Thank you very much Congressman (John) Boozman, and thank you very much for hosting us today and for what you do for our Air Force every day from the great state of Arkansas. And not only that, but now we know your contributions to the history of football. We are tremendously appreciative of that aspect because we hope Joe Gibbs goes on to restore our nation's capital to a position of prominence. And every time I go to the football meetings I see Fred Smith and I see Dan Snyder and Joe Gibbs, that's kind of the general message that everyone gives him.

I will tell you I am excited to be here, and kick off the strategic discussions. I think it's an imperative that we communicate amongst ourselves, and to all of you who are interested in the national capital region, it's really a distinct pleasure to be here. I will tell you today is just another great day to be affiliated with the United States Air Force, and I really mean that, in consideration of all that we do, all that goes on, and in great deference to my friend Denny Reimer, who knows that my roots are in the Army, and recognizes 'How did I get out of there and escape?'

Well, I'll tell you my father was also over 20 years in the U.S. Air Force, one of the founding members, a 1940 graduate of West Point, and converted to the Air Force along with many others as a radar and then missile officer. He ended up going down, and essentially founding, as a space pioneer, the Cape Canaveral complex. And I got to grow up watching rockets fly. And it became kind of an inspiration to me to follow on in that. That doesn't mean that my time at West Point has allowed me to forget about roots in the Army. It didn't, and, in fact, even today we are trying hard to establish greater and greater connectivity with the ground force commanders to make sure that we can allow them the full range of ability to defeat and conquer the enemy.

In fact, what we are struggling with, and trying to foster, is to make sure that we as an Air Force take as a mission to set the strategic, and then tactical conditions for victory. Here it's been a while, but the strategic conditions for victory were set early on by allowing us total freedom of skies, total freedom of operation in the skies, and even some of the things we are arguing with our colleagues about in the area of unmanned aerial vehicles, specifically because we have unopposed operations in the skies over Iraq and over Afghanistan. Setting the tactical conditions for a fight, to win, is another area where we are really pushing a lot of technology. We have now connections through the Rover platform, which is a computer-based laptop--a hard case, to all of our joint tactical air controllers and many of the ground force commanders, including our convoy operators. Connections with every fighter that goes into country, every bomber, many of the ISR (intelligence, surveillance and reconnaissance) assets, as well as our Predator, Shadow, and Global Hawk contributors, so that the ground force commander can, essentially, get an Airman's view of his battlefield, and begin to operate on it. As we used to do as cadets, we used to be able to see all of the battlefield because we would have a map. The map, of course, would be 1:200,000, 1:50,000, 1:25,000. Hardly ever would you see it in real time, and hardly ever would you get an opportunity to manage it in real time.

So one of the things we did last year was actually to take a Rover platform up to the Service Academies, both West Point and the Air Force Academy, to make sure that incoming junior officers were very much aware of what vertical situational awareness was, and what spherical situation was. When I graduated, we used to worry very much about "three-sixty."
We would watch in front of us, beside us, and behind us to make sure there were no bad guys in the area. We didn't much think about overhead assets because we had no connectivity to them. Now, a ground force commander can think spherically and see what the overhead assets can see and therefore get a vertical view. And so not only does he have to think 360, but also, now, spherically.

Air dominance is something that I think we earned for the last 50 years and we intend to retain for the next 50 years. It has been now 53 years since one of America's Soldiers got strafed. We intend to keep that for another 53 years. We are investing very heavily in fifth-generation fighters to make sure we can retain that audacious remark. I say audacious because it took us a lot of years to overcome the investments that others were making and finally assert American air dominance in the skies where we fight.

The aspect of American air that we are looking at now is the soul of an Air Force, which is range and payload. And trying to think strategically about that we are, and should retain, strategic shield, and the strategic sword that (General) Curtis Lemay sort of set as our goal in the early 1950s, (General) Nathan Twining, some of our early people. One of the neat things about the Air Force is that we can remember our roots. We can look back and we know the people. I mean we may not know personally the people. But we know people who knew the people. Many of the authors on the history of the Air Force are contemporaries, which allows us now to actually reach back and actually read some of the contemporary writings that happened at the time. And we see where the notion of a strategic shield was written, in tankers and bombers in the 1950s. And what we are struggling with now is to recreate that requirement, that need, and of course those assets to make sure that we retain the strategic shield and deterrence for the next 50 years or so.

