

Office of the Commandant of the Marine Corps

National Defense University, Distinguished Lecture Program

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GENERAL JAMES F. AMOS: Thanks.

You know the room is full of predominantly Colonels and Lieutenant Colonels, with Commanders and Navy Captains and a splattering of other folks. But you'll find when you get introduced for events, and you all will, the last thing you want to do is stand up and listen to somebody talk about you, and it becomes a little bit embarrassing. But thank you for the kind words.

And I'll tell you, you sit around and you think, how did you get here? How did you ever end up as a Service Chief? I think if you poll any of the Service Chiefs, Ray Odierno or Jon Greenert or Norty Schwartz or Bob Papp, you bring them all in and ask, "Did you ever start out thinking that you would find yourself here one day?" and the answer collectively would be no. It happens. It's not something you set out and carve a career path on. It just happens.

And so I'm blessed to be in this job. I have been at it now for a little over a year and a half. No shortage of controversial topics, energy, and drama in the last 18 to 19 months in this job. If you would have asked me, "Are you willing to sign up for this?" you know, 18, 19 months ago, I would have said, "No, I'm not." But it's been very rewarding and it's been fun to be a part of a lot that has happened.

You think about it, we were talking in the foyer over there, and we turned and built a national strategy. I'm going to talk about it here in just a second. But we built the national strategy in about seven to eight months. That's unheard of. We took and we built a budget in six months. It has never happened. It has never happened in the time I've been paying attention to budgets. We've never done it that way. We normally require a year, year and a half. And if it takes a year and a half, we'll take two and half years, and we'll grind it out and but we did this baby in six months. And we turned out with now a strategy and a budget that I think actually are pretty close. I think they're actually okay.

I want to make that point as I start this morning, that contrary to what you may read in the paper or what you may see on TV, the Service Chiefs actually are in unanimity over this strategy. Imagine that. We actually agree on it. Ladies and gentlemen, we actually had something to do with it.

As I said, as a Service Chief, because on the day that I went in to be confirmed, I stood in front of the Senate Armed Services Committee at the very beginning, after I was introduced by Senator Kay Hagan from North Carolina. Chairman Levin said, "Will you stand and raise your right hand?" And I did that, and I swore that I would always give my best military advice, No. 1. And I said, "Yes, sir. I will." No. 2, that I will always give my personal opinion if and when asked, even if I don't want to. And the answer was, "Yes, sir. I will." So consistently for that last 18, 19 months, this Service Chief, along with my brothers, all of them, have done just that, and we will continue to do that. It may not always be agreed upon, but we will always give our best military advice.

So as we go through this year, I expect to see more things happen, similar to what's happened in the last couple of weeks. But I want this audience to know a couple of things. All of our great civilians that are in here from our partners, our allies, our coalition partners from around the world, I want you to know that these Service Chiefs today, and I think I speak for all of them, that we are on one accord on this strategy and we're on one accord on the budget.

Now, I'm always asked, "Well, General Amos, wouldn't you like to have more amphibious

ships?" And the answer is "Yes! I'd like to have 55!" Immediately everybody starts swallowing their tongue and and the reality is, we can't afford 55.

Yesterday in the *Congressional Quarterly*, the reporter asked me, "Sir, what is your unfunded priority list that you plan on putting in front of Congress?" You know, we've got the budget in there, and then after that, then there's the unfunded priority list that goes in, all the services. And I've seen the unfunded priority list for services be well over \$2 billion. That's with a B, not an M. That's pretty expensive. So during a time when we just got pulled through a knothole. But when we were handed a \$487 billion bill, we've got to make some adjustments.

I'm also a taxpayer. When I step out of this uniform, I'm a United States citizen. I understand what our country is in. So when we sat to do the budget and we sat to take a look at the reality of the world we live in and our responsibilities as military, when I was asked last week, "Are you going to submit an unfunded priority list?" and I said, "No" and he said, "Sir, that's unprecedented. I don't understand this." And I just said, "We worked so hard on that budget, and I'm assuming there's no extra money. I'm assuming there's not an extra dollar out there. If there were, you wouldn't have given me a \$487 billion bill called a Budget Control Act. So I'm assuming there's nothing else in the pot. So what I'm really saying if I give you an unfunded priority list, I'm telling you that what's on that list is more important than what's on my budget. And the fact of the matter is, I worked pretty damn hard on that budget and I'm satisfied with what I have inside my \$24 plus billion."

So that's where we are. That's the reality of the landscape that the Service Chiefs are working in, and I find it challenging. It's refreshing. I wouldn't say it's fun, but I will tell you that I think it's rewarding and I feel good about being a U.S. citizen. I feel good about being a Service Chief. I think that we have managed to cut Solomon's baby in about the precise little dotted line across the chest.

Okay. What I'd like to do is take a minute here. When I was going to become the Commandant, I had about a 90 day period; I sat down to take a look at where I thought the Marine Corps ought to go. And if you're going to do something like that, you really need to get a kind of sense for what the world's going to look like. So I spent considerable effort trying to determine what the future security environment's going to look like. And, we sent people around the world. I mean, honestly. We went to our coalition partners, went to think tanks, major universities, all the people that had an opinion. Industry has an opinion on what the future security environment is going to look like. You don't think that Exxon Oil, you don't think that Microsoft, has some kind of dog in this fight and they're concerned about the future security environment? You know they are. They want to have some idea of what's going to happen to them from an industrial perspective.

