Purpose: Provide remarks at a Metropolitan Club luncheon
Audience: Metropolitan Club members and their invited guests which include both private and public local and national leaders
Media: Closed to press
Strategic Intent: Bolster support and foster understanding of the importance of the Coast Guard to national security
Duration: ~30 minutes for remarks followed by Q&A. You will be introduced to speak about 30 minutes into the 1hr 30m lunch.

OPENING

[Extemporaneous Welcome]

The United States has the best military in the world – bar none. And that includes the Coast Guard. Other nations try to copy us... they go so far as to paint the same diagonal racing stripe on their ships that we have on ours. Despite their efforts, they cannot replicate the men and women who serve. I can say, with certainty, we have the world's greatest Coast Guard.

But let me tell you... I have dinner and various engagements with our many, many, Congressional overseers on a regular basis... at last count, I answer to at least 18 different committees and subcommittees! But these Congressmen and women who are on our oversight committees tell me that we in the Coast Guard are not getting our message out there. And possibly to make their point, I've had more than I'd care to admit tell me they didn't know the Coast Guard was even an Armed Service. So, I'm fighting an uphill battle to be heard over the fray in this town. And I truly appreciate opportunities like this – to engage with this group of leaders – so you can hopefully help me get our message out there. And maybe, finally get us funded like the Armed Force that we are as well...

HURRICANE "BRAND"

If you follow the President on Twitter you might have heard that our brand has never been better! I don't think anything was wrong with our brand before – but recognition is ½ the battle in branding and there is a reason our members are known as silent servants.

The President also shut down his private golf course down in Mar-A-Lago a few weeks ago so the men and women of the local Coast Guard units could play 18 rounds as his private guests. That's never happened before in our 227-year history. There is no doubt, the President is a fan of our Coast Guard!

...For good reason! Our heroic men and women are being rightfully recognized right now after the historic hurricane season our Nation just endured.

Harvey brought nearly 52 inches of rain, drowning entire towns. Less than a week later, Irma. The U.S. had never been hit by two Category 4 hurricanes in the same season and we faced 2 in less than 2 weeks. And then Maria and her utter devastation to USVI and Puerto Rico.

The Coast Guard surged nearly 3,000 personnel and 200 assets from as far away as Alaska and Guam. Nearly 12,000 lives were saved by our men and women. I could not be more proud of our response.

But, that response came at a cost. It consumed our future readiness – readiness this Nation demands.

INCREASING DEMANDS

And those demands are only increasing. Sure, we respond to disasters – and our brand may benefit from that response... but, we operate 24x7 to keep our Nation secure, not only just after disasters. It is those efforts that are so often overlooked.

Let's face it... the world is not exactly breaking out in tranquility and the Coast Guard is becoming more and more busy on more and more fronts.

In fact, I just released my 2018 reading list and on it I included Graham Allison's *Destined for War*... Last year I included Richard Haas' *A World in Disarray*. They're both reads I recommend – but be warned, they paint a pretty grim reality. But a reality that screams for more Coast Guard.

ARMED FORCE

First and foremost, the Coast Guard is an Armed Force. The defense of our Nation comes first and the Coast Guard brings our broad authorities, versatile competencies, and global partnerships (i.e. access!), to the Joint Force – we are able to address threats to our Nation in ways no other service can.

We may be the smallest of the military branches, but the unique ways in which we address issues packs quite a punch.

In the past, the Coast Guard would look to where our big sister – the Navy – was operating and follow the big grey ships there.

In today's world, we simply don't have the luxury of doing that anymore. And, it wasn't strategic.

Today, we plug in to strategic effect where our attributes are needed in the Joint Force. For instance, almost every ship in Admiral Tidd's SOUTHCOM is a Coast Guard cutter. We provide a constant presence of 4-8 cutters in the Caribbean and Eastern Pacific between Colombia and Mexico.

We have patrol boats and an advanced interdiction team in the Persian Gulf operating under CENTCOM.

Our nation's only heavy icebreaker is in Antarctica as we speak where it will operate under PACOM.

I like to say the sun never sets on the United States Coast Guard because we are literally operating off every continent at any given time.

But we also look where DoD is not – and largely, that's here on the home front.

ARCTIC

Speaking of icebreakers, let's not forget that we are an Arctic nation. And the Coast Guard is the sole U.S. surface presence critical to exerting our National sovereignty and preserving U.S. strategic depth in the face of increasing encroachment by Russia and China.

