Office of the Commandant of the Marine Corps

Navy League of the United States
Sea-Air-Space Exposition Service Chief's Panel

General James F. Amos,
Commandant
United States Marine Corps

8 April 2013

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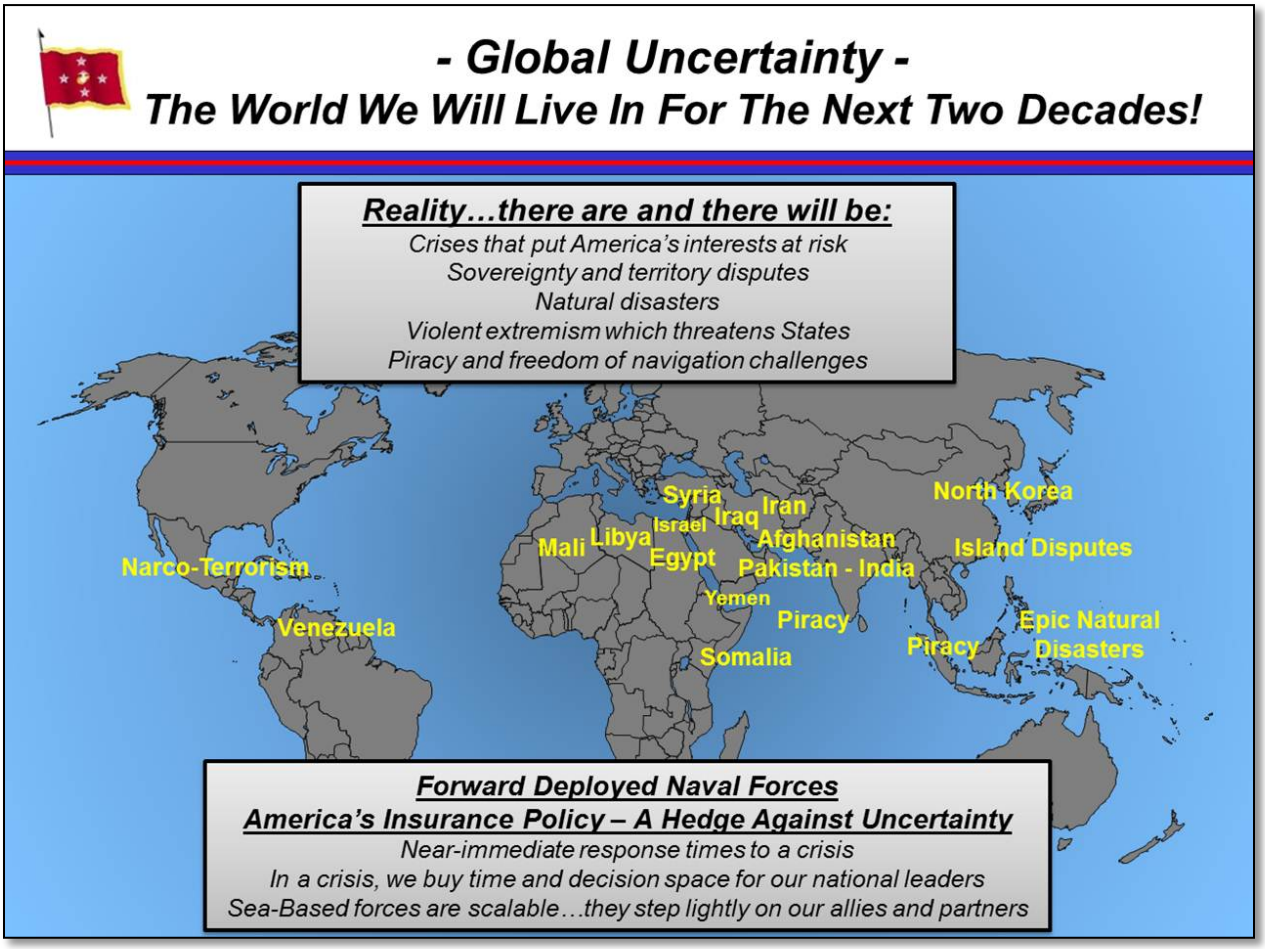
SECRETARY JOHN LEHMAN: The next panelist will be the Commandant of the Marine Corps. Jim Amos is the first aviator to be appointed in that position, and he has gotten there through leadership at every level. He was commissioned from the University of Idaho and since that time, he has commanded at virtually every level to the Commandant's level. He had two tours commanding squadrons. He commanded the Marine Air Group 31. He commanded the 3d Marine Aircraft Wing, the 2nd Marine Expeditionary Force and at Marine Corps Combat Development Command. He has many staff assignments, joint assignments and so forth progressing steadily up to his appointment as the 31st Assistant Commandant, where he served from 2008 to 2010 before being chosen by the President to be the Commandant of the Marine Corps… General Amos. (Applause)

GENERAL JAMES AMOS: Secretary, I do remember being a young captain down in Beaufort flying fighters, and you were walking all around the building in your flight jacket, and you inspired all of us to new heights. (Laughter) This is an occasion we look forward to every year. It's an opportunity for us Service Chiefs to share what the latest is -- what's on our minds and then field questions, so I'm excited about that… and I look forward to your questions. Let me go to the next slide, please.



