

Secretary of the Air Force Deborah Lee James
"State of the Air Force"
AFA - Air & Space Conference and Technology Exposition
15 September 2014

Secretary James: I feel like a rock star. It's insane, that video, music and a large assembled crowd. So thank you all very very much for being with us this morning.

I want to begin by telling you that nothing, absolutely nothing gives me more pride than being able to meet with and talk with any one of our 690,000-plus Active Duty, National Guard, Reserve and Civilian Airmen as well as their family members. And although you heard about my service right before becoming Secretary of the Air Force at SAIC, I want you all to know I have been in the business of defense, either in government or in the private sector, for just over 30 years. I've been eight and a half months on the job now as the 23rd Secretary of the Air Force, which is the honor and privilege of my professional life time, and I can confidently tell you after that eight and a half month period that we have the very best Airmen that our country could possibly offer.

I want to offer my personal congratulations once again to the fine award winners that you saw earlier today and as well to our 12 Outstanding Airmen of the Year. Could I ask just one more time for our 12 Outstanding Airmen and our award winners who we recognized earlier, one more time stand up --

[Applause].

You already heard, of course, about our award winners. You will be hearing much much more about these 12 outstanding young men and women, the Outstanding Airmen of the Year. You'll be hearing more about them later in our program. But of course this is just an example of the fine caliber of people that I am now privileged to be able to meet each and every day.

And let me also take a minute and brag a little bit about our Chief of Staff of the Air Force, General Mark Welsh. General Welsh is truly an air power virtuoso. He is a bold leader. He's a champion of all of our Airmen and their families and I'm so grateful to also be able to call General Welsh my friend.

James - "State of the Air Force" - 9/15/14

No Secretary could ask for a better Chief, better partner than General Welsh. He's made many many fine decisions -- [Applause] -- He's made many many fine decisions over the years, but none more astute, none more smart than when he chose Betty Welsh to be his bride. [Applause] -- We're very happy to have Betty in [a front row seat]. I also couldn't be more grateful to have my husband Frank, he's a pretty amazing wingman for me, as well. I'm blessed to have all of these fine leaders by my side. And the same story goes for the outstanding leadership team who you met earlier, our general officers, our Chief Cody, both officer, enlisted and civilian. Many of them are here today. I'm very very grateful to all of you in partnership and your service.

Now as you saw from that video, we in the United States Air Force have a legacy of facing challenges head on. And we make the impossible possible. So Chairman Mullner, on behalf of the United States Air Force, I want to thank you and the Air Force Association. You always help us to tell our story. And also thank you so much for organizing this year's Air & Space Conference. You've got a great program assembled. Many many times speakers will be coming before you, you have great breakout sessions planned as well. And I might add, including Secretary Hagel and Secretary of Homeland Security Jay Johnson will be with us later in the week.

This Association has provided unending devotion and support to our Airmen over the past 60 years, and for that all of us are extremely grateful.

And what a 60-plus years we have had in the United States Air Force. We have asked an awful lot of our Airmen over these decades.

Four days ago, as has been mentioned already today, we marked the 13th Anniversary of September 11, 2001 in which nearly 3,000 Americans were murdered on American soil. And in the years since that time more than 20,000 servicemen and women have been injured or made the ultimate sacrifice overseas in defense of our freedom and for our nation.

Indeed, engagements over the last 24 years, one month and 13 days, that's the period of time since Desert Storm. This is

James - "State of the Air Force" - 9/15/14

just the latest chapter in a history of selfless service and excellence.

To our Airmen, to our veterans, their families, relatives and friends, I also want to thank you for your service to the nation. In just a few short days we will be singing Happy Birthday to our Air Force for we will celebrate our 67th birthday. That's 67 years of providing unequalled security for our nation, our allies, our partners. My commitment, indeed our Air Force commitment going forward is to continue to deliver global vigilance, global reach, and global power for America.

Now speaking of commitment, I have really seen the real deal of commitment as I have gone around our Air Force this past eight and a half months during my travels. For you see, I have seen our Airmen in action, executing five core missions including at 45 different bases, 23 states within the United States, and I've been overseas now twice to include Afghanistan, Kuwait, the United Arab Emirates, Qatar, the United Kingdom and Germany. My take after these first few months is that we're extremely blessed in the Air Force because we have really, really impressive Airmen. They are smart, they are dedicated, they are motivated. We are fortunate in that we continue to have solid recruiting and retention in our favor. And for the most part I believe in our Air Force morale is high.