I remember as a child in the 1960s watching the U-2s go down the field from Patrick Air Force Base, Fla., where I was, and I remember thinking how magnificent it was to see those things take off and have the fast cars go down the runway and they flip the brackets back under the wings when they came in, and how great that pilot must be to think about keeping that airplane straight and level after he had landed so that he didn't tear the wing off inadvertently. We still fly those U-2s. Pilots have space suits. And aren't anything but fuel, a sensor, and a pilot. But these days, in fact, just the other day, we found we had some scrapes in a wire bundle because we are now into geriatric airplanes. We found we had pinhole leaks in the fuel tank. And I will tell you, when you're in a space suit, and your maintenance guy says 'Good luck on this flight, we have a few scraped wire bundles.' And there's some arcing not to worry about it, the pinhole leaks are distant from where that is, you begin to worry. And if you're any kind of a pilot you may well run away from the airplane. We have this problem now. We have done inspections and we got adequate resources, but we are looking at, frankly, geriatric maintenance across our fleet. When I just left the Air Force, the age of our fleet, including our satellites, was eight and a half to nine years. Presently it's 24-and-a-half years.

In 1937, we took delivery of the first B-17, 70 years ago. Seventy years ago. And now, we're thinking about flying our B-52s, KC-135s, Rivet Joints that well end up being 70 years old. Now we don't have a lot of B-17s around. We don't have a lot of B-24s around, nor B-36s. The evolution of air warfare has come to the point now where we are actually into geriatric maintenance. And we're building on top of some magnificent airmen who are maintaining our equipment that is now averaging 24-and-a-half years old. So back in 1953 when Generals (Bernard) Schriever and Lemay argued for strategic forces, we built the B-52 and we built the KC-135. No doubt these aircraft remain the backbone of our force structure right now. In fact, if you think about a future fight, you have to start thinking about what we did presently. And when we went into Baghdad, we used a very limited amount of our fleet. We used B-2s, and we used F-117s to open the war. We did that because that was the extent of our stealthy fleet. We are now retiring the 117s, and we have 21 B-2s remaining in our fleet. So, our bomber fleet,
effectively, on its first day, is 21. We are now generating fifth-generation fighters of which we have received 83 F-22s, adequately replacing the 117s. We hope to grow that to at least 183 with the multi-year that Congress so graciously allowed us last year. We are asking for 381 because we think that gives us the right kind of presence and squadron strength around the world. But we’re not sure that our arguments are going to be heard. Well, we so far have a good argument in the sense that we do not want the fifth-generation fighter line to go quiet, until we get another good fifth-generation fighter line going. That airplane is called the F-35, the Joint Strike Fighter. It is the next generation coalition fighter. It will have all of the same attributes that all of our good close air support and close combat strike aircraft have today, and yet will bring the additional attribute of being a first-day fighter.

I didn’t realize it the other day that I was constructing a brand. We built a little folder, a little tri-fold, to try to explain to everyone, ourselves first, members of the Air Force Caucus second, supporters throughout, that there was a very distinctive difference between fifth-generation fighters and fourth-generation fighters. That difference is highlighted by stealth, speed, precision, and see-deep radars. The reason I didn’t realize I was building a brand when I published this document is I find out the Russians and Chinese are also now arguing that they, too, have fifth-generation fighters. I was a little bit surprised, but what’s going on here is that they see what we’re doing and choose to differentiate themselves in the contest in India and the contests of other places around the world by essentially pretending to be a fifth-generation fighter. And that way maybe the Indian air force will look to their thing. The Chinese looks a lot like a European Tornado, I think we expect that. The Russians, however, have an excellent airplane in the Sukhoi, that, in fact, we have great respect for, and find ourselves, when we have some of our contemporary pilots flying it, they do very well against some of our contemporary airplanes. So, we need to press on in the world of investment and continue soldiering forward to make sure that America actually wants fifth-generation airplanes. And certainly America’s Air Force has decided. There was a great argument about whether or not we should submit the fifth-generation airplanes in the emergency supplemental.

