

Bernie Skoch:

It is my great honor to introduce our next guest speaker. He outlined his seven operational imperatives at our AFA's Warfare Symposium in March 2022. At the time, he issued a stark warning, "If we don't get them right, we'll have unacceptable operational risk." He also issued a challenge to industry to "please pay attention" and that they have, so did we. Every single one of our sessions at this conference can be tied to one of his seven imperatives space order of battle, operationally focused ABMS, moving target engagement, tactical air dominance, resilient basing, global strike, and readiness to deploy and fight. Secretary Kendall is committed to instilling a sense of urgency in a system that just hasn't operated that way. He knows that Airmen and Guardians are our most important resource and they deserve top of the line systems that will give them the best chance of success against a peer competitor. Please welcome the 26th Secretary of the Air Force, the Honorable Frank Kendall.

The Honorable Frank Kendall:

Good morning. China, China, China. I knew you'd be disappointed if I didn't say that. If nothing else, I'm consistent. It's great to be here. I've been using these AFA events to mark my time in office. First, it means I've survived another year. It's also a time to think about what we've accomplished and what we need to prioritize as we move forward. I'll be talking about both today. Let me begin by thanking the AFA, especially Bernie Skoch, Orville Wright, Doug Raaberg, and the countless individuals who helped make this year's Air and Space Force Symposium happen. We wouldn't be here without your hard work enthusiasm and support, so thank you.

It's also the 10th year since AFA's Mitchell Institute was established. Congratulations to David Deptula and the Mitchell team for their decade of support to the Air Force and Space Force. We're proud to have you all on our one team. I'd like to thank AFA for their flexibility with the schedule so I could be with Secretary Austin, and General Milley and the families of the fallen at the Pentagon 9/11 Memorial this morning. Honoring those we lost on September 11th, 22 years ago today. The threat of attack from violent extremist organizations still exists, and we will never forget those we lost on that tragic day.

Fifty years ago, 591 Americans returned home after imprisonment in North Vietnam. They endured years of hardship and torture to return as honored heroes. We're honored today to have some of those brave Americans with us here. Can you please recognize Colonel Michael Brazelton, Colonel Robert Certain, Colonel Lee Ellis, Colonel Tom Kirk, and Lieutenant Colonel Tom Hanton.

We are all grateful for your service and devotion to our nation. I'd also like to thank those currently serving the hundreds of thousands of active Reserve Guard and civilians, Airmen and Guardians who support the department of the Air Force and who serve their country honorably every day. Every time I visit an installation across the world, I'm amazed by the work that you do and the efforts you are taking to keep our nation strong and safe. I especially want to thank the military families who assume a huge burden while the service members support our nation.

Thank you. Without your love and sacrifice, our nation could not be protected. We are responding to your needs, this year we have provided more resources to recruit and retain childcare providers. We have and will continue to increase spouse employment opportunities and we are partnering with local governments to ensure that all service members and their families can live and thrive in supportive communities. Thank you also to our industry partners, traditional and non-traditional who provide the products, services, innovation and ingenuity that we count on to do our jobs. Thank you also to the many nonprofit groups who support our men and women in uniform. A special thanks to our civic leaders who take care of our military families living in their communities across the nation. Thank you to our international partners and allies, many represented here today. Thank you for our shared values and our goals as we confront threats around the world together.



Finally to our partners in Congress, members and staff. Thank you for the many ways that you support the Air Force and Space Force and the entire Department of Defense. We have great relationships with our four oversight committees on both sides of the political aisle. I'd be remiss today, however, if I didn't acknowledge some recent concerns with regard to the Congress. With us today, our number of general officers who have been waiting for up to six months for Senate confirmation of their promotions and for the opportunity to take over the commands and roles that they are slated for. With us also are many general officers who have delayed retirement or have been asked to fill a position of leadership on an acting or temporary basis. With us are a great many Airmen and Guardians who are in a unit or organization that doesn't have confirmed permanent leadership. Let's give all these people around of applause to thank them for helping us cope with this unprecedented situation.

This is a situation that one senator has created for us. My message today for that one senator, causing all this corruption and uncertainty, is that all these men and women and their units and their families are having their readiness in their lives negatively impacted by your unprecedented actions. They're all doing their duty and making whatever sacrifice we ask of them, including the ones associated with your holds. They all took an oath to defend the constitution and they are fulfilling that oath today. US Senators take a very similar oath on behalf of all the men and women serving their country honorably today who cannot speak for themselves, I'm asking you to lift the blanket hold you have on over 300 general officers awaiting Senate approval of their well-earned promotions.

