. This conceptual agility, we’ve got not only at the strategic level but at the operational level. We’re moving naval forces around the globe in places we haven’t been in a long time. So there’s that operational concepts agility. Distributed maritime operations where this fleet operates in a physically decentralized manner but the ability to concentrate effects or fires in a concentrated of centralized place.

So there’s conceptual agility, and we have a lot of concepts. I’ve talked about the Navy Strategy, the operational design, and a whole host of derivative or subordinate concepts.

Related to that there’s geographic stability. In this war in the Middle East, as you alluded to General, we got very, very good as a Navy of leaving the continental United States with force elements, nominally a carrier strike group, going to the Gulf, staying there as long as we could, and then coming back to home port. And we call it the Optimized Fleet Response Plan was the system that generated that, and we optimized against cost. So we did that mission for the lowest possible cost and we leaned out a lot.

So now as we get back into moving force elements around the globe in places we haven’t been to, we’re finding that we have to optimize against a different set of criteria. We have to optimize around flexibility. We have to optimize around maybe unpredictability. So this is not going to be as low cost as just going to do one thing and turning back. Something that we found with the latest strike group deployment.

The Harry S. Truman strike group went out and we ran that strike group around the globe in places we haven’t been in a long time. We ran it through the Strait of Gibraltar, into the
Mediterranean just like we always did. We normally go through the Suez except we pulled it up short, and we stopped in the Eastern Mediterranean and we did some tremendous work fighting ISIS from the Eastern Med. You can do strikes into Syria, strikes into Iraq from that part of the world.

But we also did tremendously high work with some of the NATO allies. So we got a chance to do some really great high-end maritime training with Italy, France, England, others.

We got to use ranges that we haven’t used in a long time. Ranges in Europe and Morocco.

So overall, the readiness of the strike group remained higher because they were able to do so much more challenging things with higher level partners, doing missions that just kept their overall readiness high.

Then after we were done doing that, we brought them back home. We did a mid-deployment port call in Norfolk, Virginia and it was very productive. We did some terrific maintenance there. We kept the operational posture, which was good because we didn’t tell anybody we were doing this. So when the team left they thought okay, I’m going to be gone for seven months. So that means I’m going to clean out of my apartment, I’m going to park my car in long-term storage, etc. And now I’m back at the three-month point, right? Now I’ve got no place to live, and I’ve got no car. Well, that’s the way it would be if you were overseas anyway. Right? So here’s how we’re going to get along. We got some great maintenance and training done, and then we got back underway.

This time we started to go east again, just like we were headed for the Gibraltar Strait, except we turned everything off and turned left and went north. And we went up north of the Arctic Circle with the strike group for the first time since 1991. It’s been a long time since we’ve been back up there. We had to open some old books to figure out how to do business there. And it’s a good thing we still had those around. We relearned a lot of lessons. While much has changed since 1991, one thing that has not is it’s still really cold as hell up there in November. [Laughter]. Those of you who have been underway in the North Atlantic in November know that the seas can get very, very challenging.

All of these skills we had to sort of relearn, all the way down to the tactical level. The ship-board level.
We’re getting all this back. Nothing was natural as we poked up there for the first time. So it took fleet commander intervention to get the mail to the ship. We hadn’t sent mail up that direction in a long time.

I was privileged to spend Thanksgiving with the strike group, so we flew on out there, and I’ll tell you what -- as stealthy as we were trying to be, if you really wanted to know where the Harry S. Truman was going to be in late November, you just had to follow this 4,000 pounds of turkey around the world, and at some point that 4,000 pounds of turkey was going to intersect with the Truman and we were going to have Thanksgiving dinner.

A lot of that logistic stuff is a little bit too out in the open, so we need to figure out how to do that with some sense of security.