Take a look at this. This is reality. This is the world we live in today. This is not a hypothesis. This is actually the *Washington Post*, the *New York Times*, the *Los Angeles Times*,

the *San Francisco Chronicle* are reporting. These are all places that are in the headlines, even yesterday when we opened up the *Washington Post*. If you take a look at all of those hotspots starting from narcoterrorism just on our south border… it's yet to be seen how that is going to play out in our own nation, but it is an issue and it is something that our nation is going to have to deal with. If you move down to South America, we know Columbia is doing particularly well, but they're fighting -- there's an insurgency going on. They've been fighting in probably the greatest success story in this part of the world with regards to fighting the narcoterrorrists -- in Columbia, but it's yet to be seen what's going to happen in Venezuela.

Switch across over to the Atlantic with me, and by the way, these are all just the real hot ones -- below the levels of all these nations that you see on there, Mali and Libya and Syria and Egypt and Somalia. There are literally hundreds of other spots around the world that quite honestly, have caught the attention of our government and our allies as it relates to global stability. But if you take a look at all of those areas where we are focusing... we're focusing our diplomacy. We're focusing our military attention. These are areas that we have global interest in. Piracy in the Gulf of Aden… the entire naval force of the world has focused on trying to eradicate piracy, and yet it still continues… 4 or 500 miles off the coast of Africa. It's hard to imagine.

Afghanistan, Pakistan… that entire area is still playing out. We're not sure how that's going to play out yet. We have a vision, we have a plan, and I'll talk about it here in just a second, but it's yet to be seen how all that's going to work. It's the same thing with Iraq. You know we spent a lot of our nation's treasury, not only our money but the sons and daughters of our country and our allies… in Iraq. It's yet to be seen how Iraq is going to play out now. I'm not sure exactly how Iran is going to turn out over the next several years. Look at what's going on in Syria. Every single day it's in the papers. They are full with the headlines and the issues that the world and the rest of us are trying to figure out. How do we participate? Is there something we should be doing with regards to Syria in that part of the world?

Swing a little bit farther to the east and cross over into the Straits of Malacca… there's piracy issues there similar to the piracy issues we have over in the Gulf of Aden. Piracy issues there… and in the lower right-hand corner, I talk about epic national disasters. Often you get asked well, what is our interest in the Asia-Pacific area? Well, we've got five of our nation's most long-lasting, enduring treaties in that part of the world with our allies. 70,000 people a year die in natural disasters in the Asia-Pacific area, tsunamis, earthquakes. $35 billion worth of disaster is the average cost every single year in the Pacific… and we have our international trading partners in the Pacific. 100% of the oil going to China comes through the Straits of Malacca. 100% of the oil for Japan goes through the Straits of Malacca. Our great partner down there in Australia… If you take a look at where Australia lies and you realize just how significant Australia is geographically to that part of the world. We have a great partnership with them. It's enduring and we're going to continue to develop that partnership.

Swing a little bit farther north and you're familiar with the island of disputes… the island of disputes between China and the Philippines down at Scarborough Shoals… the island of disputes between Japan and… and China with regards to the islands of Senkaku, and then you go a little bit farther north and we even have island disputes between South Korea and Japan, so there's territorial issues there. Continue to watch very carefully of what's happening with our 29-year-old supreme leader in North Korea. You read the same papers I do every single day.