So I said, "Okay. Let's take a look at this thing." And they did. I knew I wasn't going to get it right, but I knew I couldn't afford to get it exactly wrong. And so in one slide, this is kind of how I see the next probably a couple of decades. This is the environment I think we're going to be operating in. You're going to find areas, and I've got them kind of defined by nuclear-armed states around the world, the ten major oil leading oil producers around the world. Then you get into areas that have conflict and these are conflicts just within the last 12 months. This is not necessarily conflict 20 years ago, that's old news. This is conflict going on all around us right now.

Then you get into the areas where's there's actual shortages of food, where you've got populations that are struggling just to be able to eat and to have some type of nourishment. And

then you throw the areas outlined in red, and those are the water stressed areas. Those are the areas where potable water is almost as valuable as a gallon or a liter of petrol.

In March, just the month before last, CNN, Pam Benson, wrote an article, *U.S. Security at Risk over Water*. So this is about a month and a half old, and she said in there, "During the next 10 years, many countries important to the United States will almost certainly experience water problems, shortages, poor water quality, or floods that will contribute to the risk of instability and state failure and increased regional tensions." Also, it said, "The study warns of the potential for water to be used as a weapon, 'with more powerful upstream nations impeding or cutting off downstream flow.'" Water can also be a terrorist tool. Food markets are threatened by the depletion of ground water. It goes on and on.

My point ladies and gentlemen is, is that the future security environment is going to be categorized by a lot of things, not necessarily just armed conflict and bad stuff, like we've seen in the past. But it's also going to be categorized by, how we deal with all these issues.

These areas that are in the blue ellipses are areas of youth bulge. Now, unlike Central Europe, where the population is declining, those areas in those blue ellipses are areas where there's a significant increase in youth in those counties. And think about young men. Think about young men in a population that's growing in an economy that basically doesn't exist. No jobs. Trying to find out where you're going to eat or where you're going to find water that's going to be potable enough where you can drink it. And then you lace in a little bit of extremism. You lace in an illicit organization -- it could be U.S. gangs. It could be the gangs in the United States of America. I don't have to leave our country. But you take the youth and you plug them into an organization that will give them some sense of identity and give them some way that they can feed themselves or have some money and be able to feed their families or give them water, and all of a sudden, now, you've got a recipe for an organization brewing where extremism can take root.

I say the next two decades; will be fraught with natural disasters, and social unrest, along with hostile cyber activity. I'll tell you, as one of the members of the Joint Chiefs, we are read into a whole host of things that are not out in public knowledge. But I'll tell you, cyber security not only for the military, but also for our homeland, for our banking industry, for our commerce. Cyber security in our country is significantly at risk right now.

Violent extremism. That's easy. We talked about it. We see this stuff. We tend to think it's religious based. What we've been dealing with, a lot has been, but it can also be criminal based. It could be criminal or terrorist based or other types beyond religious.

Proliferation of weapons of mass destruction. When Muammar Gaddafi finally went away, we had been very concerned about his weapons of mass destruction. He had a couple of areas where he had some chemical and biological weapons stored. There are enough other countries around the world that have these, and you start throwing unrest into the equation. Take a look at Syria right now. Just look at that. There's a significant amount of chemical/biological weapons on the ground in Syria. Now, they're all locked up, they are at various places, but you take a look at what happens, which we don't know yet, and what could happen if those things fall into the hands of the wrong people, those disaffected people, those people that are leading those gang-like organizations. So it's a concern of ours, advanced weaponry in the hands of irresponsible people. We can buy it almost on the Internet, and you probably can, weapons that have state-like capabilities, but they're in the hands of rogue militants, organizations, people and conglomerations of folks.

I kind of think that this is the world that we're going to live in for the next two decades. I think if you just take a look at what's happened in the last 12 months, you would agree that this isn't going to be World War III somewhere. I mean, I don't think that that's likely. I think the U.S. military and our coalition and allied partners and our governments are going to be dealing with this for the next two decades. So I wanted to build a Marine Corps that could operate in this and also be able to do the things that we're quoted about in our mission statement.

So once I had some sense of what I thought the world might look like, I wanted to take a look at some facts. You start up in the top right hand corner. First of all, we know this, it's intuitive: 70 percent of the world is water. Okay? But take a look at this yellow box, 21 of the world's 28 megacities are located within 62 miles of littorals. That's pretty significant. Forty-nine percent of the world's oil travels through seven chokepoints. And by the way, I'm just talking oil here, commerce travels through those same checkpoints. So it's not just oil, but commerce through seven major chokepoints. The Straits of Malacca have more commerce and oil going through them than any place on the face of the planet.

Ninety-five percent of the commercial cargo travels through all these littorals. We talked about the same thing with commerce moving by sea. You tend to think it's UPS and you tend to think it's FedEx and DHL. No, ladies and gentlemen. It's traveling on the surface of the earth in ships, commercial ships, 42,000 ships are underway on any given day.