So lots of lessons learned. Don’t forget your baseball bats when you go up there. Admiral Crowder you know, there’s nothing like knocking the ice of the wings or the super structure, whatever it may be, like a Louisville slugger -- [Laughter]. This is something we read in the books. So we had a whole bunch of bats up there, knocking ice off of stuff.

So there’s this idea of geographic flexibility, agility, that we have to restore.

Then finally, there’s technological agility. This I think is a strategic Achilles Heel that we’ve got to overcome. I know I’m speaking to a very, very, very intellectual crowd here, so I’m confident that we’ve got a few chess players in the room. Is that right? Any Grand Masters? It wouldn’t surprise me at all.

Anyway, I know how the pieces move, and if I was going to play chess against Garry Kasparov and I played a thousand games, it would be a thousand to zero, Kasparov. I would not win one single game. And I’ll tell you what, if Gary Kasparov took his bishops and knights off the board and we played again, a thousand games. It would still be a thousand to none, Kasparov. [Laughter].

But if I got him to take his rooks off the board, and maybe half the pawns, I’d probably have to get that queen off too. Eventually Richardson beats Kasparov, right? Because material matters at the end of the day. And if the discrepancy becomes too big, no matter how much better the other player is, just
material will overcome that. There’s only so much you can do. So it would still take me 57 moves to checkmate him, but I would finally get there. He’d probably offer me a draw a few times, but it would happen.

So when we talk about hey, it’s going to be okay, CNO, because our pilots are trained so much better than theirs. That’s a margin that’s too close for me. That’s not the way we do things.

We make sure that our worst pilots can beat their best pilots because we put them in much better equipment. And the ability to get that equipment through its development process and out into the fleet, into the hands of our aviators, into the hands of our sailors, that’s a strategic imperative, a problem we must solve. We must solve that problem or material will start to matter against us.

Those are the three agilities.

The other big idea, this is going to be a long competition. It’s going to be a rivalry that lasts decades. So we’ve got to think in sustainable terms. If you’re a game theorist, you’ve got to be thinking in terms of infinite games. This is not a clock that’s going to count down in the fourth quarter to zero and we’ll declare a winner. We’ve got to be thinking in terms of very sustainable, infinite types of approaches which means we have to figure out how to keep score. We’re not in this for just the thrill of competition. We’re in this to win it, so we have to know that we’re winning it over these long terms. So there’s this idea of sustainability.

And then related to this challenge at the high end, related to our ability to get material out with agility, we want to be able to de-escalate to the left, to go more towards day to day, less violent competition, but we have to do so on our terms. We want to de-escalate, but de-escalate on our terms and the terms of our allies and partners and not on our competitors’ terms.

These are the three main themes that run through.

This is how our solution is organized. Four lines of effort. We color them, because we didn’t want to get into discussions about priorities, what’s the most important. They’re all important. They’re all equally important. And so we’ve got one that talks about operations and warfighting. Right? Which that’s pretty dang important. We’ve got this gold line of
effort which talks about how we bring in people into the Navy, train them, educate them, assign them, retain them, and so that’s a very important line of effort.

This expanding and strengthening our network of partners. As we think about the Navy as being really just one node in many, many networks. One network is just the joint force. We are all here with our sister services and we help to make up the joint force.

We might want to think of a little bit bigger network in terms of the interagency. So not only defense, but the rest of the government.

Academia. Industry. All of these networks. We’ve got to consider them as part of our partners.

And certainly our allies and partners in the international community. We’re just one node. If we recognize that we’ll be that much more effective as a Navy. The Olmsted Scholarship I think, you know, center of gravity in that purple line of effort in many ways.

Then there’s this green line of effort which talks about achieving high velocity outcomes. It goes to this idea, two ideas. One is this high velocity. This is the second version of this Design for Maintaining Maritime Superiority. In the first version we talked about high velocity learning. There’s still a strong theme of learning throughout our operational approach and we can talk about that. But we just simply have to learn faster than our competition. We’ll get at that in a number of different ways.