But with that said, there is no question that our Airmen are feeling some strains. I know this because I do All-Calls everywhere I go, and I know that the biggest issue on the minds of our Airmen is uncertainty. This is uncertainty about their careers, about the downsizing, about budgets, and uncertainty about the world environment.

Now I believe to counter uncertainty we need bold leadership. We need bold leadership today and we need bold leadership for tomorrow.

Our recently released Air Force Strategic Framework -- A Call to the Future states that we will be bold and we commit to the change that must occur in the years to come.

We will be bold. Think about those words for just a moment. Think about what those words mean for you. I've been thinking about those words a great deal, and let me now shift a bit and

James - "State of the Air Force" - 9/15/14

give you my vision of what bold leadership means and talk to you a bit about the future of our Air Force.

But first to do so let me take you back. Back to the year 1944, June of 1944, when General Eisenhower told his son who happened to be visiting Normandy, and I quote, "Without air supremacy I wouldn't be here." You see, Eisenhower kept pressing the Congress because he was convinced that only an independent air service could secure America.

We're here today in part because of Eisenhower's bold leadership. We're also here because of the bold leaders, the early advocates that we had for our Air Force, and I'm speaking of leaders like Mitchell and Doolittle and Arnold. We need that kind of bold leadership now more than ever before.

We need bold leadership today because today we are surrounded by uncertainty on the world scene. We have an uncertain and constantly changing landscape, and this is true politically, militarily, technologically as well. We have near peers -- countries like China and Russia -- who are becoming more and more assertive. There are non-tradition actors like terrorist groups that are having enormous international impact.

A few months ago who could have ever predicted that so many different challenges in so many different places would be taking place all at the same time? We've seen turmoil between the Ukraine and Russia, we've seen al-Shabaab fighters in Somalia. We've seen Chinese incursions that are worrying of a variety of types. And we've seen the rise of this absolutely barbaric group in Iraq and Syria that call themselves ISIL. We've seen world-wide cyber threats. And of course space is becoming increasingly contested and congested.

Now I would never say that my crystal ball was perfect because it certainly is not, but I do feel quite certain that the next 30 years of our Air Force will not look the same as the previous 67 years have looked.

For one thing, our Air Force will be smaller. Our Air Force is already smaller. Tomorrow we will rely more on our National Guard and Reserve than we do today, and by the way, that's a very good thing.

James - "State of the Air Force" - 9/15/14

Tomorrow we need to maintain that technological edge. It's even more important that we maintain that edge against the adversaries than it is today.

And perhaps most importantly, tomorrow we must be able to adapt faster in many many different ways than our adversaries are able to adapt.

We call this imperative "strategic agility". We need to be more strategically agile in how we recruit and develop our people, in how we train and acquire our new weapons, and how we leverage new technologies that could well be game-changing for us such as hypersonic and directed energy.

The concept of strategic agility, if we do it right, should allow us to rapidly adjust to evolving threat environments faster than our adversaries. And it should help us to counter some of that uncertainty.

Now we all know it will take time to instill strategic agility into a big institution like the Air Force, but now is the time to start. And just like General Eisenhower and Jimmy Doolittle and others who recognized that bold leadership as well as persistent focus and persistent execution over time will turn this vision into a reality.

Let me now turn my remark to something on the minds of so many Americans and that is the situation in Iraq and Syria. President Obama addressed our nation last week regarding a four-part strategy to degrade and ultimately destroy ISIL. And make no mistake about it, air power will provide bold leadership in this coming fight and will secure the battlefield as we eradicate over time this cancerous terrorist network.

Defeating ISIL will require us to work with our friends and allies to accomplish the mission, and the United States Air Force will play an important role in each phase.

First, systematic air strikes will help roll back ISIL advances and create space on the ground for Iraqi and Kurdish forces to go on the offense. Since this operation began, our Airmen, as you heard general Welsh speak to earlier, had conducted the lion's share of the air strikes in northern Iraq always in partnership with our naval aircraft partners, and we've also led

James - "State of the Air Force" - 9/15/14

approximately 30 refueling sorties per day in order to sustain those operations.