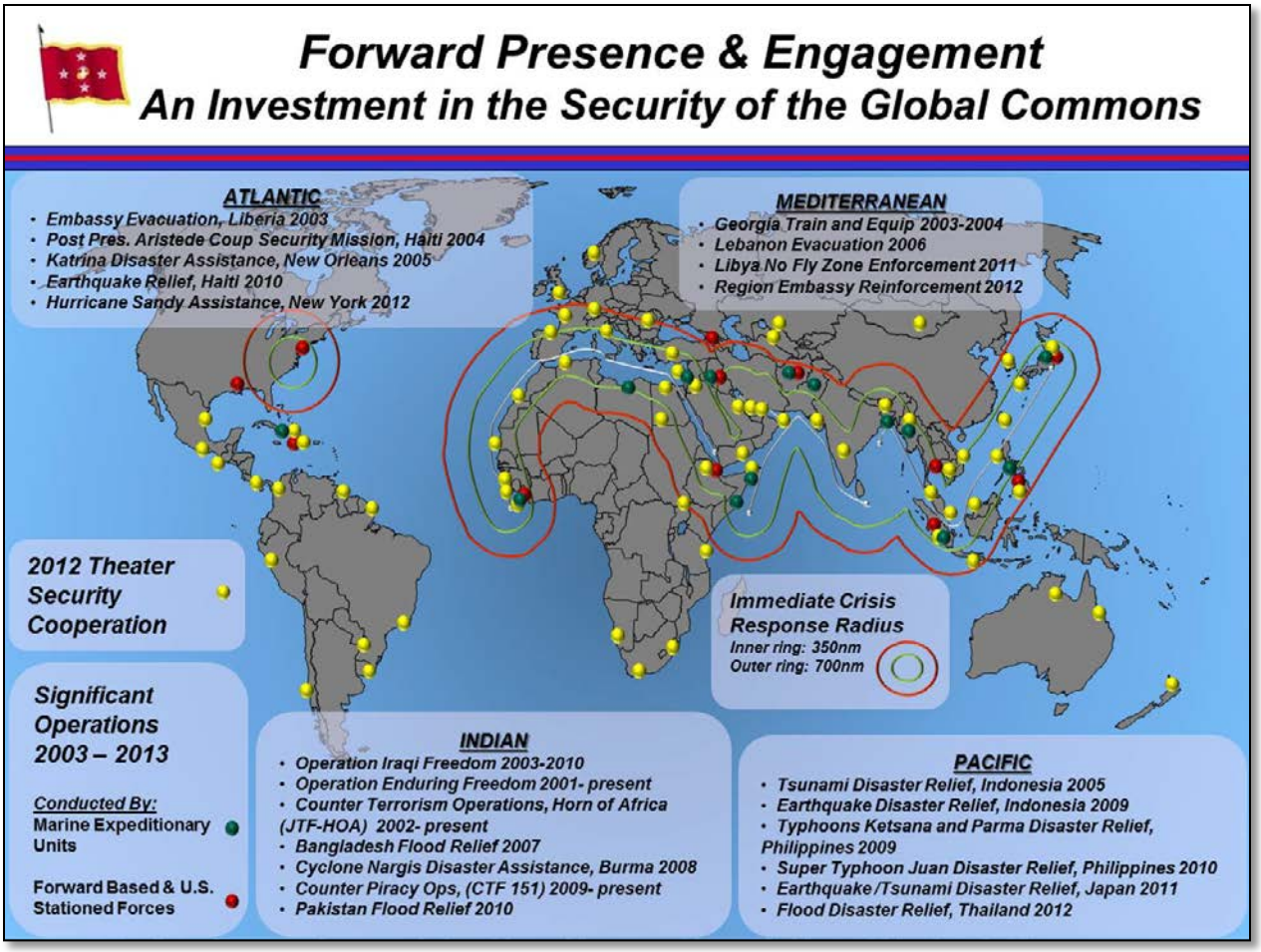
There's no sense of stability, ladies and gentlemen. Up at the top I say reality, you know, there are and there will be these types of issues that our nation is going to have to face. Now at the bottom box I give what I think is part of the solution, and that's the forward deployed Naval forces.

You know, as we begin to come out of Afghanistan and we have in earnest… we were 20,000 strong just a year ago, and we're down to 7,000 United States Marines and sailors in southern Afghanistan in the Helmand Province. So, as we reorient back out of Afghanistan, there's plenty of opportunity to re-engage forward deployed… in a forward deployed status, around the world… to be that presence. Actual presence matters when you're dealing with our allies, our friends. We are the stabilizing force in many parts of the world. In the Asian-Pacific area, our partners looked at us with a sense of confidence that we will be there with them. You can only do that if you are forward. You can't do that virtually. You can't sit back and will it to happen. You have to be deployed forward… building partnerships and building trust. You can't surge trust when a crisis begins.

So that's the advantage of the forward deployed Naval forces… Navy, Marine Corps and the Coast Guard… that's what we do for a living. We bought the ships, we bought the sailors, we bought the Coast Guardsmen, we bought the Marines. We step lightly on our friends and neighbors. We bring with us what we need in an expeditionary environment. We bring capabilities, everything from engineering to life-saving abilities to be able to quell a crisis. I made comments on Saturday at the commissioning of the USS *Arlington*, and I said the mere presence of a Naval task force off the coast of a brewing crisis… loaded with United States Marines has a calming effect. It gives a sense that we're really serious and we're here to help. So this is the world we're going to live in. This is the global uncertainty, and the advantage of Naval forces are that we can be forward deployed. It's not all of America's department of defense needs to do that. Not all of America's Department of Defense needs to be forward deployed, but we do because we sail on the seas of the ocean as John talked about, and that is our job, that is our raison d'être.

