

Remarks by the Honorable Ray Mabus  
Secretary of the Navy  
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Admiral McCullough, thank you for that introduction. I can't quite get used to seeing you in civilian clothes outside the Pentagon, but I'm glad you're here. I'm glad to be with my fellow black shoe sailors. And I want to thank you Barry, and the members of the Surface Navy Association for all that you do to support the debate and discussion and for just for helping us make sure that we aren't missing things on professional naval issues. We have to have organizations like this if we are going to continue to develop creative solutions for the world that we face, and that we will continue to face in the future.

I want to start by talking about something that all of you know a lot about and believe deeply in, and that's seapower. I know that you're all steeped in naval history and in what seapower means, but I want to talk about some recent examples, and maybe offer a little perspective about them.

One of the reasons for that is that our partnership with the American people is important, and I think that it's important that we make them understand what their Navy does for our nation. How hard the job is sometimes, but also how skilled out Sailors and Marines are at doing their job. The Navy is America's Away Team, the Navy and Marine Corps, and when we're doing our job we're usually a long way from home, and the American people don't get to see it. Because of my job as Secretary I get a unique view of our Navy and Marine Corps, and the importance of seapower to America.

Over two centuries ago when our country was founded, the Founding Fathers that wrote the original documents recognized that having a Navy and Marine Corps to sail the world's oceans and protect our commerce and national interests was vital in making the United States a player on the world stage. From George Washington's first schooners, to the Federalist Papers, to the Constitution, the Navy was seen as important, yes in wartime but also in peacetime. As you well know, that is called presence. Presence is what we do, presence is what the Navy and Marine Corps are all about.

For 238 years we have been there when our nation called. This year is the 200<sup>th</sup> anniversary of Thomas Macdonough's victory in the Battle of Lake Champlain in the War of 1812 and the 150<sup>th</sup> anniversary of David Farragut's victory at Mobile Bay. From those famous surface battles of the 19<sup>th</sup> century, to the battles in the campaign across the Pacific in World War II, to Iraqi waters in the North Arabian Gulf, our Navy has been ready to fight and win our nation's wars on and from the sea.

But during our history we have also been there to provide the President with options in times of peace. From David Porter fighting pirates in the Caribbean in the 1820's, to the Great White Fleet sailing in the early part of the 20th century, to the blockade during the Cuban Missile Crisis, to today's global operations, our presence gives our leaders alternatives. Our presence can deter our adversaries and reassure our allies, and it provides the critical backing needed to make diplomacy to work.

In recent years we have had a lot of examples which I use to illustrate what our Navy means for our country. Every time that North Korea starts rattling their sabers, and shooting missiles, our Ballistic Missile Defense ships are already there, already on patrol. There's no escalation, we

already have that presence. A few years ago, when the crisis started in Libya, it was Tomahawks from Navy ships and submarines which destroyed the Libyan air defenses and opened the doors for the resolution there. In Syria it was the credible combat power of the U.S. Navy which opened the door for diplomacy.

Nobody doubts our ability to act. Because of our global presence we are ready before a crisis begins. We don't have to move ships from home. We don't have to escalate the situation. We are on scene and ready for whatever comes, and the President has immediate options because of our immediate presence.

Just a few weeks ago we saw a different example in the Pacific. As Typhoon Haiyan moved toward our friends in the Philippines our naval forces in the region tracked the course of the storm. The George Washington Strike Group was on patrol already, and ready to respond and go where help was needed because we were already there. Our Marines, in Ospreys and C-130s, were on the ground within just a few hours after the storm to begin to assess the damage and to deliver aid. Within just a few days we had a dozen ships in the waters around the Philippines and hundreds of aircraft to help the Philippine government. With our helicopters and Ospreys we helped provide the rotary lift needed to deliver aid and save lives.

Humanitarian Assistance and Disaster Relief missions are an important part of what our Navy and Marine Corps do. Like in Haiti, Japan, Indonesia, our humanitarian missions help build our partnerships around the world. They encourage stability and security by helping people in need. And we are lucky to be the ones demonstrating the generosity of the American people.

But it should not be lost on anyone that we are talking about military aircraft and military ships. When we needed them, we very rapidly had a dozen combat ready warships and massive amounts of air support in Philippine waters and airspace to respond to the storm. That the emergency happened to be humanitarian does not mean that we couldn't do the same thing for a different kind of crisis.

The Navy and Marine Corps are ready to go before Day 1 of any crisis. Already trained, already there, ready for orders. It is what sets us apart. There is no time needed to mobilize. There is no time needed to move our forces from around the world. We aren't dependent on basing rights or over-flight permissions. We don't take up an inch of anybody else's soil. Before the bell rings and long after the guns fall silent, presence means we are where it counts when it counts, not just at the right time, but all the time.

In my job as Secretary I have the responsibility of overseeing how we recruit our Sailors and Marines, how we train and how we equip. Every job requires us to set priorities and in order to help us lead our Department I have set four areas where we must maintain our focus: Our People, Platforms, Power, and Partnerships. Those four P's combine to give us that fifth one: presence around the world.