Now, remember the old CNN image they used to have on there in the morning, they had all of the airplanes flying across America on the jet routes, it had little airplanes, and it looked like spaghetti? Those of you that that have gone in to take an integrated air defense system; it looks like a big bowl of spaghetti. That's what it looks like from God's eye view when you look at all the ships that are underway on any given day. They lay the map out, they use moving target indicators, and you see the 42,000 ships moving on the surface of our earth at any one time. It's just remarkable.

So you think about the importance of all of that. And by the way, have I mentioned that most of our communications are underwater? We tend to think that it's satellites and they're up there, no one's fussing with them. Actually, 95 percent of our communication travels underneath water.

So you start thinking about the world's surface. You start thinking about the littorals. You start thinking about commerce. You start thinking about the security of all those littoral areas. And then you begin to realize just how important this pivot to the Pacific is for the United States of America as we start taking a look at commerce, freedom of navigation. The intention is not go to war in that part of the world, but to ensure that we have freedom of navigation, to ensure that the Straits of Malacca stay open because we have a dog in that fight. It's important to us as a nation to make sure our commerce can travel on the face of the earth, 95 percent of it going back and forth.

You know, the strategy says that we rightfully focus our attention on the Pacific and Central Command area. And I will tell you, I think that's absolutely correct. Now going to back to how I began, when we started talking strategy and budget. If we had an unlimited budget and we had a Department of Defense that was significantly larger than the one we have, then we can be sprinkling goodness all around the world. But the fact is, ladies and gentleman, we can't afford it. We can't afford it. And by the way, not every nation wants to have American goodness sprinkled on them. Okay? I know that's hard to imagine. But the fact is, is that we have a finite

amount of resources. And if you're going to take a look at what the future world looks like and you start thinking about where we're going to put our resources and our efforts.

I think the idea that we're going to focus on the Pacific and Central Command has got it right. For those of you that are here from the African continent or you're here from South America that does not mean they don't matter. Especially as a Marine we operate in kind of a low budget perspective and a very low footprint in both those those portions of the world and we're very comfortable and we're working it right now. So it's not a matter of ignoring them. It's a matter of focus, main effort.

So a couple of things worth considering. Interestingly, Secretary of State Hillary Clinton spoke last evening, at the Naval Academy. And after it, she had dinner there with the 4000 midshipmen. And afterwards she spoke, and several of these points came out of her talk. The economic engagement is important to our world. We tend to think it's just us in the military, so we're talking military stuff. No, actually the truth of the matter is economic engagement is critical to the stability of the world and the future, posture of the United States of America and our allies. It absolutely is.

China is not the USSR. I get asked that question, "Sir, are you worried about China?" Well, I think we all pay attention to it. I think we have to. This is not Pollyanna. I'm not living in a cave. But it's not the USSR from the '60s and '70s. It's not. China has its own rights to be able to do what it wants to do over there. It trades with us. And by the way, we are inextricably linked to China right now.

I just came off leave, and I was down in our log cabin we built in North Carolina. It was built about five or six years ago. So I wanted to put some log cabin kind of stuff in it. I mean, I didn't want to put this yuppie stuff in there. So I drove down to one of those great furniture factory places there. And I said, "Give me some of that manly looking stuff that you produce." And I'm at Broyhill. So I buy all this stuff and the truck drives up to the cabin about a week later and I'm unloading all this stuff and I'm feeling good about it. Got a cabin in North Carolina that's a log home, I bought American Broyhill, every single piece, you know where I'm going, don't you? I pull out the drawers. It says Broyhill on it, made in China. Everything I have is made in China in that in that cabin.

We are inextricably linked for a whole host of reasons, the least of which is security in that part of the world. Why wouldn't we want to be? We don't need to pick a fight with China and China doesn't need to pick one with us and I don't think we're trying to. What we're trying to do is just preserve stability, have a presence down there, and preserve stability in that part of the world for commerce and all the other things.

U.S. military posture must be geographically distributed. When you start thinking strategy, you start thinking, all our Services. We must be operationally resilient. And lastly, which is not necessarily least important, we've got to be politically sustainable. It goes back to my question or my point I made: not everybody wants to have U.S. forces on their land. We understand that. To me as a naval officer, as a member of the naval force, that kind of rings true for us, because we actually can be around the area and not necessarily on the land, but aboard our ships.

We must develop allies and coalitions. I think we do that. I think we're in the process of starting to do that with this new strategy. But it's recognizing that you've got to work at this.

And the last piece I talked a little bit about, the defense of the cyber space. We worry about it in operational planning and we haven't seen nor haven't even neared the tip of the iceberg on this. Can you imagine what would happen to our nation, our commerce, if our commerce got attacked, our power grids were attacked?

So here's this strategic pivot to Asia. A couple of things I'd like to point out, as we sat and talked about this and developed this strategy, it's not completely intuitive, but from 2001 to 2010, over 70,000 people a year, a year, in this part of the world were killed by natural disasters at a cost totaling \$35 billion a year. And that's the areas you see here, natural disasters. Not because these were bad people or it's just the way life is. So you've got that. So we spend a lot of time, we spent a great amount of time, with those great allies and our partners in Japan last year working through Tomodachi, trying to help the Japanese people restore their nation.

