TRANSCRIPT
CSIS-Aerospace Security Project and Defense Budget Analysis Program

Strategic National Security Space: FY 2020 Budget and Policy Forum
Keynote Address by Acting Secretary of Defense Patrick Shanahan

EVENT DATE
Wednesday, March 20, 2019

TIME
9:55 a.m. EDT

LOCATION
CSIS Headquarters, Washington, D.C.

KEYNOTE ADDRESS
Patrick Shanahan,
Acting Secretary of Defense

MODERATOR
Todd Harrison
Director, Aerospace Security Project and Director, Defense Budget Analysis, CSIS

INTRODUCTION:
Kathleen H. Hicks,
Senior Vice President; Henry A. Kissinger Chair; Director, International Security Program, CSIS

Transcript By
Superior Transcriptions LLC
www.superiortranscriptions.com
Kathleen H. Hicks: (In progress) – defense and national security work here at CSIS and hold the Kissinger chair. And it’s my pleasure to introduce Acting Secretary of Defense Pat Shanahan. He has been serving previously at the 33rd deputy secretary of defense since July 2017. And he previously served as Boeing’s senior vice president for supply chain and operations.

Kathleen H. Hicks: After Acting Secretary Shanahan’s remarks, he’ll be joined on stage by Todd Harrison for some back and forth. And then there’ll be hopefully time for some audience Q&A. So without further ado, please join me in welcoming Acting Secretary Shanahan. (Applause.)

Patrick Shanahan: All right. Well, good morning, everyone. It’s certainly good to be here. And I just want to maybe make a few broad comments. Kath, thank you so much. You know, Kath was very involved with the National Defense Strategy Commission, did an outstanding job. And then Todd Harrison, thank you for the invitation. I think John Hamre’s not here, but you know, only at CSIS could we have these types of dialogues, which are really so important for, you know, these very, very critical issues as we think about what does the future look like.

Patrick Shanahan: And before I dive into my remarks, one thing I would just ask all of you to do tonight – this will be a little bit of help – say a prayer for our men and women in the military. Say a prayer for the civilians that support them. They do remarkable work on our behalf. And the one – the one word that I’ve learned – I’ve learned a lot of words since working with the Department of Defense. But the one word that I’ve really come to appreciate and understand is the word “devotion.” And they’re devoted to their mission and they’re just doing a remarkable job.

Patrick Shanahan: I’m going to tell a story, and then I’m going to talk a little bit about the Space Force. But let me start with this story. And it’s a story about making change and modernizing in the largest bureaucracy in the world. Sometimes people say the department isn’t bold or fast enough. But in just 18 months, we went from a phone call with two bipartisan members of Congress to a proposal establishing a new branch of the armed services, the Space Force. And I want to talk to you about that proposal today.

Patrick Shanahan: Representatives Cooper and Rogers got us started on this path. And I want to thank them for their leadership and vision. I also want to acknowledge the important role President Trump played in instilling a sense of urgency in the department, or what Secretary Mattis would call moving at the speed of relevance in establishing the Space Force as the sixth branch of the military. You only get this kind of action if there is a compelling need to move quickly. This was true for our challenges in space.

Patrick Shanahan: My goal, and the department’s goal, is to grow what we call our margin of dominance in space. This margin is now contested, and our legacy systems, as you well know, are not designed to operate in this environment. China and Russia already treat space as a war-fighting domain. China’s moving fast to grow their presence in space. Last year their government put 38 rockets into
orbit. This is more than double the 17 that our government launched. What’s more, the space industry is undergoing a seismic transition, fueled by the convergence of commercial and military capabilities, decreasing launch costs, and an entrepreneur-driven innovation – innovation that impacts the entire space ecosystem from the hardware in the sky to the application of space-based communications, sensing, and precision, navigation and timing data on the Earth.

Patrick Shanahan: During this state of evolution, we can’t afford to lose our margin of dominance. What is vital is that we protect a $19 trillion economy and the systems our military runs on. As Representative Cooper said, if our satellites were attacked we would be blind, deaf, and impotent before we even knew what hit us. Everything from ATM machines to Zumwalt destroyers would be paralyzed. If you’re faced with threats like this, you say yes to change. And so we made a strategic choice to organize to ensure American dominance in space for decades. This choice to restructure has three parts – the military service, combatant command, and a development agency.