PEOPLE – Admiral William Sims, our naval commander in England during World War I and former President of the War College, once said that a fleet of the most powerful vessels would be of little use in war without well trained people. That's even more true today than when he wrote it a century ago. The equipment – the ships, aircraft, weapons, cyber systems, everything that our Sailors and Marines operate – are technological marvels and are the best in the world. But they aren't much use without the people who wear the uniform, who sail and fly and operate

those technological wonders. You here on active duty, and the Sailors and Marines around the globe, are the real marvels. You are what gives the United States our edge and what sets us apart from the world.

We demand and expect a level of competence from our junior personnel unlike any other military, unlike any other nation. We push responsibility down farther and faster than anybody else. I'll give you a quick example. I was on the RONALD REAGAN not long after the Tsunami in Japan and I was getting briefed on the disaster relief operations that came off REAGAN and her strike group. And in a room full of Admirals and Captains I got briefed by a JG and a Second Class Petty Officer.

The reason that they briefed me was that they were the ones who had done the planning. They were the ones who had coordinated those missions. In other navies I don't think that would have been the case, only very senior people would be part of that team. But in the United States Navy and Marine Corps we push authority down, we push that responsibility down. And we get and expect a very high degree of professionalism and of results. In today's very complex, very technological, very high tech world, more than ever, people matter.

PLATFORMS – We have the most advanced platforms in the world, but quantity has a quality all its own. The size of the fleet, the number of ships, submarines, and the number of aircraft in our Navy, is what gives us the capacity we need to provide the global presence American relies on.

If you've heard me speak at all, then you've heard me give you these numbers, but I think it's important to understand how we end up with the fleet size we have today. On 9/11, 2001, the

U.S. Navy had 316 ships. By 2008, after one of the great military buildups in American history, we were down to 278 ships. In the four years before I became Secretary, the Navy put 19 ships under contract. Not enough to sustain the industrial base, and not enough to keep the fleet from continuing to decline. I am very proud of the fact that in the first four years that I've been Secretary we have put 60 ships under contract, and with a smaller top line. Under our current plan we will bring the fleet back up to 300 ships before the end of this decade.

We've done it with initiatives to spend smarter and more efficiently and with basic things like competition, block buys, and just driving harder bargains for the taxpayer. All of those things have set in motion the plan for providing our Navy with the platforms we need to execute our missions. To maintain our essential presence, and all that that brings, platforms matter.

POWER – Power and energy are central to our naval forces and our ability to provide that presence because it is what we need to get them there and keep them there. That's why energy is a national security issue. Even if we can provide all of the oil that we need in the United States, it is still the ultimate global commodity, traded often times on fear and speculation. Oil prices surged as tension with Syria rose, and Syria isn't even a major oil producer. Traders call this a "security premium," and prices stayed up for weeks afterwards.

That same scenario played out in Egypt, and in Libya, and plays out every time somebody threatens to close a maritime chokepoint or another potential instability arises. Just in two fiscal years, '11 and '12, DOD had \$3 billion in unbudgeted fuel costs. There aren't a lot of places, even in the Pentagon, that you can get \$3 billion. You go to operations and maintenance. So you steam less, you fly less, and you train less. You repair less. If the bill gets too big you start having fewer platforms, all because you can't afford the fuel.

In 2009, I announced some goals for the Department of the Navy. The biggest of these is that by 2020 at least one-half of all our energy, both afloat and ashore, will come from non-fossil fuel sources. We are making a lot of progress on that, and we're making a lot of progress on efficiency, on using less to do the same thing.

Under a Presidential Directive in 2011 the Navy is working with the Department of Agriculture and the Department of Energy to develop a national biofuel industry. This past year, under the authority of the Defense Production Act, which was passed in 1950 to say that if there is something that Defense needs that is not being delivered at scale we can help develop that industry, DOD announced an award to four companies who committed to produce about 150 million gallons a year of drop-in, military-grade, compatible with everything biofuel, at an average price of well below \$4 per gallon. Actually, its below \$3.50 a gallon which is a price that is really competitive with what we are paying today for conventional fuels.

These programs are not about today's climate issues, or politics. They are about making us better warfighters. They are about finding ways to diversify the fuels that we need to maintain that global presence, making sure that we have something that we can plan on, which is stably priced., so that we can budget and so that we can use the other money in the budget in ways that are useful. And the Navy has always taken a leadership role in this. From sail to coal, coal to oil, pioneering nuclear power, we have taken the lead in energy issues.

Finally, PARTNERSHIPS – For seventy years United States Naval forces have protected the global commons and have maintained the foundation of the world economy. But the reality is while we have, and should have, done a lot; we can't do it all alone, and we shouldn't.

Central to our future success is the Navy and Marine Corps' long history of lasting partnerships across the planet. The Navy and Marine Corps are particularly suited to develop these relationships, particularly in the innovative, small footprint ways our Defense Strategy requires.

Helping international partners increase their abilities and become more interoperable with us helps us all. In an interconnected world, where the burden of security has to be shared, those partnerships matter.