The areas in purple are those areas that are our trading partners, the large countries. These are our trading partners that you see, so we've got a dog in that fight. Five security treaties are in the Asia Pacific region. Sixty-one percent of the population of the world is in the Asia Pacific area. Fifteen of the world's 28 megacities. Remember the previous slide, I had those 28 megacities, 15 of the 28 are in the Asia Pacific region, and 13 of the 15 are within 100 nautical miles of the sea.

So if you step back as a Commander and Chief or the Chairman or the Secretary of Defense and you're going to develop a strategy, you can't ignore this. By the way, we haven't purposely ignored it in the past. We've been just a little bit preoccupied in the last 10 to 11 years. So when this strategy does this pivot, it's really kind of going back to areas that, quite honestly, we have history in. As a United States Marine, we have a lot of history, all the way from New Zealand all the way up north to mainland Japan. So we are comfortable operating in this area. So that makes sense.

The strategic vision in Central Command. And it's kind of a blinding flash to the obvious. I don't think there's anybody in here that thinks for a second that we're just going to drive out, fly out, cruise out, and that's going to be the end of our focus in Central Command. It can't be. That's unrealistic. We will always be very interested in the Central Command area of operations.

We talk about the color-coding again: Yellow, state-sponsored terrorism. Arab awakening in this part of the world. All these in purple are kind of fragile states. Six of 12 OPEC nations are in the Central Command area. Al Qaeda hot spots are in the red. And our regional partners. These are all these nations right along in here, our regional security partners. We have interest in those areas.

Now let me narrow the focus here to the United States Marine Corps. I talked to you about when I sat down to try to narrow down what the world might look like as a new Commandant. What are we going to focus our assets on and our resources and our effort? And then, why are we going to do it? The future security environment tells us why. The littorals and all the waterway commerce that I talked about, incentivizes it.

So then, what is our role as a United States Marine? And I've got to tell you that here today, because I want to make sure it's clear among my Army, my Navy and my Air Force brothers and all my coalition partners, because you need to understand this. As I sat and looked at this, I looked at everybody has their own domain. If you're wearing an Air Force uniform, your domain, for the most part, is up in space and air. Now, it doesn't mean that you don't have special ops, because you've got great special operators. It doesn't mean you don't have cyber

space, because you've got great cyberspace operators. But when you start thinking about the United States Air Force, your domain is air and space. I mean, that's it. And by the way, every time I meet a U.S. Air Force Airman, I always shake their hand and say, how is the greatest Air Force in the world today? And they beam. They're thinking, golly, he's busting on the Marine Corps. And no, I'm not. We've got the best Air Force that I can possibly imagine.

It's the same thing with the United States Navy. We think of Navy and we think of the waters. We think of the oceans. We think above the ocean, on top of it, we think below it. So that's the Navy's domain. Now, we've got EOD operators and we've got cyber space and we've got space guys and we've got all that stuff. And special operators. I understand that. But the Navy has their domain, and it's the water.

And then, the Army. And I shake hands with all my Army brothers, and I say, "How's the greatest Army in the world?" And then they'd think, "Shoot, your busting on those Marines that are in Afghanistan." That's not true. The Army's land. The Army's domain is land, if you think about it.

I'm not trying to tie anybody down and put them in little cubby holes. But when I start thinking, okay, Amos, what does the Marine Corps do for you for the nation? Not for me, for the nation. I looked at all those domains and I said, well, we don't have a domain. What the hell are we going to do? We don't have a domain. As I looked at all the things we've done for 236 years and certainly in the last decade or two, we really have a lane.

So I sat down with then General Dempsey, when he was a brand new Service Chief, and Norty and Gary Roughead, and now Jon Greenert, and I said, "Look, I want to make sure that everybody understands one thing. I am not trying to poach in your lane." For my Air Force brothers, I'm not trying to come in and take over your tactical air. We have fought on the tactical air issue for decades. I don't think we're doing that now. We fought with the United States Army over a second land army. You've got the greatest army in the world. We don't want to do that. We don't need to duplicate that. That's not why the United States of America has a Marine Corps. We have a lane. And we transit through all three of those domains, sometimes more in one than the other two. But we transit through. We do business as a crisis response force, and then we leave. We don't own a domain. We operate in those three domains. And the best and simplest way for me to try to explain what we do for America is that we are that force that comes through in the middle of a crisis or at the beginning of a crisis. We read earlier that we create decision space. I really believe that.

When this thing was trying -- when our nation was trying to decide what it was going to do in Libya. That fact of the matter is that there were times that we didn't know. I know you shouldn't say that as a Service Chief. You think, my God, you guys are omniscient. You know everything. It's not always clear what the next best step is when you're dealing with that. Now, if you're dealing with the Marine Corps and I'm dealing with one of my squadrons or one of my battalions, I'd probably have some idea of what the next step is. But when you're dealing on the global scene, internationally, it's not always clear. And it took a little bit of time.

I went up to speak last year right in the middle of this Libya business, to the Army War College, and an Army Lieutenant Colonel asked me, "Hey, sir, you are a member of the joint chiefs, aren't you?"