Then this idea of high velocity, there is a sense of urgency that confronts us and we’ve got to get out of what I would call a too complacent approach to this challenge and get after it with some alacrity, with some butterflies in our stomach. If we are not approaching this with some butterflies our stomach right now, I don’t think we’re fully understanding the stakes at play.

Then it’s very important to understand that all four of these lines of effort, they rest on a foundation of our value proposition as a Navy. So we take very seriously our core values of honor, courage, and commitment. And we have these core attributes of integrity, accountability, initiative and toughness as sort of a litmus test to grade our homework, to grade our decisions, to assess our behavior so that we don’t, we
do our very best not to have a say/do mismatch in terms of our values.

I want to dwell a little bit on the people business because it’s so central to everything. Knock on wood, we have met our recruiting goals for 145 months straight. Twelve years and one month. If you think about what that means. The economy’s been up and down during that time. It’s up right now, which is generally, that’s the canary in the coal mine for recruiting. It makes things very challenging, and we continue to meet this. I can’t compete on salary. I just simply cannot pay -- this is the most, by every measure of performance, it’s the most talented Navy we’ve ever had. Test scores. Very, very high. Athletic scores, high. They’re super handsome and beautiful. [Laughter]. They’re just charming to be around in general. By every measure, this is a very, very talented Navy. Okay? So you have to wonder. They could write their check anywhere in the world. They could go anywhere. And we talk about competition, the spectrum of -- the competition for that talent is as intense as any competition I’m in right now. And yet we seem to be hitting the mark month after month.

I’m not taking any of that for granted. Oh, by the way, for that lower salary you get the bonus of going to sea for seven or eight months a year, separated from your family.

I think it has something to do with this value proposition that we have got as a service. I find that our young people are eager to be part of something that’s bigger than themselves, something noble, something that really represents not only being definitive and decisive but also honorable and glorious.

If you think about the Navy, certainly we talked quickly about the Navy’s contribution to the military dimension of national power. Why we have a Navy. But this audience certainly can remember that there were several very important treaties signed on U.S. Navy ships in our nation’s history. There are conferences held on Navy ships. When you were doing your Olmsted time overseas, if a U.S. Navy warship pulled into a port in the country where you were stationed it’s almost common that the U.S. Ambassador to that nation will host a reception on sovereign U.S. territory -- that ship.

So there is a deep contribution of the Navy to the diplomatic element of national power, as well as military.
Finally, back in George Washington’s day or so, the Navy was born to go overseas in the Strait of Gibraltar and defend our trade against the Barbary Pirates. You know what? That’s what we’re still doing. Not against the Barbary Pirates, but we’re out and about in the world. The South China Sea, a very highly visible body of water, in the media a lot. Why are we there? Well, we’ve been there steadily for 70 years and we’re not going anywhere. We’re not going anywhere. We’re going to continue to be there because the global economy is about -- 90 percent of our goods are traded by sea. Two-thirds of the American economy is directly connected to the sea. We are a maritime nation. It's extremely important that those sea lines remain open. The South China Sea, one-third of the world’s trade flows through the South China Sea. We can’t give up on that. Our prosperity is directly tied to that. So we're going to be there guaranteeing that freedom of navigation.

So you start to see the Navy’s connection to the economic dimension of national power as well. So it really does go back to the founding principles of the nation and the fundamental elements of national power. The Navy is there in each one of those. So that’s why we take that part seriously.

Here’s the job statement of the CNO. It goes back to Thomas Paine. That at the end of the day the Navy when built should be worth more than it costs. Mic drop, right? That’s really about it. [Laughter]. This comes from Common Sense, that pamphlet that Thomas Paine wrote. If you read Common Sense, it’s got a lot of Navy in it. It’s like a commercial for the Navy. Again, this idea that the Navy and the nation are fundamentally intertwined from our DNA is a really important aspect of what we do.