I just came back from Afghanistan just a little bit ago, spent Christmas there and then went back in again in February, Sergeant Major Barrett and I did, and I want to tell you that -- that I'm pleased to report -- I've watched it now for the last 4 ½ years going in and out, as we've drawn down from 20,000 to 7,000, people tend to be a little bit critical and say well, that's really the wrong plan, and I'll tell you that's absolutely incorrect. The campaign plan that General John Allen put in place and has administered so skillfully… the same campaign plan that General Joe Dunford is administering skillfully in Afghanistan right now with our 50 coalition partners. That same plan actually is working. February the 10th, I was there when John Allen turned command over to Joe Dunford, and John Allen looked at all his coalition partners from around the world and said, given the opportunity to let this campaign plan complete, then yet in 2014, we will be successful.

I talked to all of my commanders on the ground, I looked them in the eye and I said okay, how are we doing, how are the Afghan forces doing, and the answer was uniform and resounding… sir, the Afghan National Army of Police are overmatching the Taliban in every single area… so I feel good about it. If allowed to complete our mission by the end of 2014, we will be successful. Success might not look like what you would think it would be but success will be what our nations believe it to be in that part of the world. Next slide.



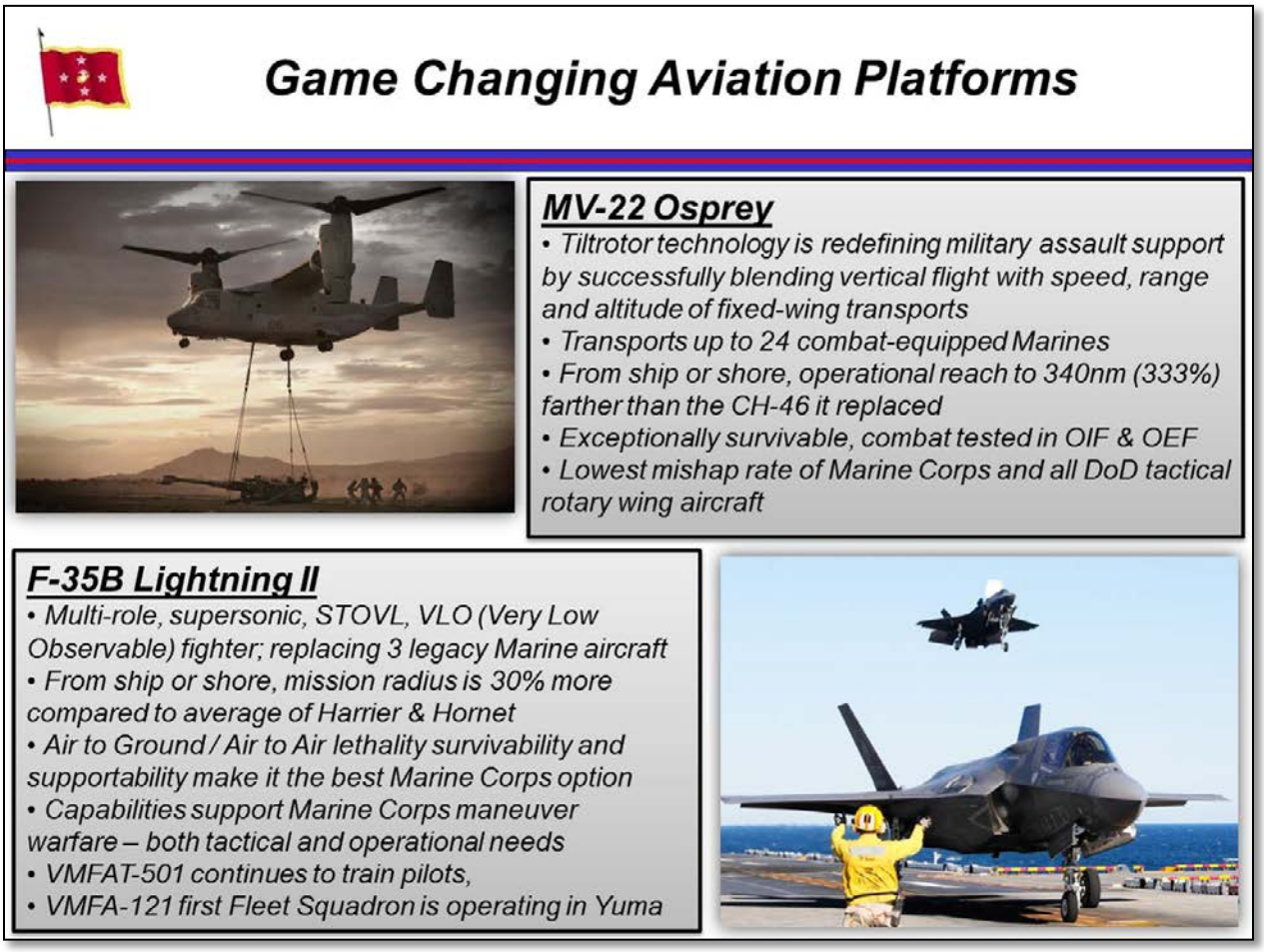
What I've done here is just to try to give you a sense for some of the major operations. Let me explain to you just a sense of order and magnitude. The yellow dots on there are areas just within the last year where Naval forces, Marines and Navy partners have operated… everything from down in Haiti and operating out of Cuba, all the way down to Peru. But around the world those yellow dots are where we've engaged in what we call theater security cooperation. Those are areas where we're building partnerships, where we're building trust and confidence in our allies and our friends. The red and green dots are all of the areas where, quite honestly, we've operated our Marine Expeditionary Units and -- and operated off of some of our shore bases and actually did named operations, and we've done that over the last ten years -- the red and green -- so it gives you a sense of magnitude.