I said, "Well, I was when I got on the airplane to fly up here today. Do you know something know something that I don't know?"

And he said, "Sir, can you tell this class why it took so long for the United States to make up its mind?"

I looked at him and I said, "Colonel, I don't know how to tell you this, but you know when you have all those problems, the Army War College or Navy or Air Force, and they give you a mission tasking and you've got to kind of work your way through this thing? It's not always clear in the real world. There's not what we call a "yellow." There's not always a clear solution at hand. Sometimes it just takes time to let everything sort its way through."

And that's what we did. While this Libya thing was cooking off, we sailed two amphibious ships with a Marine infantry battalion off the coast of Libya, and it sat. And then, when things began to kind of settle down and the no fly zone kicked in, members from NATO, the Marines and the Navy were a part of that. We buy time and decision space for our leaders in the middle of a crisis.

We did it in Tomodachi. It's not all combat. Sometimes it's helping our neighbors. We did it at Tomodachi right after that tragic earthquake and Tsunami hit northern Japan. That, within 12 hours. Without any orders, by the way, or authorization. The Marines from Okinawa got in their air their 44 year old CH-46s and C-130s and we deployed forward up to mainland Japan and got ready to help. And sure enough, in short order we were flying our airplanes up there, rescuing people, providing water, and doing all the same things that our Nation wanted us to do. So we do that from a crisis response.

You'll see in one of my later slides I talk about a high state of readiness. That's what we have to be able to respond to today's crisis with the force I have on hand today. Not tomorrow, not a week from now, not three weeks, today. That's why America has the Marine Corps. They don't need another land army. They don't need another Air Force or another Navy. They want to have a high state of readiness crisis response force. We are scalable, task organized, and we're ready to go in any clime or place.

Next slide. So when we finished the budget area this past six months, every service came down. And I remind Congress as often as I can that they gave us the Budget Control Act. They gave us that. So as we began to figure out how we're going to settle through this \$487 billion worth of debt, so to speak, and kind of parry that out of our budget for the FYDP, we all had to come down in force structure.

When you start dealing with a service, you've really got three levers you can deal with. You can reach up and you can pull the manpower level, because manpower is expensive. 60 cents on every dollar in the United States Marine Corps goes to pay the manpower bill. 60 cents to every dollar. Now, you think about that. That only leaves 40 cents to go out and buy weapons, buy a new MV-22, pay for the Joint Strike Fighter, buy the new infantry automatic rifle, pay for fuel, pay for my Marines to come to ICAF and the National Defense University, pay for my captains to go to school down in Quantico, pay for my Marines to train out at 29 Palms in preparation for going on deployment. It all comes out of that 40 cents.

So if I reach up and you're going to decrease the budget because you're going to give me a bill, I can pull the manpower lever and I'm going to have to pull some of it. And we did that, and we did that by virtue of coming down in infantry battalions from 27 to 23, fixed wing squadrons from 25 to 18, and my rotary wing squadrons from 36 to 32. And you might go, well, that's not as much as everybody else did. But we're a pretty small service. We're 8.2 percent of

the entire Department of Defense budget, total, everything, ships, our contribution to 8.2 percent of the entire Department of Defense budget is the United States Marine Corps. So anything we start pulling, any levers, has a pretty significant and I'm and I would also say, in some cases, disproportionate effect on us because we're a fairly small service.

The next lever I can pull is I can pull the procurement lever; in other words, I can stop buying things. And I can do that to a point, and we've done that, we've done that with ground tactical vehicles now. We've got all our people together, everybody that had all these pipe dreams and when I was the head of requirements, I had pipe dreams down there at Quantico. And we got them all under control and said, okay, here's the budget. Here's reality. Now what can we afford? And once we figured out what it is we could afford, then we said, what's good enough that we already have? What is good enough that we already have? We're buying all these cosmic things, we like it, we want them, they're new, they got all the gee-whiz things, they got payload protection and performance all balanced to the triangle. They're awesome. They cost a fortune. They cost a fortune. It's a half a million dollars for an MRAP. A half a million dollars. We spent four and a half billion dollars on MRAPs. I'm glad we did, because I've got Marines walking around with legs now. I've got Marines whose memorial service I didn't have to go to. So I am very grateful. But it's expensive. Procurement is the second lever.

And the third lever is operations and maintenance. That's ammunition, that's training, that's fuel, that's education. All those things that you have that are the life blood of a unit to be able to operate. So when we came down from 202,000 down to 182,000, I'd say we're going to have a balanced Marine Corps. Secretary Panetta said, "I don't want any hollow forces."

So understanding that readiness was important to the Marine Corps based on that last slide, you can't be a crisis response force if you're not ready. So we pulled the Marine Corps down and balanced it across everything. So at the end of the day, I end up with a force that is fully manned and equipped, smaller, but with operations and maintenance fully funded. You're going to be able to train. You're going to have your ammunition. You're going to have all of that. You're going to have the education.