Patrick Shanahan: Let’s talk about part one: the U.S. Space Force. To move forward effectively, space needs an advocate. That advocate will be the Space Force. The Space Force will operate like other branches of the armed services, organizing, training, and equipping the force with Title 10 authorities. It will have formalized leadership, including a new undersecretary for space and a chief of staff of the Space Force, to focus on developing space warfighting doctrine and culture. The organization will also focus on professional development, developing skills within the force and creating a pipeline of space experts. It won’t be very large, between 15,000 and 20,000 people. And it will have a budget the size of SOCOM.

Patrick Shanahan: Let me spend a moment and talk about U.S. Space Command, which is the second part of our restructuring. Space Command will change the mission of space from a support function to a leading role. This is not new. This is a bit of back to the future, since we’ve previously had Space Command, but gave it up after 9/11 for NORTHCOM. The commander will wake up every morning thinking two things: How am I going to win in space, and how will space help the joint force win in the land, sea, air, and cyber domain?

Patrick Shanahan: And I’ll touch on the Space Development Agency, which is the third part and, in my view, the pacing element. Our space presence will be enabled by new capabilities delivered by the Space Development Agency. There are roughly 2,500 active satellites on orbit today. American companies alone project they will add 15,000 satellites in the next decade or so. The proliferation is primarily happening in LEO, with small stats focused on mostly communications and ISR. But the low cost of launch is expanding access to all orbits. Additionally, in the next decade we expect to see commercially available, persistent surveillance of the globe from space.

Patrick Shanahan: We need to leverage this commercial space investment and tap into the advancements to help solve the next generation of warfighting challenge. There are different models for the department to follow. We can acquire commercial
off the shelf. We can tailor commercial solutions. We can develop new
technologies, or some hybrid of the aforementioned. And in parallel, we need
our war fighters to experiment with new space-based applications. And there are
three points I really wanted to underscore here.

Patrick Shanahan: The first: The unifying factor is the need for advanced systems engineering as
we design for artificial intelligence, as we design to enable low-latency
movement of data, as we design to connect sensor-to-shooter, and as we design
to enhance exquisite capabilities. Second, if we do nothing – and I’ll just say this
again – if we do nothing and maintain our legacy approach, at least 10 DOD
organizations working on space-based capabilities and architecture will continue
to develop bespoke solutions. And third, this is a once-in-a-lifetime opportunity
to recapitalize the department’s space architecture and integrate it to deliver new
solutions at scale. Our rules aren’t adaptive enough to leverage this. We need
one organization in the lead to enable a department solution.

Patrick Shanahan: So let me – let me conclude with a few short comments. These reorganizations
all tie to our national defense strategy and the overarching need to posture for
great power competition in space. But beyond this reorganization, the
president’s defense budget request also includes a 15 percent increase in our
investment in space-based capabilities. The Space Development Agency
roadmap from the 1601 report has eight increments of capability and provides a
path for buying down risk and delivering capability so that we can scale and take
action. The roadmap starts with hypersonics, tracking and warning for defense
against adversary hypersonic missiles, with the next step to provide targeting for
our hypersonic missiles. The roadmap delivers an alternate PNT, so that we can
operate in a GPS-jammed environment. These are just a few of the investments
in our 2020 budget request.

Patrick Shanahan: The institutional changes and money increase demonstrate our resolve to move
out and find a solution. Eighteen months ago, it was a phone call. Fourteen
months ago, it was a rollout of the National Defense Strategy. Nine months ago
we received presidential guidance. Last month, there was a Space Force
proposal. This month, it is a budget. This is what it means to compete. The
Space Force is a critical part of ensuring we dominate in an area of great power
competition. Thank you. (Applause.)

Todd Harrison: Well, thank you for joining us here, Secretary Shanahan, for your remarks. I
want to –

Patrick Shanahan: How’d I do? (Laughter.)

Todd Harrison: You’re given a thumbs-up. (Laughter, applause.) Now for the hard part.