I've put the radius on there… the green radius that you see on there is a radius of an MV-22. So imagine a ship pulling through the Straits of Malacca, the Suez, the Panama Canal and you get a sense for just how far out the reach is of the MV-22. The red is what the Joint Strike Fighter is going to bring us. That's the range, so imagine naval forces operating in that part of the world with that type of reach, and it's pretty significant. Next slide.

Here's our newest amphibious warships. The *America* (LHA-6). Now, we christened it last October, down at Pascagoula. It will commission -- I believe, next year. It's an absolutely wonderful ship. It is an aviation-enhanced large-deck amphibious ship. There are two of them. LHA-6 and LHA-7 are built without a well deck. That was a purposeful decision, and they were made and designed so that they would enhance the aviation capabilities of the Marine Air-Ground Task Force. Imagine that ship with something like sixteen F-35Bs -- 5th generation airplanes on it. I mean, just imagine the capabilities that that ship would have if it had that many F-35s on it -- and it can carry that many… or a similar complement of V-22s and other aviation assets. It's an enormous ship. It's absolutely wonderful.

The LHA-7, the construction is out there building the island on it. I saw pictures of it last night. The LHA-8 is in the engineering design. We're going to reintroduce the well deck in LHA-8. We absolutely have to do that. We've been working with our Navy brothers and the engineering folks to make sure we insert, in this design, the well deck back into LHA-8. They've reduced the island. They've taken all of the lessons they've learned on building USS *Ford* and they've reduced the island on the top of that wonderful LHA-8 ship and given us six more landing spots -- parking spots for our airplanes. It's a significant capability, so we're looking forward to LHA-8 and its well deck coming back.

The USS *Arlington* (LPD-24), we just commissioned it on Saturday. Absolutely a wonderful ship. Take a look at it. It doesn't look like your father's or your mother's amphibious ship. That is a stealthy, absolutely state of the art ship. We're going to build 11 of them. I'll tell you I think we ought to continue to build and make that our LSD replacement. We ought to figure out -- industry needs to help us -- figure out how it can become affordable. You know we're into affordability here as we face the next decade, but we ought to figure out how we can take that ship and that design and make it affordable so that we don't have to redesign a new hull for them, we don't have to come up with new engineering in R&D for the specifications. We ought to take what we've learned from that ship and make that the LSD replacement. Next slide.



Game changing aviation platforms -- the MV-22 Osprey. 13 years ago I was the Deputy Head of Aviation at the Pentagon, when we lost two of these airplanes, and the whole world was particularly critical of the MV-22s… and yet today that airplane flies Marines all around Afghanistan, and it is a game changer. It's a game changer when you start thinking about amphibious ships moving around the littorals and the reach it provides that I showed you on that combat radius. Several other countries now are looking at buying that airplane. It's phenomenal, and it's increased our capabilities for the Marine Corps, and it is a game changer. And lastly, the F-35 Lightning. That's two F-35s landing on the *Wasp* last year. We've stood up our first squadron. We've got the training squadron down in Fort Walton Beach in Panama City, Florida. 16 airplanes training the Brits and the US Marines and we've stood up our first fleet

squadron, the VMFA-121, in Yuma, Arizona. They've got four airplanes. They'll have 16 by the end of this year. Those are game-changing capabilities for the Navy and Marine Corps team for the future.