And we've incorporated the lessons learned from OIF and OEF, all those things from ten years of war. We need more enablers. And we've done that. We've added Marine special operators that we didn't have at 9/11 to the sum of about 3,100...all these irregular warfare Marines. Read lessons learned of ten years of warfare in here. Increased surveillance and reconnaissance, explosive ordinance disposal, human intelligence, signals intelligence, all those kind of things that we went into this war and we called them "low density, high demand." And it almost killed us, because we were turning these kids around in sometimes five months; gone seven months, home five months, gone seven months. So we incorporated all of that.

So we end up with a force that's at 182,000...20,000 less, but it's balanced, and it will be in a high state of readiness. And that's my promise to all the Marines in this audience, is that force may you may look at it and go, "You came down from 202,000." I'm telling you right now, we couldn't afford 202,000 out there for perpetuity. We can't afford it. But what I get if we're 182,100 is a pretty responsive force and it's in a high state of readiness. And it's got equipment, in some cases, that's good enough, but it's got modernized equipment and reset equipment in the other areas, where, quite frankly, 44 year old helicopters, I just can't say, "They're good enough. We're going to hang onto them," there are some things that we've got that we have to replace, and we're replacing those as well. So that's the core of the future.

Let me transition here, and then I'm going to open up for questions. I've kind of gone big

to little: global posture, strategy, services, domains, where we fit, what the Corps is going to look like for the future. Now let me just tell you some things that quite honestly and I'll be happy to talk about any of these things, things that kind of keep me awake, some of which I've talked a little bit about, some of which I haven't. I haven't talked about drawdown, but, you know, our nation is beginning the drawdown. And my sense is you know as much about that as I know. And I get asked the question, by the way, interestingly enough, we have a couple of Battalion Commanders here, I walked the streets of Marjah with one last year. Flew over with 'Knuckles' Shipley in Kandahar when he had his F-18 squadron over there. So you take a look at this, and I look at these Marines, and they say, "Sir, are you okay with the drawdown?" That's always the \$64 million question. And the answer is yes, I am. And I'll tell you why, because I went all the way through Iraq; same thing with Afghanistan, and the fact of the matter is that you just can't stay there forever, ladies and gentlemen. You can't do that. So I am comfortable with it.

Now, is it, "Are we going to end up with 68,000 in the end, and is that good, General?" I don't know. That's what I have John Allen over there for. That's why I have Jim Mattis. They can figure that stuff out. I can't tell you how many, where, and what. No. That's not what we do as Service Chiefs. Conceptually, "General Amos, are you satisfied that the United States has got the approach to this thing conceptually?" And the answer is yes. You may not agree with that, but that's how I feel about it.

The defense strategy we already talked about.

Sequestration. We don't know how that's going to turn out. What does that mean to you if you're wearing an Army uniform or Air Force or Navy? How about if you're here with one of our interagency partners? It means if this thing kicks, if it actually hits, it's going to be another \$500 billion bill on the Department of Defense, for us, and it will completely redefine, in my view, the national strategy. We're going to have to go back in and take the national strategy and redo it. Because what we will be able to resource, will not be able to satisfy the current strategy, the shift, the pivot in the Pacific and do the things that our nation needs. To be able to do those things and have that sense of responsibility in the Central Command, to be able to do those things in Africa and Europe and South America, we won't be able to do it. So we are going to go back in. It will take what we've done and completely change it. It will redefine, I think, a lot of the roles and missions of our services. And I don't know how that will turn out, but I think it's fraught with great danger, and I'll tell you that. And our Secretary says the same thing publically. Sequestration is very, very dangerous. So I worry about that.

The end strength reduction I've talked a little bit about that.

Keeping faith with Marines. That's been important to me since the day I became the Commandant. I've got four priorities in my plan and guidance, the fourth one is, "keeping faith." It means a host of things. It means going up the Bethesda, now Walter Reed, and taking care of those Marines and their families and making sure that they are well cared for in their recuperation. Taking care of those families of those Marines that I've lost. Taking care of those families of those Marines that we have on deployments. All of that means keeping faith. Taking care of Marines, Sailors, and our family members. Keeping faith.

But also now, because of the Budget Control Act, it means that I want to keep faith with them as we begin to draw the force down. How do I do that? How do I dial the Marine Corps down 20,000 and keep faith and not just throw people out the door, kick them to the curb? So keeping faith is really, really important to me. Because this is an institution, ladies and

gentlemen, this uniform is an institution that deals with people. We've got some new razzmatazz stuff and it's bright and shiny and in some cases it's electrified. But at the end of the day, the United States Marine Corps succeeds because of the young men and women that wear this uniform that are 18 years old and that are willing to consistently, day after day, put themselves and their lives in danger. And they will continue to do it day after day. They're the reason for our success. So keeping faith with them is really important.

Reconstituting the force. I talked about no hollow units. I'm in good company with my Secretary on that.

And then the critical programs. Now we're into those things, programmatic. Remember, those amphibious combat vehicles, which will eventually replace the Expeditionary Fighting Vehicle, which I recommended to cancel right after I became the Commandant. Joint Light Tactical Vehicle, we're in cahoots with the Army. That's that new vehicle you know, we have 23,000 HMMWVs. The Army has 16 trillion HMMWVs. I'm just kidding. But we have a hell of a lot of HMMWVs. And you take a look at the future, and you say, okay, the enemy's kind of figured out IEDs are pretty cheap; it's a good asymmetric weapon. What's the next IED going to look like? And so HMMWVs worked pretty well, and that's part of my thing of how many of those 23,000 do we want to keep? We're going to keep about 10,000. And we're going to do something with them. Okay? So I'm willing to do that. But somewhere along the line, I'm going to have to replace some of these things. And I can't drive around the world in MRAPs, Cougars, and Buffalos.