Patrick Shanahan: Is this on?

Todd Harrison: I think so. Let’s see.

Patrick Shanahan: Can you hear me?
Todd Harrison: Oh, let’s hit the button. Let’s see. There we go.

Patrick Shanahan: All right. Everybody hear me now? All right. Very good.

Todd Harrison: Now they can hear you on the Web.

Patrick Shanahan: This isn’t the hard part. This is the fun part, right? (Laughter.)

Todd Harrison: Well, you haven’t heard my questions yet.

Patrick Shanahan: Eh, they’ll be fine. They’ll be good. (Laughter.)

Todd Harrison: So my first question – and I’ll remind folks here in the audience and watching online, if you want to ask a question you can go to the Web address you see here, aerospace.csis.org/questions. You submit your question and I’ll get it up here on the tablet. But, you know, as the moderator I get to go first with my question.

Todd Harrison: So a first question is, you know, when the president came out with this Space Force proposal almost a year ago now, he talked about it initially as a separate department. What you guys settled on is a separate service within the Department of the Air Force. Can you just tell me a little bit about how that – how the idea evolved and how you settled on this particular construct?

Patrick Shanahan: That’s a good way to start out today. So, you know, you can imagine if someone said create a new branch or a new department – as you all recognize, we have lots of processes in the Pentagon, but they didn’t have the “start the new department” process. And so a lot of this has, you know, been, you know, homegrown, and you have to think about what is the best organization construct so that you can go the fastest. And a department allows you to have complete autonomy. So on one end of the spectrum you can have, you know, full autonomy; on the other end of the spectrum you can say let’s maintain the status quo. And we started with those bookends and we said: Given the need for speed and then how much time you might spend just reorganizing, we landed in a place that said draw off the synergy of the Air Force, all right? And we have significant learning from the Marine Corps about how to have a service within a department.

Patrick Shanahan: The biggest thing that we’ve been working to do with the Space Force is focus on delivering capability faster. And it’s very easy in government to think about equities. And we didn’t want to start with, well, what are the equities? What are the structures? How do we draw a path to deliver maintaining that margin of dominance? And it really was all based on, you know, standing up these, you know, I’ll call it critical time-based capabilities, developing – doing the development. The Space Development Agency is about developing. It’s not a space acquisition agency; it’s a space development. So we said that’s what’s most important. And you could put it anyplace. But given most of the resources that are going to be a component or an element of the Space Development
Agency live within the Air Force, keep it as close to that as possible. Space Command was easier.

Todd Harrison: And you know, what do you say to folks – you know, critics of creating a separate military service that say, well, if you’re creating United States Space Command, a combatant command for space, why can’t that be enough? Why do you also need a military service? Can’t we make Space Command kind of like Special Operations Command and give it some service-like authorities?

Patrick Shanahan: We can do anything, right? (Laughter.) I mean, this is – this is what’s – in terms of working on something, this has been a really great experience because we’ve got this big piece of clay that we get to work with. And a lot of the critics – so you have people that are at the subatomic level and they get into, you know, let’s move this little piece of the clay, you know, from here to there. I’d go back to the – when I came into the department, they said space is really important. And Secretary Rumsfeld back in the early 2000(s) tried to move the ball. So we’re talking about moving the ball. That’s the most important piece.

Patrick Shanahan: I’d go back to the – your – the essence of your question.

Todd Harrison: So Space Command.

Patrick Shanahan: Oh.

Todd Harrison: Why isn’t creating combatant commands sufficient?

Patrick Shanahan: Well, the Space Command will only get after dealing with space, but not any new tools. You know, the big – the big change is we woke up one day and space was contested, and everything that we had designed for was no longer as capable as we thought. You know, imagine being able to walk around your neighborhood and never having to lock your door, and one day all of a sudden you have to lock your door. And things that we have in orbit aren’t capable of that. And so you say a $19 trillion economy – that’s just ours, but you know, everybody runs off of space. So how do we protect ourselves? So the Space Command just gets that. We want somebody every day to think about are we defending the economy, and do we have someone focused on making sure that the military systems are protected?