Second, the President intends to increase our support to forces fighting on the ground. By this I mean that our Airmen, operating our extensive intelligence, surveillance and reconnaissance network, which includes of course space and cyber assets, of helping build that situational awareness, helping to build the knowledge of what's going on on the ground. Airmen have already used remotely piloted aircraft and precision guided munitions to execute pinpoint strikes on ISIL targets surrounding the Mosul Dam which allowed Iraqi and Kurdish forces to retake those vital assets. Airmen in ISR will be equally important as the operation to cut ISIL's network grows.

Third, the President will draw on our substantial counter-terrorism capability to prevent ISIL attacks. Our U.S. Air Force intelligence specialists are interfacing daily with our sister service counterparts to develop the information necessary to halt ISIL activities.

And fourth, our humanitarian line of effort will not stop. C-130s and C-17s have already air-dropped thousands and thousands of gallons of water and tons of food to help evacuate as many as 20,000 Yazidis who were stranded in northern Iraq on Mount Sinjar and our mobility forces will likely be called on today, called on again in the future.

So for all of the talk that we go through in terms of boots on the ground, how many, and what will they do, I for one thank God every day that we have so many U.S. Airmen boots in the air. [Applause].

For 67 years the Air Force has valiantly defended our Constitution and upheld our cherished way of life. Terrorist organizations like ISIL have nothing to offer but death, destruction and evil. It was Teddy Roosevelt decades ago who said, "Speak softly and carry a big stick." Well I think it's time for a more modern-day U.S. Air Force corollary to that statement because you see, we speak softly and we carry JDAMs and Hellfire missiles. [Applause].

I have full confidence that when the time is right ISIL will feel the full fury of the United States military, particularly

James - "State of the Air Force" - 9/15/14

the U.S. Air Force, who along with our joint and allied partners will be relentless in our pursuit and we will emerge triumphant.

As our Airmen are on the front lines keeping us safe, those of us who are based here in the Washington, DC, area need to uphold our end of the bargain and we need to come through when it comes to strong budgets, programs and policies in support of our military.

Now it's no secret in this room that we in the Air Force had to make some pretty tough choices in the fiscal year '15 budget. Basically we traded off people and force structure numbers for increased readiness and protecting of modernization. We also proposed as part of the greater DoD effort slowing growth and compensation and doing a Base Realignment and Closure action in the future.

All of these items, of course, are still up in the air because Congress has not yet fully made a decision about the FY15 budget, and clearly it is Congress' constitutional prerogative to be able to rearrange funding priorities as they see fit. But in so doing it is absolutely imperative that we protect readiness accounts. It's also very imperative that we ultimately lift sequestration level funding which will return to us in FY16 if there is no action.

If you thought our choices in FY15 were difficult, hold onto your hats because it could get a whole lot worse and will get a whole lot worse in FY16 if sequestration remains in place.

So in the spirit of bold leadership today I'm calling on our Congress to also help us with bold leadership, to help us push air power into the future, to protect readiness, to lift sequestration, to give us a CR -- that's a Continuing Resolution -- quickly, and certainly to avoid any future government shutdowns.

Looking ahead to some key areas where we need to devote additional attention, and I am certain that we will in the future, there's no question in my mind that our nuclear mission is first and foremost. Over the next several years we will redirect over \$500 million in nuclear facilities, sustainment, bomber and ICBM operations and support, launch control center

James - "State of the Air Force" - 9/15/14

refurbishment, updated nuclear defender equipment and uniforms, and other force improvement initiatives.

We're also devoting additional monies to ROTC missile scholarships. We've already awarded ten scholarships so far. These were one-year scholarships awarded to upcoming seniors graduating in 2015. And we anticipate doing an additional 30 scholarships later on in FY15.

We're also reinvigorating our nuclear manning by directing 100 percent fill in eight critically manned career fields, and we will ensure that highly talented and competitive Airmen fill these billets.

The Air Force Global Strike Command under what I consider to be very bold leadership of Lieutenant General Stephen Wilson has instituted a number of improvements, what we call force improvements, what we call force improvement actions, which are targeted at improving morale of our nuclear Airmen and also to begin to shift the culture away from a culture which is constantly preparing for the next test and the next inspection, toward a culture of continuous improvement.

But don't take my word for any of that. Simply listen to Captain Billy Terry from Malmstrom Air Force Base in Montana. Captain Terry's a ballistic missile senior combat crew instructor who recently had the opportunity to switch away from the missile field towards the space career field. But you know what? He chose to stay in the nuclear career field instead of moving. Despite having dreamed for his whole life of a career in space he said this about his nuclear future, and I quote. "I've seen a radical change in leadership over the past couple of months. I see the changes in missiles as a once in a lifetime opportunity and I want to be part of it."