As we approach the end of the fiscal year in a few weeks, I do have some requests of the Congress. First as I just discussed, do not hold up the promotions of all of our general officers because of opposition to a policy that they did not create and cannot change. We need these people in the leadership positions they are being assigned to. Second, do not hold all of our reprogramming requests because of a disagreement with a basing decision. We need the ability to reallocate that money to where it can meet our national security needs. Third, do not shut down the government in three weeks. Many of us have been through shutdowns, they are extremely damaging to our readiness, retention and morale.

Fourth. Fourth, do not put us under a continuing resolution for the first quarter of the fiscal year. Now, the ship may have sailed on this request, but CRs of any length are hugely inefficient and delay much needed modernization. Fifth, do not extend any CR beyond December. We can manage a short CR as we have many times, beyond that, much more serious damage will be done to American security. Finally, and most of all do not trigger either temporary or permanent sequestration like cuts to our military. The cuts under a long CR and the reductions required by the Fiscal Responsibility Act of 2023, if a budget is not passed will lead to severe reductions in modernization and readiness. We endured this kind of irrational cut 10 years ago and are still recovering. We never want to endure that, something like that again.

Under long CR or mandatory cuts we also could not initiate or increase all the modernization efforts identified as needed to meet our operational imperatives and to be competitive with China. We have already lost far too much time waiting for the Congress to act on our modernization funding needs, under the normal process. As we look out into the next week and months, we urge you to give us the authorization, appropriations and confirmations that is your duty to provide for our military. Our men and women in uniform and the people who also support them are doing their jobs. Congress, please do yours. One team, one fight.

Okay. Speaking of teams, I've had the priviledge to work with a fantastic team the last year. I brought on the honorable Kristyn Jones to perform the duties of the undersecretary of the Air Force. General Salty Saltzman was confirmed as the new Chief of Space Operations. We're going to miss General CQ Brown, who will hopefully confirmed soon. But soon I hope that General Dave Alvin, who has his confirmation hearing tomorrow, will be confirmed as the new Chief of Staff of the Air Force and that General Jim Slife



will also be confirmed and replaced General Allvin as the Vice Chief of Staff of the Air Force. Each morning before most senior leaders start our day with a 30 or 45 minute tag up to think, plan, strategize, and collaborate. Our team has made great progress in furthering our goals for the department. I'm going to talk about that progress and discuss what we're doing next.

Before I begin, there are two departing leaders I'd like to especially recognize. The first is Chief Master Sergeant of the Space Force, Roger Towberman. CMSSF, you are going to be a legendary as a... I'll do it again: You are going to be legen, wait for it, dary as a major component of the foundation of the Space Force, as the first senior enlisted leader of the Space Force, you have personally and directly created a culture of excellence, leadership, and innovation. You have secured your legacy in building today's Guardians and all of those that will follow. Thank you, we wish you and Rachel all the best.

There was also one other person on the DAF Senior leadership team and we expect will be speaking here with us for the last time, at least as the Chief of Staff of the Air Force. CQ, where are you? For the last two years, we've met almost every morning and often throughout our day, several times collaborating, helping the Air Force grow through this challenging time. Your contributions to the Air Force and the Department of the Air Force will long outlive your time as Chief of Staff, as you accelerate the change that our team needs.

I'm proud to call you a friend and colleague. While I'm sad to lose you from the DAF team, I could not be more excited that if you're confirmed, you are going to two floors down to become the Senior Military Advisor to the President and the Secretary Austin. Our nation and our military need your strategic leadership guidance and wisdom to help us through the challenging times. I look forward to continuing to work with you and Secretary Austin as we deter our pacing challenge and shape the military into the force it needs to be to prevail against any threat. I'm going to miss you, as we all are, but I'm glad you won't be far away and you will be serving your country in an Air Force uniform. Thank you for your service.

Sharene, I want to thank you also for all your many contributions to the Air Force. We've become good friends also, and if CQ's new position doesn't give you enough to do, I know that you can always thrive with the DAF. Thank you for your support to our Airmen and their families. A few weeks ago I spoke at the Air Force Sergeant's Association. Was impressed by the perceptive questions about the threat that I was asked by the audience. You understand the nature of the challenge we face, the necessity that we change to meet it China, China, China. China's by far our pacing challenge. The acute threat from Russia, potential rogue states, Iran and North Korea and violent extremist groups are all on our list of challenges. These are threats that the Air Force and Space Force will continue to deter and engage daily across the globe.