Patrick Shanahan: The most important thing is, now, how do you replace that critical infrastructure so that it’s resilient, redundant, survivable, and has new capabilities because it really is contested? That is the most critical and pacing item. This is about retiring risk.

Patrick Shanahan: The structures are interesting. There’s lots of ways to go about it. But it’s mostly – we put together a roadmap, and the roadmap was about how do we leverage space to reduce threats to the United States? So the first element on the roadmap is how do we counter hypersonics that are a risk to our men and women and to the homeland?
Patrick Shanahan: Space is a fantastic place. You’re not geographically limited. We’ve built a space plan around the things we need in order to compete and win against China and Russia.

Todd Harrison: And so just last week Chairman Smith and the House Armed Services Committee – he said that, you know, oh, they’ll take a look at the Space Force proposal, but they’re going to come up with something different on their own within their committee.

Todd Harrison: You know, have you had discussions yet about what kind of changes they would like to see? Or do you have any indications on, you know, specific parts of the proposal they’re not happy with?

Patrick Shanahan: I haven’t walked through the proposal with Chairman Smith, but a lot of my interactions on the Hill have gone this way. In terms of how we view the threat and the changes we need to make, pretty universal about, you know, being more aggressive, leveraging commercial innovation, removing red tape, doing things for less cost.

Patrick Shanahan: The feedback I’ve received is worry about adding or building bigger government. That part has been universal. And, you know, I don’t blame them. I mean, I think, you know, we all want the same thing. We want a lean and a very thoughtful use of resources. But that’s generally been the feedback. And the conversations have been like this: Explain to us, you know, how you’ve come up with your costs, or help us to understand why this isn’t, you know, a redundant effort.

Todd Harrison: You know, in terms of the bureaucratic politics within the building – so this is something that has basically been in your lap since you came to the Pentagon. You’ve been working on it, you know, from beginning to end. How have you seen the bureaucratic politics evolve during this time period? You know, because when the Space Corps proposal came out from Congress in 2017, the Air Force very publicly opposed it. And now, you know, DOD is submitting a proposal that’s somewhat similar to that. How has that process been? And, you know, what are your experiences in dealing with the internal bureaucracy throughout this?

Patrick Shanahan: Well, the experience has been like every experience I’ve ever had where change is involved. You know, it’s human nature, any time somebody proposes something different, until you understand the why and the how, there’s a lot of questions that you have to kind of work your way through. But, you know, human nature is, you know, perpetuate the status quo. Something that is a significant change represents uncertainty.

Patrick Shanahan: I think when we started on this journey, there wasn’t a lot of definition. There was a lot of top-down direction. And as we’ve moved along and talked about the problems we want to solve and how we want to solve them, you know, there’s been less pushback. The pushback now comes in the flavor of, well, why not do it this other way? Or this might be a better approach.
Patrick Shanahan: But, you know, if you step back and think about what we’re trying to do in the department is we haven’t modernized in 30 years. The muscles we have aren’t from modernization. I mean, this is about doing something very different. And so the first reaction is, well, that’s not what we’ve been doing or we’re not resourced to do this.

Patrick Shanahan: So I think this is characteristic of the changes we’ll see as we continue to evolve things when it comes to, you know, hypersonics or cyber, so a lot of these – a lot of these domains. But, you know, this is our – this is our 30-year window. Every 30 years you decide you’re going to make a change and takes people – you know, you’ve got the fence sitters. You’ve got the people that really want to drive it and then some folks just never want to do it. But I think now you’re starting to see momentum because we’ve been resourced, because we’ve been consistent with our strategy, and because people truly do recognize the security environment.

Todd Harrison: And so a question from the audience here. You know, the House is probably going to be the easier chamber to get this proposal through in some respects since they’ve considered this in the past and voted on it. But the Senate is, largely, unknown what they would do. They haven’t actually debated a proposal like this in the past like the House has.

Todd Harrison: So, you know, we’d invited Senator Inhofe. Unfortunately, he couldn’t be here today. But, you know, what’s your message to Senator Inhofe, Senator Fischer, and others on the Senate Armed Services Committee on, you know, why they should support this? Because they have been somewhat skeptical in the past. You know, what’s your – what’s your elevator speech for them on why they should get on board and why this is necessary right now?