About two weeks ago, Bloomberg finished its three part series titled, *How the Melting Arctic Changes Everything*.¹ It's worth your review. The imagery alone is fantastic.

The race is on in the Arctic and Russia is killing us. I mean, we are barely even in the game. What did Bloomberg write? "Putin is running Arctic circles around the United States." Russia is boosting economic spending despite population decline... they are increasing their military foothold... I've

¹ Part I: The Bare Arctic by Eric Roston and Blacki Migliozzi published on April 19, 2017 (<u>https://www.bloomberg.com/graphics/2017-arctic/</u>) Part II: The Political Arctic by Eric Roston and Blacki Migliozzi published on May 16, 2017 (<u>https://www.bloomberg.com/graphics/2017-arctic/the-political-arctic/</u>); Part III: The Economic Arctic by Eric Roston published on December 29, 2017 (<u>https://www.bloomberg.com/graphics/2017-arctic/the-economic-arctic/</u>)

pretty much lost count of how many icebreakers they are building to add to their already impressive fleet – especially when you compare that number to our fleet of 2.

And don't forget China. They are investing in the region... and they are present. China is playing the long game. If you're interested in their game, take a look at the recent book by one of our leading experts on the topic - Anne-Marie Brady – titled *China as a Polar Great Power*.

If our country wants to think strategically and, therefore globally, we really need to get serious about recapitalizing our Nation's icebreaking fleet.

<u>WHEM</u>

Your Coast Guard is also south of the border on the front lines combating criminal networks in our hemisphere.

While most American's were sitting in front of a cozy fireplace on Christmas day, Coast Guard Cutter STRATTON launched its onboard helo and UAV to halt criminals shipping poison to our streets.

In the week between Christmas and New Years, the Coast Guard, in unity with our DHS and international partners, executed 4 cases taking 5,471 kgs of cocaine out of play... along with the criminals who would profit from the misery those drugs cause. In FY17, the Coast Guard removed 223 metric tons of cocaine during 289 discrete events. And we referred 181 cases and 606 criminals for prosecution here in the United States.

Simply put, America is under attack by organized networks that prosper off weakened governance, instability, and violence. They are the cause for the flow of migrants to our southern border and peddle the poison that kills more Americans in a year than the entire Vietnam War.

The White House Council of Economic Advisers just raised its estimate of the drug epidemic's annual cost to \$504 billion.

This needs to be an all hands on deck campaign. Unified with our partners in DHS, we are taking cocaine worth more than the entire acquisition cost of our new National Security Cutters off the water in a single patrol. But we cannot let off on this campaign – it's not an option.

MTS / CYBER

So, our men and women answer the call in disaster. They are deployed abroad in the defense of our country. They protect our sovereign interests in the Arctic. They secure our borders and thwart dangerous criminal networks. And they are here in the homeland protecting and facilitating \$4.6 trillion of economic activity that occurs annually on our waterways – securing both our physical and our cyber borders.

BUDGET

You'd think with all that – even given our fiscal landscape – I'd have no trouble securing the budget I require.

But, our annualized appropriation for operations and maintenance remains below the BCA floor and is not keeping up with our current acquisitions. The other armed services lament the day they see the BCA floor.

And while we are recapitalizing our platforms like never before, these new assets are replacing 50 and 70 year old vessels. My highest priority is to get the first Off-Shore Patrol cutter in the water no later than 2021 to replace our aging Medium Endurance Cutters.

And after that, we need to move out on 3 heavy followed by 3 medium polar icebreakers – the first heavy in the water by 2023.

These are not nice-to-have goals. They are absolutely required for the security of our Nation. And take my word for it – we are a solid investment. We just achieved our 5th consecutive clean financial audit opinion... not many can say that! And we have a stellar acquisition program that is delivering on-schedule and on-budget state of the art assets – true game changers for us.

The fact is, everything the Coast Guard does relates to the security and prosperity of our Nation – right in line with the National Security Strategy recently released by the White House.

Given this "world in disarray," as Haas calls it, if strategy is going to drive budget decisions - which it needs to - we need to stop thinking in terms of just defense spending and nondefense spending. We need to start thinking security and non-security. Because many of the asymmetric threats to our security today are real and they are here – we are no longer looking over the horizon.

CLOSING

Today, the demand for Coast Guard services is on the rise. And I am looking to the incredible minds in this room to help me get our message out there. To be squeaky wheels for a branch of the military whose men and women silently serve to keep Americans safe, secure, and prosperous.

Thank you for your time today! And thank you for helping us stay *Semper Paratus* – Always Ready!