Airmen and Guardians are working with allies and partners to help Ukraine defeat Russian aggression, deterring Iranian or North Korean aggression and combating violent extremist organizations throughout the Middle East and around the globe. But China is the pacing challenge, but as the President articulated just this weekend, we want China to succeed but to succeed by working within the rules that benefit all nations, including China. As the President indicated, there is no desire to contain or decouple from China, but there is a strong desire to live in a world free of aggression, which all nations can prosper in peace. After the first Gulf War, China recognized that it needed to redesign and modernize its military if it hoped to compete with the United States, and to achieve its goals in the Western Pacific, particularly with the integration of Taiwan to communist China. China dramatically shrank the size of its ground force so it could acquire a force more relevant to deterring or if necessary defeating the United States and its allies' ability to protect power in the Western Pacific.

China created two new military services, the Rocket Force and the Strategic Support Force and it substantially increased the capabilities of both the People's Liberation Army Air Force and the PLA Navy.



The Rocket Force is intended to attack America's high value assets, aircraft carriers, forward airfields and key C2 and logistics nodes. The strategic support forces are designed to achieve information dominance in the space and cyber domains including by attacking our space-based capabilities. China has been reoptimizing its forces for great power competition and to prevail against the US and the Western Pacific for over 20 years, we must do the same. China has been building a military capability specifically designed to achieve their national goals and to do so even if opposed by the United States. I want to ask you to conduct a little thought experiment. Humans aren't great at assessing risk, but let me give you two examples.

Imagine it's 1940 and you're considering the risk that Japan will launch an attack on Pearl Harbor in Hawaii. Now compare that risk to the risk you see today of an attack on Taiwan by China sometime over the next several years. Do one more thought experiment. Imagine it's January 2021 and you're assessing the risk of Russian invading Ukraine. Compare that to the risk you see of an attack on Taiwan by China over the next several years. War is not inevitable and our job first and foremost is to deter aggression. History, including some recent history, tells us that deterrence can and sometimes does fail. If our power projection capability and capacity are not adequate to deter Chinese aggression against Taiwan or elsewhere, war could occur. If it does and we cannot prevail, the results could cast a long shadow. I'm going to get a little wonky on you now.

My staff warned me against this, but I'm a history buff, so I'm going to ask you to indulge me a little bit. I want to share a historical analogy with you. History does not repeat itself and I don't think it even rhymes, but it can teach us. In 1905, two years after the Wright brothers' first flight and half a world away, a European great power went to war with a rising Asian power.

The war was the Russia-Japanese war of 1905. That war culminated in a decisive battle in the western Pacific waters between Japan and Korea and the straits of Tsushima. Russia had sent its grand imperial fleet on a voyage of 15,000 miles to defend its outposts at Port Arthur in what is now China, from a Japanese attack. Russia was one of the leading powers in Europe and less than a century before had defeated Napoleon. Japan was an upstart Asian country that had been opened to western trade and technology by American commodore Matthew Perry, in a way Admiral Aquilino's predecessor, just 50 years before. The battle of Tsushima straits did not go well for Russia. The entire Russian fleet was completely destroyed and the Japanese Navy lost three minor combatants.

Now obviously Imperial Russia and Japan in 1905 are not the United States and China today. Russia's inability to project power in the Western Pacific then has little to do with our situation today. But let's talk about the consequences of the battle to Tsushima Strait. A major power, Russia lost its influence in Asia, a major power, again Russia, saw its military credibility evaporate. An arms race in this case between Britain and Germany was amplified. In Europe, another major power Germany seeing how weak Russia was, felt comfortable about entering a two front war nine years later in 1914, World War I. The Russian naval mutinies that followed the battle helped pave the way for the Russian Revolution In 1917 and the creation of the Soviet Union. In Asia, a rising power, Japan gained the confidence to defy European powers and the US, Japan and next Korea in 1910, ceased Manchuria in 1931, invaded China in 1937 and attacked Pearl Harbor in 1941.

The point of all this is that operational tactical defeats, especially when they involve rising and existing great powers, can have major strategic consequences. I will leave it to you to speculate about the consequences of an American power projection failure in the Western Pacific today. Our job is to make sure that doesn't happen by deterrence if at all possible, but by our readiness and our military capability and by force if necessary. That is why the Air Force and Space Force exist. Two years ago, recognizing that we were in a race for military technological superiority, we moved to accelerate the pace of modernization in the Department of the Air Force. We initiated the effort to meet seven imperatives



that describe the operational problems we needed to solve. We finished the first round of analysis of those problems more than a year ago. Where we could, we started work immediately.