There was no argument as to whether we’d taken losses. We, in fact, have lost 50 fighters since 2001. We have not replaced those 50 fighters because we don't have an F-16 line or an F-15 line that we want fighters from. Currently, F-15s are being produced for Korea. We don't want that. Currently F-16s are being produced for the United Arab Emirates. We don’t want that. We've decided that what we really want is we do want to replace the combat capability that we lost. And so we ask for fifth-generation fighters. I mentioned to people in the House Armed Services Committee and House Appropriations Committee because we are finished with the fourth generation and do not want to go back in technology and pick those up.

In the supplemental so far, they have not been sustained. The good news of the supplemental is the C-130Js have so far, in the House, been sustained. The reason I say that is because, in connection with the ground forces, the C-130Js are removing convoys from the road. So far, by using direct delivery, and a GPS-aided parachute delivery, we have eliminated 9,000 Soldiers and Airmen, as well as Navy SEALs, from driving convoys. We've eliminated all of the Marine convoy ops, except for delivering people, and we feel extremely good about it. That having been said, we're done with C-130Es. Most of them are now standing on the ground, and can only fly the crew. And we have in theatre C-130Hs. As a result of trying to get these great Soldiers, Airmen, and Marines off the ground, we are wearing out the C-130Hs, and so we want to get the C-130Js. I think it's better actually to remove targets from the road than it is to protect targets that you have on the roads, although I fully understand the need for protection of Soldiers and Marines that we place on the roads.

While I was teaching at the Air Force Academy I had the huge great opportunity to join the team that converted some of the C-130Es into AC-130s. And I was the guy, because I had background in the Army, I was the guy who was assigned to go get firing tables for the 105mm
gun because I presumed I had some contacts back at Aberdeen (Proving Ground, Md.). I called
the guys back at Aberdeen and I told them that I wanted firing tables for a gun that was going to
be mounted on an airplane and they said that they could not compute that thought. So, I said,
"Well, okay. I'll tell you what then," I said, "consider a 10,000-foot cliff." And I said, "Consider that
there is a gun emplacement on the top of this 10,000-foot cliff. And consider that it is in a very
bad weather situation there's a 300-knot crosswind." I said, "Now, consider that it's pointed
downward approximately 30 degrees into that crosswind, heavily laden with ammunition, and tell
me how far it shoots." "We can do that." I said, "Good on 'ya." And then we got firing tables for
all, every conceivable place we could think to do and then place those in the IBM four pi
computer, those of you who remember the IBM four pi, it was, actually we stole one from the F-4,
line in McDonnell Douglas. In fact the IBM guys basically delivered one short, and just
delivered it to the Air Force Academy, and I remember when I left the Air Force Academy I went
down to shipping, and I said "You know, Sarge, I've got to return this to IBM." And he said "Do
you have all the paperwork for when you received it?" And I said, "Actually, not." He said, "Okay
then. I guess we just have an inadvertent mailing address." And so, he mailed it back. What's
surprising to me is now 34 years later, we still have C-130Es around and available for
conversion. Five of them are in Europe. One, as I mentioned, is hard broke, the other four can
only carry crew. So they are only used for orientation trips and training. They can't carry cargo
because they are so old and so broken.

This is happening throughout our Air Force, and they're not really just interesting anecdotes. I
will tell you the terrific Airmen we have as maintenance folks are doing such a fantastic job that
we still have the world's most powerful Air Force, irrespective of the age of the equipment for
which we are flying. I have, in fact, such admiration for these Airmen that what we've produced
for you is a "Portraits in Courage," that are anecdotes of themselves trying to quest after
advising what great people I have the honor and privilege to be their Secretary. It is just truly an
honor for me to do that.

I want to tell you now where we're going. We recognize, and we have taken as I primary
mission, that it is the duty of every Airman to ensure that the next generation Airmen are as
capable and as confident in the assets that they use, as the Airmen are today. And that we
leave America with the strategic deterrence and the strategic shield that was well thought and
well structured back in the days of Schriever and Lemay. We are husbanding resources
because we are operating within the bounds of the delivered total obligation authority,
recognizing the pressures that all face, and the war that we are currently in. We have been at
war continually for about 17 years now. We got there in April of 1990. We've never left. We can
forecast, apparently not well, but we forecasted in 1993, that we might be there another four or
five years, and so we formed ourselves into Air Expeditionary Forces. And those bright people
who experimented with the amount of time it took on rotations came up with a rotational idea that
allows all of our force structure, whether active, Guard, or Reserves, to participate in a rotation
bucket. We have people who normally go for four months, and then return.