Patrick Shanahan: Well, I’ll give you the elevator speech in a second here. But what I’ve – what I’ve found with Congress as a whole is a willingness to be persuaded. People have lots of positions. What I – what I’ve found in my short time here is that when we spend our time talking about interests, that’s when, you know, people are open minded to being persuaded and the – I think the compelling piece here is that $19 trillion economy and the military run on space and we need to have confidence that we’re really protecting that, and then we start to talk about how do we – how do we develop and field the capability and that’s really – when we sit down and we talk about we can develop it this way or we can develop it this other way, that becomes the selling point.

Patrick Shanahan: But it gets a little bit technocratic and I think for most people what they want to do is have their staffs educated that this isn’t – that we’re not – we’re not falling into some acquisition trap. I think that if I was to, you know, characterize the difference on our approach here, is that – and it – what we should spend our time talking about is, you know, how does this tie back to Space Command? If you think about what we’ve been doing for the last 30 years, it’s really more acquisition or kind of running our process. This is getting back to how do we do development. It is new muscle movement. So we’ve really – we can’t do
acquisition. We have to do development. And if you said you have a small window – we don’t have 10 years to do this. We have – you know, the money is not always going to be there. So you have a window of time in which you’re going to do something.

Patrick Shanahan: So you fundamentally have to ask the question, do we reorganize over five years and resolve all our acquisition inefficiencies and figure out how to leverage the industrial base or, you know, would we look at this through the lens that General Schriever would look at. What we’d do is we’d say, get people that have technical chops, who’ve had a history with acquisition, that understand a clear threat, and let them do their job, and what I’ve found in the department is when we enable people to go do that we have wonderful results.

Patrick Shanahan: My comment about 10 different architectural studies going on, why would we want to do that? I know what’s going to happen. We’re going to come up with, you know, six or seven and then we’ll end up morphing them over time and we’ll end up spending more money. We’ll argue in the near term about, you know, some bureaucratic costs. But the real costs of development is the area we want to keep our eye on.

Todd Harrison: And so speaking of costs, another question from the audience here is in this budget proposal it lays out a cost of $2 billion over five years for standing up a space force. That’s the new cost of standing it up, and some in Congress and outside of Congress have said that, no, they actually think it’ll end up being more than that. So, you know, what’s your confidence in the cost estimate? And how does it differ from the $13 billion estimate that we got from the Air Force back in September?

Patrick Shanahan: I think the Air Force estimate had just different assumptions. And I think over time it had growth factored into it. I’d say our $2 billion number is a good parametric estimate. It’s really more of a top-down number than it is a bottoms-up number. And, you know, for the purpose of moving at speeds, you parametrically generate a number. But in the department, we’re really going to do a bottoms-up approach to cost.

Patrick Shanahan: Cost grows if you don’t limit it. So to me it would be like we need to cap it. The – if we do the top-down approach in terms of, you know, normal equities of traditional structures, I think it’ll probably grow. That’s what normally happens. I think we have to be very thoughtful. But remember, this is much smaller. So when we – you know, when somebody says we’re going to start a new service, you start to think about, well, like, the Army, you know, with half a million people. We’re talking 15,000 to 20,000 people defending $19 trillion.

Patrick Shanahan: When we make a mistake in development, we’re talking billions. So, I mean, part of this is – and I’m very sensitive – we need to be very mindful about creating bureaucracy, because it endures for a long time. I think we’ll get the cost piece right. We’ve got to get the development piece tracking sooner and more quickly.
Todd Harrison: Next question here is, you know, when standing up the Space Force, obviously most of the unclassified military space assets belong in the Air Force. But, you know, the Navy and the Army have some substantial space capabilities as well. So is the intent that you would move over those Navy and Army space capabilities? And what would the timeline for that be?

Patrick Shanahan: Yeah, this is the normal part of change where people worry about, because when we talk about organizing, it’s immediate. Well, what’s going to happen to me? Does my home office change? Do I – am I out of a job? Does my job move? And the way we’ve really been looking at going more quickly is against the roadmap we put in the 1601 report.