We allocated approximately 5 billion to new modernization programs in 2024 alone and about 30 billion from '24 through '28. We've continued this work and expanded it as we've learned more and as the threat has become more severe. We've established the so-called cross-cutting operational enablers in the areas of munitions, mobility, training and testing, Counter-C4ISR and electronic warfare. For those of you who may be wondering when we'll get back to normal, this is normal. We have a well-resourced strategic pacing challenge that is showing no sign of slowing down or quitting. We are in a race for technological and operational superiority that we can expect to last for the next several decades. Even though China is currently experiencing serious economic problems, which the President noted yesterday, this does not reduce the risk of aggression. There is no evidence at this point to indicate that their goals, China's goals, or their methods to attain them are going to change.

Today we are waiting for Congress to act on the FY24 budget we submitted in March of this year, which was for the funds we had identified that we needed nearly a year before in the spring of 2022. Waiting does not make us more competitive or enhanced deterrence, but despite my impatience, I feel that we have made a good start on the modernization front and that our way forward is now well-defined. The other members of the DAF senior leadership team and I are not as comfortable with other aspects of our enterprise. Our consensus is that during the past 30 years, the Department of the Air Force has gradually optimized many aspects of how it organizes, trains and equips the Air Force and Space Force for the deployments and fights we have been in and for the operations that we are we'll routinely conducting today in peacetime.

The sequestration era reinforced this direction and forced an emphasis on efficiency over effectiveness. The Air Force and Space Force are incredibly capable, but we need to re-optimize the department for greater power projection and for great power competition. The war we need to be most ready for if we want to optimize our readiness to deter or respond to the pacing challenge is not the type of conflict we have been focused on for many years. Our need to re-optimize is widespread. Some early manifestations of this fact that I observed were the absence of existing organizations that could address the operational imperative problem set, the lack of integrating organization for command control, communications and battle management, the lack of centers of technical excellence focused on sustaining superiority in the various cross-cutting operational enablers were further evidence of the need for change. But the need to re-optimize the DAF extends beyond how organizations are structured to ensure technological superiority.

As I have visited units and bases and been exposed to our current approach to functions such as manning, training, deploying and sustaining the Air Force and Space Force, it's become clear that change is needed in almost all areas. As I have asked questions about the deployability of our war fighting and combat support organizations and about how their readiness to deploy and fight are being evaluated. As I learned how we had optimized to support current deployments, especially to the Middle East, it's become increasingly clear that more change is needed and that we need to accelerate that process. We need to examine all aspects of how the Department of the Air Force is structured and operates and be open to major changes that reflect the requirements of the National Defense Strategy to deter, and if necessary prevail against China or Russia. We must ensure that the Air Force and Space Force are optimized to provide integrated deterrence, support campaigning and ensure enduring advantage.

Fortunately, many needed changes are already underway. Major initiatives in the Air Force and Space Force such as AFFORGEN in the Air Force and the evolving allocations of responsibility across Space Force field commands are all moves in the right direction. On Friday, I approved the Air Force creation of three new air task forces to serve as pilots in order to experiment with ways to more efficiently provide



deployable integrated units, two for CENTCOM and one for the INDOPACOM. These are not the final permanent deployable units we expect to form, but they are a major step in the right direction and we will learn from this experience. Training in both services has always evolved towards greater focus on our pacing challenge. Concepts like multi capable Airmen and agile combat employment are aligned with meeting the pacing challenge, but they have not been fully implemented. We also have two current [inaudible 00:25:25] proposals before Congress that will help optimize the Air and Space Forces.

The first is the Acquisition Quick Start Initiative to buy down risk by ensuring, initiating our highest priority and most urgent programs immediately, without having to wait for even a regular budget cycle to say nothing of a CR imposed delay. We already waited for well over year, as I said, to start work on our modernization issues. By giving the department the flexibility to quick start its most urgent programs early, this initiative will prevent us from losing ground unnecessarily to the military technological race with China. The second is the Space Force Personnel Management Act, which will give us the flexibility our nation's newest service needs to recruit and promote and manage the talent we need for great power competition. It will also expand promotion opportunities. We want to thank the House and Senate for their support of these proposals and look forward to working with the Congress for final approval.

Nevertheless, there is much more that we need to accomplish. Over the next few months the Department of the Air Force Senior Leadership team will lead a broad review of all aspects of how the DAF performs its basic missions to organize, train, and equip the units and capabilities that we provide to the combatant commands and to the joint force. This effort was initiated with kickoff meetings in the Secretariat Air and Space Force staffs just last Thursday and Friday. The goal is to identify and begin execution by January 2024 of a range of changes that will re-optimize the Department of the Air Force for great power competition. At that time, the major effort will shift from identification and analysis of alternatives, to execution of recommendations. There is no time to lose. This effort will be conducted by five teams formed from the Department of the Air Force headquarters of the secretariat, the air staff, and the Space Force staff, with participation from the field.