So as we look at the future, we start thinking about austerity, we think about the fiscal crisis and challenges. What this is going to force us to do is make sure we spend our money wisely. This is going to cause us to make business decisions such that we have the capabilities… and our nation is going to be able to operate for the next two decades as I showed you on that slide. Thank you very much and I look forward to your questions. (Applause)

SECRETARY JOHN LEHMAN: Now we're going to go into the question and answer period, and I'm going to limit myself to just one question…

My question has to do with this crisis and what we'll make of it. As some of you in this room know, I'm kind of the crazy uncle in the attic on the issue of overhead and bureaucratic bloat. It's my considered judgment that the greatest threat we have to our defense capability is precisely that constant growth in overhead. Today, in constant dollars, even with the sequester, we are spending more money than we spent at the height of the Reagan administration in the defense budget, and we have less than half the size force that we had in those days. We are producing a considerably less than half of the output in ships and aircraft and beans and bullets. This is a real crisis because gradually we have lost the common sense line of accountability and efficiency that won the Cold War.

We have been losing the industrial base as a result of that. The numbers for the suppliers -- the thousands of suppliers, for instance, on the aircraft carrier will soon be 80% of the sole source that is in the entire country -- 80% of the suppliers that build that ship will be sole sourced. The prices are escalating well above what happens in the civilian sector. Secretary of Defense Gates did a tremendous service in providing a two-year effort to establish what ground truth really was in the growth of the bureaucracy and the growth of overhead through the defense business board, and that data base is -- is available today; 970,000 civilians in the Department of Defense, some 250 joint task force staffs.

Almost half of the Army never deploys because they have to deal with their bureaucratic entities, 40 different entities in the joint and combatant commands that can write requirements and that have a -- the ability to block, hold up, slow down program after program. The average of programs from origination to first fielding is 22 years, and we now have a crisis that everybody is focusing on and has to focus on in the near term. But we people referred to as venerable tend to take a longer view, and we must use this crisis to get at that threat of overhead and bloat that has prevented the application of a common sense, doubled and tripled the price of ships and aircraft and are unilaterally disarming us, and luckily, we have today, in my judgment, the perfect alignment of forces to enable that to happen.

In Ash Carter and Sean Stackley, we have probably the best senior acquisition officials since the 80s. They get it, and the opportunity for the chiefs to really take advantage of that and come up with realistic and hard initiatives to cut through those layers, eliminate layers, breakdown the stovepipes is unprecedented. And yes, you have to concentrate on what cuts --

how you're going to adapt to these terrible cuts that are upon us, nevertheless don't miss this opportunity to fundamentally change and get back to the line of accountability that we used to have in the services. So, I would like each of you to comment on and perhaps suggest a line of attacking this going forward…

GENERAL JAMES AMOS: Secretary, a couple of just anecdotal comments to begin with and then I'd like to dip into this a little bit deeper. Stuff costs more… and that's a truism. That's not hypothesis. I'll give you an idea. In 2003, before we crossed the border into Iraq, the standard United States infantryman… the young PFC lance corporal… his kit that he wore, from his boots to his cammies to -- at that point, it was a flak jacket, almost a Vietnam era flight jacket -- a helmet and his weapon cost about $1700. Today, to outfit that same young man, it costs us for what a Marine wears -- out on patrol in Afghanistan -- it's almost $10,000. So it's almost four to five-times fold the difference in cost, and why is that? Well, that's ceramic body armor that he wears, or she wears, on the front and the back and on the side. That ceramic body armor itself costs somewhere probably around $4… so some of this is just the fact of where we are. Stuff cost more.

Now, a couple of things with regards to acquisition. I agree with you. I think we have -- I use the term constipated the acquisition process. I think the Service Chiefs need to get back to being in charge of the acquisition process. I remind everybody as often as I can… Congress doesn't give the program manager a dime. Congress gives the Service Chiefs the money. They allocate it in the service budget every year through the appropriation process. It's our money. These are our programs, and so my sense is the Service Chiefs need to get back in, as Admiral Greenert talked about, to kind of wring down this requirements, wring down all the different things that we're being told we either have to do or the testing that we have to… that we have to have, so there's plenty of blame to go around with regards to the acquisition process.