So I appreciate you letting me talk through a little bit about what we do tonight, and I’m happy to take your questions. Thanks.

**Audience:** Good evening, Admiral. I’m Commander Audra Adams from Fleet Cyber Command.

I heard recently that the Navy had hired experts in psychology to work on debiasing our decision-making. This is right in line with the Olmsted ethos, challenging our assumptions of reality. And I find it very gratifying that this is an initiative that you’ve undertaken.
Can you talk about the challenges that you’ve had countering our established culture and some wins that you’ve [seen] so far?

CNO: I’m glad you brought that up because it’s an exciting program. We’re working with primarily Dr. Jennifer Lerner who is up at the Kennedy School, the Belfer Center there. She’s a behavior, a decision scientist I think is the way she’d like to be described. She’s absolutely world class and very, very committed to making the Navy, the military in general, better decision-makers.

We’ve learned a tremendous amount about decision science in the last 15-20 years. It’s really been an exciting part of cognitive science.

The other part about this goes to a characteristic of the competition that we’re going to face going forward. I grew up in a pretty technical community. My early degrees were technical degrees and you get, you know, ahead or some of your, the competitive space was based on how quickly you could recall data, how quickly you can manipulate equations, solve for problems, mathematical problems. That playing field is all going to be very level as we move to very high performance computing, and that playing field is going to be more level across the world than we like.

So where is the competitive edge? The competitive edge is in how the human element can team with that technology and the sort of unique contributions of the human part of that team are things like creativity, things like pattern recognition, innovation, and this leads you to the importance of things like diversity, having that team that is going to give you the best, most fulsome answer with the fewest blind spots and the most creativity. So this is what this effort is all about.

It’s a challenge I think for all of us, particularly an institution like the Navy which has to learn almost 244 years of history now. We’re capital intensive. We’ve got things that we build that last for a while. Right along with our tradition is our sense of values. So there are things that are fixed in our culture and those things can be a great strength for us.

But then there’s this other part of the environment in the Navy that’s moving at breakneck speed, almost a speed that can rend an institution apart if we don’t manage this sort of difference in these two environments.
So the challenge is always how do you get the best out of the traditions of the Navy without becoming stodgy, locked in the past, stuck in the La Brea Tar Pit and disrupted by this high velocity. So that’s our big challenge.

**Audience:** Good evening, sir. Army Lieutenant Colonel [Jan Hinkle]. I’m currently on the G3 Staff at Headquarters DA.

We hear every day about what the Army modernization priorities are, but I want to know what are the Navy modernization priorities? And in particular how are you rearming and restructuring the naval force in particular for information warfare, cyber and electronic warfare?

**CNO:** I’ll answer the second part of your question first because after that you’ll get tired of hearing me talk. [Laughter].

I think the first thing you have to do is do your very best to recognize the problem that you’re trying to solve. So I would say that even three years ago if you looked at the traditional domains in which the Navy was organized, our communities, our warfighting communities were organized roughly along those domains. Right? So I was an undersea guy, a submarine guy. We have naval aviation which is above the sea. And we have the surface warfare community on the sea. There are other communities. Jeremy comes from the special warfare community, so there are other ones, but in general, we were defined along those domains.

There’s now a fourth pillar which is the information warfare domain. They are structured exactly like those other major warfighting pillars in terms of they have a three-star head of the community, they have their man, train and equip responsibilities. We have the 10th Fleet which is our cyber force which is our operational arm in that business. We’re organized for that. Part of those people that we’re bringing into the Navy, we’ve got to train them up to be effective warriors in this cyber domain, or this information domain. Space. And we do. So we train a lot of those ourselves, and surprisingly, a lot of them stick around because if you want to do that sort of work this is a very exciting place to do it, and we give you a lot of responsibility and let you do it.