So the Joint Light Tactical Vehicle is an agreement between the Army and the Marine Corps. We're going to procure approximately 5,500, and the Army's going to get considerably more, and we have the procurement synchronized. Imagine this: We have actually synchronized this with what we can afford. I mean, I'm not making this up. There's not some big mountain outside the FYDP. We actually have something that we can afford. So we're going to do a Joint Light Tactical Vehicle and then the F-35B, the Joint Strike Fighter. Our airplanes run out, our F-18s start expiring, they start in 2018, and they continue to go until about 2023. Our AV-8 Harriers run out of service life in 2021, and completely fall off the face of the earth in 2023. So we need to recapitalize on it.

And the last thing, is the spiritual health of the Corps. I've talked about this now, and this actually pertains to all of us, so pay attention. When I was in the slot to take this job, I was sat with all the living Commandants. And I tell this story because it's important. I sat with Carl Mundy, who was one of the Commandants. We have seven living Commandants, not including me. And I may not live through this job, the way things are going. This job may kill me. But there are seven. I met with all seven of them. And five of the seven to this day I'm very, very close with. And I remember sitting with General Mundy, and he told me a host of things about being a Commandant. None of them told me how to run the Marine Corps, but they just talked to me about things a Commandant might want to consider. And the last thing he said to me, he said, "Jim, don't ever forget that you are responsible for the spiritual health of the United States Marine Corps." You know, I stopped and I thought, holy smokes, Catholic, Baptist, Jewish, Muslim. I mean, what are we talking about here? And I didn't say that, because obviously he was thinking at a level much higher than I was. And he looked at me and said, "And if you fail to maintain the spiritual health of the Marine Corps, you will have failed as the 35th Commandant."

Ladies and gentlemen, what he's talking about is that ethos, that sense of who we are, that sense of how we act on the battlefield, that sense of right and wrong, that sense of kind of moral

courage, willingness to make the right decisions even when everything is trying to get you to go the wrong direction that's the spiritual health. And I worry about that. In fact, Sergeant Major Barrett and I are traveling the Marine Corps right now. We've already had two spots, we were down in Tampa speaking to all the Marines down there, and we were down in Quantico here just last week. And I'm going to hit every single officer and staff NCO, every one of them, over the next couple of months and we're going to talk about this. I got an hour and five minute pitch I give on this to get back to basics, go back to who we are. So I worry about that. And I think all our services do to some degree, because each one of us, after ten years of war, have seen the goodness...and by the way... the goodness far outweighs the badness. Let's be clear about that. The goodness is so far good, but those few pieces of badness breaks your heart as a Service Chief. Okay? The spiritual health is something I spend a lot of time on.

Okay. That's all I have prepared for this presentation.

Thank you.

How about questions?

AUDIENCE MEMBER: The Marine Corps has had some excellent tools, like the CAOCL, over the last ten years to deal with culture, language, and some of the skills that have been necessary for COIN and long-term stability operations. The new strategy definitively moves us away from long-term stability operations. Can you talk a little bit about how you will preserve and maybe change, if necessary, those capabilities in the Corps?

GENERAL JAMES F. AMOS: That's a good question. That's why I started with the future security environment. You either believe that or you don't. And you don't have to believe it all. But I think all of us would say at least a part of what I said up there is true.

So if that's the kind of the world we're all going to be operating in, all of us, coalition, everybody, then it's going to require some of those skill sets that we have built and in some cases where we didn't have it before. You talk about CAOCL. That's our cultural, language center that we stood up six or seven years ago in recognition that you can't just go bulldoze you're way into areas without having some sense of what the heck is going on. What's the cultural like, and what's the language? So those are those kinds of things that we've learned. And in that future security environment and the kind of work we're all going to be doing, your Service and mine, primarily, we're going to need that skill set. So we have also stood up a center for irregular warfare and we did that while I was down at Quantico and we did that because we've got all these different things out there, so maybe we can put them under a really smart Colonel and at least have consolidation and economy of scale.

So as we draw the Marine Corps down, we are going to maintain a part of those 8,300 enablers I referred to earlier. It's really more than that. We're going to maintain those skill sets, the ability to be able to work, and we have actually tripled our language training. I mean, tripled it. I've doubled the amounts of FAOs and RAOs. I say we have as a Marine Corps in the last year and a half doubled them, understanding just how critically important they are to the future security environment. So I'm a believer that I'm going to be in that kind of environment. We're going to need young men and women that are educated, not only at this school, but at Captain's school, Monterey, and in civilian institutions to be able to operate in that kind of world. So I'm a fan of it: language, culture, training, all of that stuff. It's really so much more than that, but the entire irregular warfare arena, or counterinsurgency environment or however you want to label it,

it's the world we're going to operate in, and we have to have those skill sets to be able to do it. We cannot and we will not go back to, in some cases, how we did business before.