These teams will conduct major lines of effort focused on the following aspects of the department's core functions. One line of effort will focus on how we are organized, both in the headquarters and in the field. A second will focus on how we equip the force. A third line of effort will focus on personnel, how we recruit, train, and retain our people, including how we optimize career paths and manage talent. The fourth line of effort will address readiness, how we create, sustain, and evaluate readiness across the Air and Space Forces. A fifth line of effort will examine how we provide support to the operational Air and Space Forces to include providing installations, mobilizing, demobilizing, providing operational medicine and so on. All these efforts will be closely guided by the departments senior leaders. It'll be an inclusive process open to and encouraging of innovative thinking.

Just as we have challenging and innovating potential adversaries, we must be open to new ways of organizing and doing business ourselves. My goal is by the time we meet at the next AFA, the changes we need to re-optimize for great power competition and possibly for conflict, will be well underway. Last week we briefed some of our outside advisors on this effort, one of them was born in China and is a leading expert on Chinese culture, history and government. Her reaction was interesting, her view is that the five lines of effort that I just described, organizing, equipping personnel, readiness and support are essentially identical to the lines of effort Xi Jinping has been implementing since 2016 to prepare China for war with the United States. I'll let that sink in for a second. Over the last few years, you have heard various pithy statements from your senior leaders, accelerate change or lose, integrated by design, competitive endurance. What got us here won't get us there. One team, one fight. Change is hard. Losing is unacceptable.



You've heard these various mantras from leaders in the department and you might think it's difficult to make out what they all mean and how they all relate. They all mean the same thing. We're all talking about the fact that the Air and Space Forces must change or we could fail to prevent, and might even lose a war. Not the kinds of war we've fought or been fighting for the last 30 years, but a war between modern great powers with enormous costs and consequences for the US and its partners and for the world. We cannot let that happen. I recently sent a letter marking my two years in office to all of our Airmen and Guardians. I mean, let me be clear about my intent with that letter.

If we are going to deter, we must be ready for war. We must be ready for a kind of war we have no modern experience with. My aid has been reading a book called The Aviators, it's about Rickenbacker, Doolittle, and Lindbergh. In the 1930s they were all invited to Germany to see the Luftwaffe being created. They all came back and tried to warn the nation that Germany was preparing for war, the nation didn't listen. Today the intelligence couldn't be clearer, whatever its actual intentions may be, I could not say, but China is preparing for a war and specifically for a war with the United States. Again, war is not inevitable and no one can predict when or if it will occur. Our job is to deter that war and to be ready to win if it occurs. Being prepared for war means ensuring that our competitive advantages are continuously and consciously strengthened and maintained.

We all have that task individually and in our organizations today, tomorrow and for the foreseeable future. That is what my letter was trying to say. There is no greater or more important moment to serve our nation than this one, when the threat is the most challenging and the most consequential. It is your initiative, professionalism, and dedication that gives us our enduring competitive advantage. The PLA Air Force and the PLA Strategic Support Force are attempting to replicate the training and attributes embodied by our Airmen and Guardians. They will fail, they will fail because they cannot copy or duplicate the initiative, the professionalism and the dedication that I see in you every single day. I'm proud to be your Secretary and I will continue to fight for all of you to ensure you have the resources you need and to assure that you and our nation are ready for any conflict that may come. Semper Supra, air power anytime, anywhere, one team, one fight. Thank you.

Voiceover:

Thank you so much, Mr. Secretary. Chair Skoch, would you please join Secretary Kendall on the stage, I believe we have one more thing for you sir. Frank Kendall is the 26th Secretary of the Air Force responsible for organizing, training and equipping the US Air and Space Forces. In this capacity, he directs the Department of the Air Force's annual budget exceeding \$173 billion. Secretary Kendall is lauded for his mastery of all things technical in manufacturing and R&D and in 2022, Secretary Kendall outlined his roadmap for bringing new technologies and thinking to the Air and Space Force to deter and if necessary, defeat modern adversaries.

He dubbed this the Department of the Air Force's seven operational imperatives. These operational imperatives enabled both the Air Force and the Space Force to focus on what matters to defeat the threats of today, while evolving to face those threats of tomorrow. Secretary Kendall, an Army veteran who has served as Pentagon Acquisition Chief and a Raytheon executive, has more than 50 years of experience in engineering, management, defense acquisition, and national security affairs across private industry government in the military. He is a distinguished graduate of the US Military Academy at West Point, and among his many service awards, is the Presidential Distinguished Executive Service Award. The Air & Space Forces Association proudly presents its W. Stuart Symington Award for the most outstanding contribution to national defense by a civilian to the honorable Frank Kendall.