Captain Terry, you've got that right and there's more to come. We've been reviewing for some months now whether we should institute incentives for the nuclear team to recognize the special nature of their duty. So to Captain Terry and to others, I'm pleased to announce today first for the officers who execute our nuclear mission out in the missile fields, \$300 per month in assignment incentive pay. And additionally I'm pleased to announce up to \$300 monthly in special duty assignment pay for certain of our enlisted career fields throughout the nuclear

James - "State of the Air Force" - 9/15/14

enterprise. So we have incentives for our officers, we have incentives for our enlisted force, and all of this will be effective October 1st to recognize the incredible responsibility that rests on the shoulders of these Airmen.

In the future, in addition to the nuclear, we're also going to be putting more time and attention and resources against space and cyberspace. Our most challenging scenarios are now centered around this increasingly contested environment where gaining and maintaining superiority will be even more critical going into the future.

For space, as a country we can simply no longer assume that our adversaries will be unable to access or interfere with our deployed systems. Now why is this so? Well, barriers to entry in space have been reduced. Technology is improving. That technology is available to many around the world, so there has been a steady stream of new entrants, expanded applications, and emerging threats.

So we are evaluating our warfighting concepts for mission assurance -- I'm speaking here of things like resilience, rapid reconstitution, and we also of course have to factor in deterrence because it's a model that has worked for us. We're looking closely at a number of strategies to enhance resilience at the architectural level including disaggregating certain capabilities or distributing those capabilities across multiple platforms to assist in deterrence and shaping behavior. And also investing in our ability to understand what's going on up there, which again, is the area of space situational awareness.

In cyberspace we see attacks and incursion attempts each and every day on our networks. Given that cyberspace is another highly contested environment which also has very low barriers to entry, we must invest more in securing our systems from cyberspace attacks in order to enable our Airmen to execute their mission. So we'll be focusing our efforts to secure information by building in cyber security solutions that mitigate vulnerability rather than bolting on fixes. Very clearly, our industry partners will be enormously helpful and important for us in identifying these solutions.

And we may also be able to counter tomorrow's threats by delivering air power effects through one or more of our

James - "State of the Air Force" - 9/15/14

warfighting domains, which of course are air, space and cyberspace. We may be able to achieve objectives through ways that we have not previously explored. Therefore, when we go forward our investments need to take a multi-domain approach which of course acknowledges that every new challenge on the horizon may or may not require a new aircraft because you see, there may be space and cyber ways that we can deliver the effects that we seek.

So our future investments will also include ISR, including RPAs, stand-off and long-range weapons, space and cyberspace systems, and investments in emerging technologies like hypersonic and directed energy.

In the future, our nuclear enterprise, space and cyberspace will absolutely be complemented by three key advanced aircraft. And just as the synergy between man and machine during the Korean War allowed us to dominate the skies in MiG Alley, a similar marriage of Airmen and technology is in the future. And I'm speaking here specifically about the F-35 Lightning. Its pilots, maintainers and weapons loaders. This too will help to guarantee America and her allies are able to gain and maintain air superiority in the future. So the F-35 will remain at the top of our list.

But of course the F-35 can't get the job done alone. The F-35 requires refueling support. As we speak, we have KC-10s and KC-135s in the skies that are doing that refueling mission for us, but of course these aircraft are ancient. They're 35 years old on average. We keep them flying thanks to amazing Airmen and thanks to the [needs] which are out there, but in the near future I'm happy to tell you that we will start delivering our new tanker, the KC-46 Pegasus, which will be an absolutely amazing aircraft, capable of flying nearly anywhere in the world, and of course will meet upcoming FAA and European Airspace equipment guidelines and possess a suite of avionics that will make this tanker more survivable than ever before.

Finally, we look to the future of our bomber mission in the United States Air Force. The Long Range Strike Bomber program already incorporates the tenets that I talked to you about earlier. The tenets of strategic agility, because we've built in affordability into the process and we've worked very hard

James - "State of the Air Force" - 9/15/14

with industry to make our requirements clear and unambiguous and stable in those requirements as we go forward.

Now besides looking to ourselves for bold leadership and the Congress for bold leadership, industry and academia and public policy institutions, all of you also need to help us maintain momentum and seize that concept of strategic agility and push boldly into the future.