Last year in our testimony we had a young gal who had not yet turned 21, who had already
been in Afghanistan and Iraq on three four-month rotations as a security forces person. She
was ready to go back for her fourth time. She was a gun-trucker. She had been in 30 active
ambushes as a gun-trucker, and she stood up as tall and as proud as she could, and she wasn't
that tall. We figured she must've had an orange crate in the back of the Humvee. To do that - and
I would tell you - her courage and her desire to continuously serve her fellow Americans was
daunting. But we are husbanding our resources. We are looking forward into a different future.
And we're thinking to ourselves: we're investing very heavily in higher productivity. We're
investing heavily in high reliability, and far more capable aircraft.

Therefore we're going to restructure our forces and restructure our headquarters, organize for
warfighting, much like our fellows did in the AEF rotation, and get ourselves ready to fight a
longer war. In 1993 who knew that we would still be in Southwest Asia in 2007? And now that its 2007, how far can we see into the future for the Air Force to be there? And I'm beginning to mention to members of Congress across the spectrum that no matter how this engagement begins to wind down and end, and how much time it takes, my guess is that it will move from green to light green and blue before it fades to black. We have an Air Warfare Center now in the Gulf, for which we invite members of the air forces from the entire Gulf emirates and around the Gulf region, including Pakistan and India, because we do feel like we need to manage the international partnerships that we have over there in a very forthright and upbeat way. And not only that, but they may well be future coalition partners of ours, and we'd like to make sure that they understand the American way of war.

We're increasing productivity through a program called Air Force Smart Operations 21. We're reducing expenses across the board, investigating alternative fuels wherever we can, looking at ways to get our bases more and more, if you will, buying alternative energy, or getting off the grid, but essentially being able to get predictive capability in our fuel expenses in the future. We actually have an experiment now going on in Hawaii that asks the question that many airlines have asked themselves over the years: How do I get fuel cost down while still maintaining mission? We have great support from all of our airline colleagues, United, American, Continental, and Southwest, to try to make sure that we do this. We're also flying alternative fuels, mainly Fischer-Tropsch fuel out with the B-52. We just went through cold-testing up in Minot. We're being followed on that by our airline colleagues as you might imagine, members of the FAA (Federal Aviation Association). We just had a wonderful energy forum. I hope some of you got a chance to go there.

Currently there are 10,000 extra Airmen who have retrained from their Air Force specialties to assist our overstressed Army and Marine Corps in convoy duty, explosive ordnance demolition, guarding prisoners, and various other taskings on the ground in Afghanistan and Iraq. We hope that the Army reset includes sufficient Soldiers for these missions that they've been using our Airmen for. And we helped them by sustaining the theatre airlift C4ISR dominance they've come to expect from us. Although they are all performing their ground-assigned missions very well, the notion of 'every Airman a rifleman' is not the best use of our asymmetric capabilities.

You know, although I spoke of our challenges, keeping them in mind, our priorities are unchanged. One is winning today's Global War on Terrorism, and dominating future wars. We don't want a fair fight. In fact, as I mentioned to the cadets at West Point when I was there speaking to them, if you ever find yourself in a fair fight, it's been badly planned. Priority two is to provide the environment most conducive to carrying forward and enabling our courageous, innovative Airmen and their families. In fact, we often say that we recruit Airmen, but we retain families. And throughout our Air Force we work very hard to make sure that our Airmen's families feel comfortable about allowing their spouse to continue to service our Air Force. And priority three is to recapitalize and modernize our force to again provide that same comfort and capability to future Airmen that we have. So, we are looking at all this, and then we are wondering. We are wondering about where ground force is going, but only with the 25,000 or so that are being redeployed to Iraq, but the 92,000 that are being added to the Marines and the Army over the long term. What does that mean to your Air Force as far as its reduction of 40,000 that were ongoing in order to provide some resources for our recapitalization? We've got a team that's coming together this summer to try to figure that out because we don't know, truly, the timing or the implications or the employment of all these ground forces. So that's coming for a future look. And I would say that what we're thinking is that we know that there are airmen that are directly assigned to some of these Brigade Combat Teams. So, therefore, we know that some of it is going to be essentially a direct lever. But we don't know the indirect. We don't know how much airlift is going to be needed. We don't know all of the implications in our close air support. So we are, in fact, worrying about that.
The other thing we’re worrying about now is we know that our space assets have to be changed out over the next 10 years, all of them. We are also very concerned that the veil of sanctity in space that we used to all kind of think about, or think that we had, is gone. The Chinese destruction of a satellite, the creation of a huge plume of debris, has now created and highlighted that they are emerging as a peer competitor. We’ve been talking about it for ten years. It's more like a country singer, right? A '10-year overnight success.' But we were shocked, but not surprised that the Chinese, in fact, hit a satellite. They’ve been putting satellites in orbit for years. It's only a matter of changing the state vector to make sure that you can take on a satellite rather than place it in a location. Shocked because it was an aberration of behavior. And then also shocked because there was an initial turn-down or denial that it was theirs at all, when everyone in the whole world, including some amateur people with telescopes, knew precisely. Which made everybody wonder, what was the true intent. And I think we still wonder, what is their true intent, as they invest heavily, at greater rates of GDP than we are, by the way, in growing their armed forces, in growing their strategic capabilities to project sea, to project under-sea, and to project in the air. So we know we need to remember that we are the strategic shield for the nation, and we need to make sure that at the end of the day our Air Force retains that notion of strategic shield, and has sufficient presence and assets to be effective in that regard.