Each of these four priorities contributes directly to our ability to provide the presence and options which the commander-in-chief and the American people have come to and should expect. They are what makes our Navy and Marine Corps the most immediate and capable option when a crisis develops anywhere in the world. Over the past few years we have faced a whole lot of budget instability and our People, Platforms, Power, and Partnerships have guided how we have approached this instability, and how we will address them in the future.

Since this is the Surface Navy Association, I want to talk a little bit more about shipbuilding. The FY14 Shipbuilding Plan which we submitted to Congress last year sets the foundation for the fleet we need in the 21<sup>st</sup> century. In 2012 USS BATAAN returned from a near record setting deployment after almost 11 months at sea. This past year MAHAN returned from the eastern Med after a 9 month deployment. And they sure aren't the only ships that have seen their deployments lengthened and be extended. This puts an incredible stress on our families, particularly since these are peacetime operations. The sailors in the audience, and those that have been one, know this, because you live it every day, but the size of our fleet is one part of the reason for these long and stressful deployments.

During these budget ups and downs of the past few years I have tried to do everything in my power as Secretary to protect shipbuilding. And the Bipartisan Budget agreement in the House and Senate helps us by giving us some predictability, by allowing us to plan a little ways in the future. But it's important to note that this is only through next year, 2015, about a year and a half.

Last week I was in San Diego and Mobile visiting shipyards. NASSCO and Austal are prime examples of the drive to increase efficiency and to improve construction methods so that we can afford the fleet we need. NASSCO is building supply ships and auxiliary ships and innovative new designs like the Mobile Landing Platforms and Afloat Forward Staging Bases. In the case of the Mobile Landing Platform from idea to delivery was less than five years. That's fast in the shipbuilding world. In Mobile I was there for the christening of the new USNS FALL RIVER, our newest Joint High Speed Vessel. The partnerships between our uniformed Sailors, navy civilians, and industry partners which produce these ships are absolutely critical.

It's not in my prepared remarks, but I want to say one more thing about our Navy civilians. On September 16th we lost twelve of our own at the Washington Navy Yard in that horrific shooting. And it was at NAVSEA, the place that designs and contracts and builds all the platforms we have. Two days after the shooting, I went back. I went there the day of the shooting, but I went back, and most of the people were already back at work. They were back at work because of the importance of what they do, and the importance of the work that they perform to giving us this fleet that we need. Those twelve died in the line of duty just as surely as if they had been on the front lines of the battlefield. That partnership between the uniformed

Sailors and Navy civilians is incredibly strong, incredibly effective, incredibly patriotic, and incredibly resilient.

Through the designs that came out of NAVSEA, through those designs I talked about at Austal and at NASSCO it is going to allow us to be creative, and come up with new CONOPS that will help us face the 21st Century. The Surface Warfare Officers and Sailors here today are going to be a big part of that. We need your innovative energy and we need your thinking to help develop them.

In today's budget environment, and all the time, we need that kind of thinking to spread beyond just the tactical. When we find changes that need to be made we have to go beyond tweaking or chipping away at the margins of existing structures. Pruning the edges sometimes is just not enough. We have to be willing to look at entirely new ways of doing things. And I just gave two examples of doing that, the Joint High Speed Vessel and the Afloat Forward Staging Base.

Getting locked into "that's the way it's always been done" or "we tried that once and it didn't work" or "we've never done it that way here" is not a rationale, it's an excuse. We've never been big on excuses in the Navy and Marine Corps. For more than two centuries the Navy and Marine Corps have provided the American people with the flexible and agile force needed for their defense. If you joined the Navy and Marine Corps it usually means you've already got that spirit of wanting to know what is over the horizon. It's really true, you joined the Navy to see the world.

That same spirit makes naval leaders who look for innovation and look for novel solutions, who look for what is coming over the horizon instead of what is behind you. Because of this we do

everything we can to encourage our leaders and our Sailors as a whole, to think about alternatives and new ideas and engage with organizations like SNA to get your suggestions, your concerns, and your new ideas, and to see how we can integrate them into our thinking and into the fleet.

Today in Afghanistan our Marines and our Sailors, and our Solider and our Airmen, continue to fight bravely, but we are winding down that mission. Our nation is focused, as we ought to be, on bringing our troops home from the two land wars which have dominated the past decade. Yet, as everyone here knows, there are no real permanent homecomings for Sailors and Marines. We have been a forward deployed and global Navy ever since Captain Edward Preble took the ESSEX to the Pacific in 1800. Day after day, year after year, our Sailors deploy a long way from their homes, a long way from their families, and they do it all the time, in peacetime and in war.

For over 238 years our Navy has been the most visible and capable sign of American power around the world. Forward deployed, we remain the President's most responsive and immediate option to do whatever the American people need for us to do and whatever our interests demand that we do.

We must endeavor, even through these difficult and uncertain times, to keep it so.

Semper Fortis, Always Courageous.

Semper Fideles, Always Faithful.

Thank you.