Beginning with the huge role that industry has to play, I think the first step, and General Welsh agrees with me on this, is to improve the dialogue that we have with our industry partners. And to this end we asked our Air Force Assistant Secretary for Acquisition, Bill LaPlante, and Air Force Materiel Command Commander General Janet Wolfenbarger, to work more closely with industry leaders to identify solutions to challenges that could help us bend the cost curve and also to deliver capability sooner for the warfighter.

Now we have two groups who are working jointly with industry right now as we speak, and General Welsh and I will be meeting periodically with these groups at our level several times per year, including right here at AFA, in order to keep this conversation driving through to produce some results. And as I said, I'm very hopeful that these two efforts will offer us some opportunities to reduce costs and better design our systems for the future.

We also want to tackle the job of how to do a better job of building modularity into our systems, and also to gain access in commercial technology based on robotic computing, biotechnology, nano-technology, and similar capabilities, all of which are developing very very quickly outside, for the most part, of the Defense Industrial Base. So all of these areas will be critical to our combined success, and we're looking to industry big time to help us find the right path forward.

And to those of you who serve in academia and in public policy organizations, our terrific think tank partners, I call on all of you to think, really think deeply and to lead boldly into the future. For your ideas, your voices, they're very very powerful not only in the halls of Congress but also in the halls of the Pentagon as we try to think about and respond to the most challenging national security issues of our time. So I want to

James - "State of the Air Force" - 9/15/14

ensure that we leverage the very very best minds to include critiques and best guidance that you can provide to us. So please keep that up.

Finally, I saved the best part, the most important part of bold leadership for the last, and that is the bold leadership of our Airmen. Airmen have always been the source of America's air power. I've been able to watch their spirit directly, that spirit of dedication and devotion to duty during my base visits, and watched their determination and their tenacity overseas in the Middle East. I've seen their sacrifice, I'm sorry to tell you, on a number of occasions during dignified transfer ceremonies at Dover Air Force Base.

Our Airmen will continue to deliver air power and lead boldly as they always have, and commanders at all levels must encourage and groom the innovative thinkers that we have and allow their ideas to bubble up to the top. Because you see, innovative ideas will help counter ultimately some of that uncertainty, and will allow us to adapt in the face of new or emerging threats.

So we must continue to focus on recruiting, retaining and shaping of our Airmen for the short term and the long term, though there may be some alternative ways of going about some of these efforts. The newly released feedback forms, performance reports, and officer education expectations will certainly be part of this effort and will help us in this effort, and these initiatives as well will take bold leadership to implement.

Bold leadership from our Airmen and Congress will also help us to fully integrate our components across the force -- our Active Duty, our National Guard, and our Reserves. Determining the right mix between these components will be key to our success in the future. And as many of you know, we have committed to develop an 80 percent analysis by the end of this year where we will go mission by mission to determine where can we put more capability into the National Guard and Reserve.

We're also fully committed to providing a full report in response to the National Commission on the Structure of the Air Force's findings and we'll get that done by February of 2015.

Now just as the individual strands of blue thread combine to form our Air Force uniform, each individual Airman, whether that

James - "State of the Air Force" - 9/15/14

person being military or civilian, is important to the fabric of our force. Bold leadership from our Airmen means that we must bind ourselves to the common threads of dignity and respect. So let us build toward that future of a more inclusive environment, an environment free from sexual assault, an environment enriched by diversity of thought. Let us stand firm in the face of injustice for today's lieutenants and airmen are tomorrow's generals and chiefs, and if we get it right now, if we properly develop and cultivate a respectful, diverse, and inclusive work force, one that stands firmly on the shoulders of our bedrock values of integrity, service and excellence, then tomorrow's Air Force will be even better than it is today. Better than it ever has been before.

Ladies and gentlemen, there's no question that we, the leaders of today as well as the Congress, industry, academia, we all have important roles to play in the growth and development of air power in our Air Force, but--here's an important but--But as we look to the future it is you. It is you, the Airmen of the United States Air Force, who will carry the torch. It is you, the Airmen of the United States Air Force who will make us strategically agile. It is you, the Airmen of the United States Air Force who will continue to make the impossible possible.

So when they tell you that it can't be done, you tell them nonsense. We deliver. When they tell you that you are not fast enough, you will prove them wrong, just as you always have. You will go higher, you will go faster, you will take us into the future. The American people are counting on you. We are all counting on you. Go forth and lead always, boldly.

#