But I'll tell you -- let me just give you a sense of magnitude. When I took this job 2 ½ years ago, I watched -- I had been the Assistant Commandant for 27 months and I was the head of requirements down at Quantico, so I watched the Expeditionary Fighting Vehicle as it was moving along and in and out of issues and re-baseline of the program and all that. And so I made the decision, when I took the job… that we could not afford the EFV in its current state, and so I talked with the Secretary of the Navy and the Secretary of Defense and the program was cancelled. But before I did that, I sat with my team and I said okay, this does not mean the requirement for a surface-born vehicle goes away. That is part of our character. That's part of -- it's a core competency for our nation, so we have to have that, so let's look at how we would design it and when it will come in.

This was 2010, ladies and gentlemen. I was told by the acquisition field that it would be 2023 before I would have a vehicle that would be what we call IOC, initial operation capability. You think about that, 13 years to design a vehicle… do all the stuff that you got to do and then actually have it stand up where you've got a half a dozen of then and you can say, OK I'm at IOC. The process is broke, it's constipated, so we need to fix that.

The last point I'd make is… you said okay, what do we do? I'd actually think that -- I coined this phrase from the Chairman, Chairman Dempsey. He says never allow a good crisis to pass that you can't get in there and change bad behavior, and I think that's where we are. I think that's what you're alluding to. In other words, we are in a crisis. We're in a fiscal crisis, so let's

look at this thing and capitalize on it and cause -- force ourselves -- industry and us, to actually begin to make good decisions… decisions that are in line with our fiscal resources, and I'll give you an example. In our service, we've said okay, we are in a period of austerity, and I think we're going to be in it for probably the next six to seven years, maybe a little bit longer. I mean just look at the historical sine waves.

And in my service I looked at it and said okay, what's good enough? In other words, we're in the days of being flushed with cash are gone. What is good enough? Our vehicles that we were going to take and send to the boneyard, you know put someplace else, we're actually sending them to the depot right now. We are going to live with the equipment that we have. The balance, of course, is you cannot just turn your back for seven years on modernization. There has to be a balance between what's good enough and modernization… so that's where we are right now. That's where we are with the 44-year-old helicopters that are turning into V-22s. That's where we are with F-18s, Prowlers and Harriers that we have continued to SLEP and extend their service life, and they're going to be replaced with the F-35B. We have to do a balance of modernizations, so for us, that's where we are.

We're trying to balance our books with what's good enough, and we're making those hard decisions. I've already told the Marine Corps you're not going to be driving around in some of this new stuff. You're going to be driving around in what we have, but we are in the process of rebalancing and modernization.

SECRETARY JOHN LEHMAN: That was outstanding. So now we go to the questions from the floor, and do we have the first question?

[AUDIENCE MEMBER]: Thank you. I'm from the Navy League London, England. My question is primarily for General Amos…You spoke, General, about new platforms primarily for the US Marine Corps, but you did not mention the Montfort Point and hopefully her fellow three class of ships. I'd be really interested in your take on how you visualize the capability offered by that class of ship, which is pretty unusual and different.

GENERAL JAMES AMOS: I'll tell you I was there at the christening of the *Montford Point* about a month-and-a-half ago out at NASSCO, and I sat and looked at that -- I mean it's a strange looking ship, but don't be confused by that. I've had the advantage of looking at all the PowerPoint briefs and cartoons -- slides that talk about different capabilities, how we will use LCACs and how we would pull alongside an LMSR and actually do sea basing offload of an LMSR with an articulating ramp that can gyro-stabilize in a sea state 3… and actually be able to take tanks and 7-ton trucks and all of our combat vehicles -- off the LMSR, offload that stuff on a ramp and put it down on that ship down in the center part where it looks like it's missing part of the ship and that rascal will sink using ballast and we'll drive LCACs out then will take those things ashore.

This will be the very first time that we've had the ability to really do at sea, sea-based logistics, in a combat environment. We won't need a port with this ship. As I sat there next to it during the christening… you know, my imagination kind of ran away with me, and I was thinking about all of the different things that you can do with this ship, and my sense is that we're probably only 10% there with all the great original thoughts. If you put this in the hands of sailors and Marines and our merchantmen… I think we're going to over the next five or six

years, whether it be some type of natural disaster, some type of actual combat operation, we're going to uncover ways we're going to be able to use this ship in the future that I think are actually going to be stunning, so I'm really bullish on this, and I think we're probably only about 10% imaginative-wise, where we can us that ship. It's going to be a heck of a combat multiplier.

SECRETARY JOHN LEHMAN: Next question and please speak distinctly and slowly because it's very difficult to hear with the acoustics and -- thanks, guys.

[AUDIENCE MEMBER]: Sir, the F-35, despite progress towards IOC, problems remain and considering its importance, is it time now to start looking towards investment in alternatives as well as the continued commitment to the F-35 program?