You also have to do the material and standards part. As we build new systems, they’ve got to be mindful of cyber security, their DNA. And then we’ve got to figure out for all that stuff that we built before, how do we make that as secure as possible?
So this gets into system design, the technical warrant holders for all of those different systems that we build. We’ve got to have the standards, build to those standards, enforce those standards.

Then to the point here, there’s a cultural shift that has to happen. Right? So I would say that we’re in transition in terms of getting the cultural shift done to become fully effective in this modern way of doing warfare.

But I’ll tell you, one of our very important force elements is the carrier strike group, and we have a combined warfare approach to that where the strike group commander’s staff has these different warfare commanders. Of late, in the last couple of years, the first person to talk when they go off and start to talk about an operation is the information warfare commander. They’re going to set the conditions in cyber and in space and jamming and deception and stealth and all of that to lay the conditions, to establish the conditions for a successful kinetic operation.

Then the kinetic folks are going to do what they do. And then the last person is going to be the information warfare commander, again, who’s going to clean up the information battle space and make this whole thing disappear. So it’s a new and exciting part of the way we’re doing business.

Having said that, you talk about butterflies in your stomach, this part of our business, I don’t think any of us can be satisfied or complacent because it moves so fast.

Audience: Thanks very much. Bill [Inaudible], retired Navy. It was my pleasure to serve on your staff for two years before I retired.

My question dovetails very much with these two. You talked about a decisive naval force and we’re talking about changing paradigms. Like so many officers in my time, the paradigm was when there was a conflict where’s the nearest carrier? And I think the recent news is the Harry S. Truman’s not going to go through retrofitting. We’re going to reduce the number of carriers.

I wonder in the foreign policy decision-making how much, in that community, how much pressure or how much pushback you had in getting away from carriers and trying to get the idea that perhaps we have other things to do [inaudible].
CNO: I think what you’re talking about is the recent budget submission. I would say that the message of that budget submission is that one, it does address the fundamental problem of great power competition. Two, it is moving into the future. But three, part of that includes two new carriers. We’re not saying that the carrier’s a vestige of the past. We’re buying two new ones, two Ford Class carriers. By virtue of buying them two at a time we’re saving a lot of money because of the confidence that’s injected with that signal, it allows everybody to manage risk at a lot lower level. Lower risk translates into lower price and you garner those savings. $4 billion over two ships saving, by virtue of buying them together.

Kind of implicit in that decision is that the carrier remains a viable, survivable, lethal part of our future force. There’s a lot of folks out there that say hey, it’s over. The carrier’s not survivable. That is not how we see it.

Now you mentioned the Truman, the overhaul. As a signal for how serious we are taking this move into the future, that is on the table. As well, in parallel to everything else we’re doing, in recognition of how fast the security environment is changing, how fast the technology environment is changing, we’re doing a lot of analysis this year.

The current requirement for aircraft carriers, for us to meet our responsibilities as a Navy is 12. We’re taking a look at that number in light of, we’re doing a force structure assessment which is really a meta study of a number of different approaches to naval power, understanding naval power. And in parallel with that, the combatant commanders and the Joint Staff are doing their global campaign plans as well.

So as we learn from these studies, we’re in a very responsive place, particularly with respect to Truman, that if it becomes a conclusion of those studies that we need to recover that, we’re in a position to respond to that with some great agility.

I think the higher messages of our budget are important to keep in mind here as we move forward to execution. Don’t draw wrong conclusions about us moving away from carriers. If you think about it, the aircraft carrier is really just a truck. Right? And you need to flip the narrative a little bit. In that theater, which is a changing theater with respect -- all of our theaters are changing with respect to long-range precision weapons. The aircraft carrier can accurately be thought of as
the most survivable airfield in that theater. Right? It is the only airfield that can move 720 miles a day. And so it creates an incredible challenge if you want to try and target and hit that airfield. Think of it that way before we start to talk about a future without aircraft carriers.

Moderator: CNO, thank you so much. Ladies and gentlemen -- [Applause].

# # # #