AUDIENCE MEMBER: You made a great impression on the discussion on personnel costs. I note that there's two parts of the personnel: There's the end strength, and then there's the cost per person. I see a lot of tension making the news between the tension that's building between giving up some end strength to protect the benefits versus giving some give on benefits packages in either retirement or healthcare. Could you give us some indication of where you think that's going to go over the long term?

GENERAL JAMES F. AMOS: Yeah. I'll give you what I think and how I think it's going to play out. And thanks for the question. You know, we spent months while we were doing, all this strategy stuff was going on and all the budget stuff was going on, so they were not they were not in tandem. They were actually all in a parallel effort, and we just kind of merged all those worlds. But one of the many of the discussions pertained to healthcare. What do we do with this? How do you deal with these personnel costs?

Until I took office, I didn't realize the Commandant of the Marine Corps paid for the retirement for all of those guys that went before me. So all those that are out there making a fortune as defense contractors, I'm paying your salary. I didn't know that. I didn't know I paid their healthcare. I sure do now. And I pay very close attention to it. So it all fits.

So as we started looking at healthcare, primarily, and we'll get to retirement here in a second, we looked at benefits for okay, you've got the healthcare benefits, and then you've got kind of the personnel benefits, 20-year retirement. How do you deal with this and healthcare. We took a look and we said, we haven't had a change in the healthcare costs since around '93 or '97. The truth of the matter is, TRICARE is the best healthcare program on the face of the earth. And that's the reason why everybody that retires and goes to work for you name some big mega-corporation, and when their kid breaks a leg or they get sick, they use their TRICARE benefits first before they go to Acme Healthcare Program. And we thought that is not realistic. The amount of healthcare costs, proportionately, are growing disproportionately within the Department of Defense budget. So we said we need to do something about it. What we tried to do was come up with what we thought was fair and reasonable, understanding that we'll never satisfy my father, who's 88 years old, a retired Navy Lieutenant Commander. You can imagine how welcome I am at his table, you know, when I sit down. No. I mean, we're not going to satisfy him.

But what is reasonable? Because here's the problem I discovered. I find myself --and by the way, all my young, enlisted Marines that are living in bachelor quarters -- and we just spent close to \$3 billion in the last few years as we began to draw down the force over the six years. We have the best barracks.

We spend all this money building, because our 1940s and '50s barracks were pathetic. They were shameful. So I looked at my young Marines out at Southern California, Camp Pendleton's a great example. It's sunny San Diego. You know, 75 degrees. No bugs. And they all want to live out in Carlsbad and all over. And I said, "I can't afford it. You come back and if you're a young enlisted marine, you come back and you live in barracks." And they go, "Well, sir, that's not fair." And I go, "Actually, it is." I told them, I said, "I'm finding myself having to make decisions on do I field the brand new M27 Infantry Assault Rifle," which is going to replace the squad automatic weapon.. But, "Can I afford to field that new weapons system with all the new technology or I can afford to keep you in your in your apartment in Carlsbad?" I'm making

decision now on what I can afford to recapitalize the Marine Corps when we're flying 44 year old CH-46E helicopters, C-130s that were built in the '50s, and now my Marines, they're saying, "Hey, sir, it's not fair. I want to live in Temecula." And I tell them, "Actually, I built you beautiful quarters. I've already paid for them. Congress has already given me the money. What I need now, I need to take that money I'm paying for bachelor allowance for housing for you, Sergeant or Corporal, and buy those M27 rifles with it." So it goes back to the same concept with healthcare. Somewhere along the line I've got to have a balance on what is fair.

Let's switch to the retirement piece, because we've talked about other benefits. Everything, from bachelor allowance for housing, retirement, all of that. And the Service Chiefs and I were in unison on the matter of let's not fuss with it during this budget cycle. That of course was last November or December. Let's let the President or Congress come up with a commission and take a look at retirement. What should it look like? That's the first thing. We think probably we ought to take a look at that.

I don't know what the solution is on retirement. But here's the point that all the Service Chiefs were in unison on, is whatever decision is finally made down the road, first of all, make sure that this commission is comprised of credible people. And you put the right people on there and they actually work their way through what the solution set is for military retirement.

But what we said was, we really don't recommend some cut at ten years. We said, if you've got 9.75 years on active duty, you fall into the newly reformed retirement plan. We talked about grandfathering everybody that's come on active duty. That sounds good, and I can't tell you how it's going to turn out. But I'll tell you that, my sense is, by doing that, you take away a lot of the savings that you might be able to buy that new weapon system with or whatever. So it's a balance between all those benefits, health costs, and all that stuff. For me it's 60 cents on the dollar. For I think the Army, it's 45 cents on the dollar, 48 cents on the dollar. I think the Navy's like 50 cents on the dollar. Okay?

So stay tuned. I think what you're going to see this year, although I don't know because it's election year, you'll see a commission that will be formed that will take a look at retirement. I don't know what Congress is going to do with healthcare. They have everything over there. We've talked them through it. And again, it's not everything for everybody. But I thought we looked at it, what's the right balance, and how do we keep faith?

Listen everybody, thank you very much. God bless you all. Thank you for what you do every day.

(END)