GENERAL JAMES AMOS: There's no alternative for the United States Marine Corps. It's the F-35B. I want to make that point crystal clear to everybody in the audience. That airplane is performing well. I think it's important for everybody to remember we're in what they call developmental testing, so what you do is you bring a new -- whether it be a ship or whether it be an airplane -- you bring that vehicle or that capability in and you develop you go through DT. You can do all the modeling and simulation and everything that you've done prior to that, but you're not going to discover 100% of everything. There will be cracks, there will be issues, and you will deal with them. It's been that way with every single platform we've ever built. Name some of the greatest airplanes we're flying even today and those airplanes going through DT had issues, and we worked our way through them. So we're developmental testing. We're going to start operational testing here sometime soon. I think the airplane is performing well for us and I'm actually very bullish on it.

SECRETARY JOHN LEHMAN: Next question.

[AUDIENCE MEMBER]: Yes, sir. When you spoke about Ground Combat Technology, you've all referred to the difficult fiscal situation that we're in right now and the reductions that we've had that have affected procurement, but as well we've also had some reductions that are regarding end strength with the Marines and the Army and others, and you could have somebody who has 18 years in who suddenly finds he is out of the service, and he also loses his retirement, and I was wondering how these realities about the fiscal difficulties are impacting your ability to support force family to encourage people to re-up, to stay in and to continue making the military their career?

SECRETARY JOHN LEHMAN: General, the question -- the question is concerning the targeting, I think it in throughout the community, the Congress executive branch, the runway growth and cost of personnel, and today the -- the Pentagon has to invoke $484,000 per active-duty person [Unintelligible] rate to fund the entitlements for retirement and pension to family services and so forth, and so this is clearly a major area that is being focused on for cuts, and how do you protect the 18-year Veteran, the family, the people that get cut?

GENERAL JAMES AMOS: Thanks, Secretary. That's a very good question. You know, last year the Service Chiefs worked pretty faithfully with the Secretary of Defense and proposed some ways that we can reduce the personnel cost overhead. Let me give you a sense of the magnitude of what I'm talking about. In my service, for I think it's 64% -- 64 cents of every dollar is for personnel costs. 64 cents of every dollar I have is for personnel costs. It is not

because Marines cost more. Actually, Marines at the -- and I've got all the statistics. We actually are the cheapest per person because we're the younger force and it costs less for a lance corporal and a corporal than it does for a sergeant or a lieutenant colonel.

But it's a function of the growth in healthcare. It's a function of the growth in a lot of the entitlements, so we proposed last year a series of ways we could actually begin to kind of get that balance again, and as you know, everything from pharmacy, going online, taking a look at TRICARE -- TRICARE hasn't been adjusted since 1996 as I recall. No other healthcare program in America has been that way. So there are those kinds of initiatives, and, quite honestly, many of them did not -- in fact, most of them did not get passed -- did not see the light of day through Congress. I think we're going to have to go back and do this again, but it's important to remember we've got an all-volunteer force, and an all-volunteer force is actually an expensive force, and so there's a balance between caring for those that we are about to bring in that force, those that have served or are currently serving. And there's no intention by any of the Service Chiefs or the Joint Chairman or anybody else to go in and take the benefits away from folks that have served faithfully.

I'll give you an example. One of the recommendations was to take a look at the retirement system. The recommendation for all the Joint Chiefs was that if you go back in and you do that – adjust benefits, our recommendation and our position is that we ought to grandfather everybody that is on active duty. In other words, let's not go in and muck around with the retirement system for those of us that are currently on active duty… those that are a 7-year mark or whatever, but there is a recognition that whether it be, retirement, healthcare, things like basic allowance for housing -- this is a great example of the kind of misinformation -- basic allowance for housing… what we get for housing costs, grows at automatically 2 to 3% a year. So what we did, the Service Chiefs, last year... we said well, why don't we just shallow that ramp and maybe make it grow at 1% or you could level off the growth for a year or two and then start it back up again, and that was not accepted.

So you start taking a look at those kinds of things, and there is a lot of money tied up in there… and we're not breaking faith with our service men and women. I think there are things that we can do, and I think there are things we're going to need to do as we look at sequestration because, quite frankly, America has a military to do its national defense bidding… and so we just need to keep that in mind.

SECRETARY JOHN LEHMAN: I'd like to thank everyone for being with us this morning and remind everyone that we've got 46,000 members of the Navy League around the United States and some counsels overseas and these individuals are going to be made aware of the importance of being an industrial base as a component of defending the United States of America. My deepest thanks to the Service Chiefs for being with us. Enjoy Sea, Air, Space. (Applause)

(END)