I just got a note the other day that the British navy has finally advised their Parliament that they cannot perform the missions they have been assigned, because their navy has finally folded up and decided they are not being funded at a level which allows them ocean reach. Which means that America stands as the sole defender in many of the reaches of the world. This is a huge burden. And when our primary partner sets the burden down because they have not been funded adequately, and their nation has turned to other priorities, it really makes you think. And it makes me think, “Are we properly funding the burden here in America?” Gen. Pete Schoomaker (U.S. Army Chief of Staff) I think asked that very question, and he asked it very strongly and very hard. I think we need to think hard about it, and ask ourselves.

Lastly, cyberspace. We’ve been talking about cyberspace as well. In fact, (Secretary of State) Condoleezza Rice was the one who brought it up first. And I do agree that cyberspace is an area where we’re already beginning to engage. Cyberspace is clouded, though. It's clouded in a lot of legal aspects. We can play defense. We cannot, if you will, under various title codes, play offense. We can, however, conduct red flags. But one thing we are doing within the context of your Air Force, is we’re determining that we have a lot of people who are schooled in cyberspace. Either they work for NSA (National Security Agency), they work for DIA (Defense Intelligence Agency). Some of them work for our Air Force. Some of them work for communications agencies around the world. How did they get there is a good question. So one of the things we’re doing this year and possibly next is organizing and training. We’ve added it to our mission statement because we believe that like freedom of the seas, and now freedom of the skies, we need to add freedom of cyberspace to that list. Why? Because 80 percent of our money flow right now is through cyberspace. If our economy is to prosper in the future we need to make sure that the pirates and national terrorists, as well as international terrorists, do not have unfettered access to that space to perfect their skills when we cannot perfect our skills. So, we think that at least making sure that we have, in fact, people that are being schooled and trained and force presented to Strategic Command, to NSA, and to DIA is a smart idea. And so that's what we’re doing in cyberspace.

Next year we’ll be looking at what assets do we buy? And as I told General Elder (Lt. Gen. Robert Elder), who’s standing up 8th Air Force as that, I said, "When you figure out what the last dollar we spent in cyberspace was, then you can come tell me where I should spend the next dollar and get the best leverage." And, so, he’s off trying to figure that out. The truth is that the National Security Agency is, under their title codes, in fact, investing in the assets required. And they are - because our people are working there - they are providing those assets. And, by the
way, we, I think, are performing very adequately in that space.

Well, listen; this is a broad brush overview for you. As to what's bothering, and what's our strategic look forward. It's an opportunity I think for you all to know at least where we are headed. This next year our priorities are pretty clear. We published them. Tankers are first. CSAR (combat search and rescue) is second. Third is space assets. Fourth is our Joint Strike Fighter. And fifth, as always, is our people. So, thank you very much for coming this morning. Thank you for listening to me for the time we've had.

Thank you for the service that you all give to America in all of the ways that you do it. Thanks especially to the Airmen, Marines, Sailors, Coast Guardsmen, and Army troops who are currently deployed and standing in harms way so we can have a really pleasant breakfast. It's appreciated. God bless you, and God bless America. Thank you.