Patrick Shanahan: So I would, you know, at a high level say, in the short term, legacy is legacy. So what – why would we burn a lot of calories, you know, moving things that are working today into some new organization? At some point there’s some realignment that just makes sense. But it really is how, with new authority, and getting after the threat, how do we organize for that?

Patrick Shanahan: What I would argue is, within the resources we have today, there are a whole bunch of people, if we said would you like to join this team, they’ll kick the door down and say, can I join? And again, remember, we’re not talking huge numbers, but we’re talking about making a huge difference that has a huge impact on the economy that we’re protecting.

Todd Harrison: So, you know, next question –

Patrick Shanahan: You guys all look so serious. (Laughter.) This is a good day, right? Yeah. This is such a good subject. I mean, you know, this is – (scattered applause) – this is about the future. You know what I mean? We’re working on the future.

Todd Harrison: Next question is, you know, some of, you know, the differences between this new Space Development Agency and existing acquisition organizations like the Space and Missile Systems Center within the Air Force.

Todd Harrison: So how do you view, in the near term, kind of the division of responsibility between these organizations?

Patrick Shanahan: Well, we talk about it maybe at a macro level. I mean, you know, we’re still working through the details.

Patrick Shanahan: The – when I talk with General Thompson – again, what we don’t want to do is disrupt the work that they’re doing today. And General Thompson has been going through a transformation program called SMC 2.0. And the team down there continues to take cost and risk and shorten flow time. So hats off to them.

Patrick Shanahan: I would say there it’s – you know, whether it’s a carve-out of some of the capability that they have, whether it’s a drawing on the resources, you know, they’re an element of the Space Development Agency. What I think everybody here in this room should recognize is the talent and capability in the SMC is
unbelievable. And as you go around the department, the technology and the
talent is extraordinary. This is about how do we harness it in this – in this short
term. I go back to, you know, what would General Schriever do, the – and that’s
just our task at hand. I mean, there’s a scope of word that we have to undertake.
We need to preserve the capabilities that are in place.

Patrick Shanahan: I mean, I think when people hear about the proposal, they think we’re going
drop existing structures, run away from them, and we’ll be in a freefall. That is
not the case. This is about a carveout so that we can go faster against
hypersonics. This is a carveout, so we can do more missile defense more
quickly. This is a carveout so that we can draw – you know, the NDAAs, when
you read them, it’s: Do things that are more innovative, tap into the industrial
base, cut red tape of the, you know, DOD 5,000. We’re not going to do the
whole space mission, but there are segments now, if we leverage less red tape
and the huge investment that’s been made in commercial space, we can go a lot
further for less more quickly.

Todd Harrison: Another question here I’m getting – seeing several from the audience, basically
relating to the interaction between the Space Force proposal and NASA and
human spaceflight. So I know from reading the proposal NASA’s not part of it,
may not be part of the Space Force, would not be – you know, there would be no
human spaceflight in it. But can you just elaborate on that, on – you know, that
there is this distinction and, you know, would this change that in any way?

Patrick Shanahan: It does. And it’s – you know, it’s part of the calculus – the change calculus. So
if you said let’s pick up NASA, let’s do all the intel organizations, let’s do legacy
– I mean, we’d be dead on arrival. You know, this is – later on, as we are
successful, people are going to want to hitch a ride. And if we’re not – I mean,
I’d prefer to stand on our success.

Patrick Shanahan: We’ve had wonderful conversations with the intelligence organizations, and they
go like this: Let’s technically be aligned. Let’s make sure, you know, we think
about architectures. Organization, that happens – it’s always complicated, but
let’s make sure in terms of the capability we’re going to harness together later
we’ve laid the pipe and we’ve provisioned for those things. That alignment’s in
place.

Patrick Shanahan: The arguments we’re going to have about lines and boxes on charts we’ve tried
to push off for another day, not because they’re unimportant. We don’t need –
we don’t need to have those discussions right now. We have to move out against
some of these threats – and we can, independent of those discussions but with an
eye towards how these pieces come together later. Success will bring those other
pieces together.

Patrick Shanahan: And because there’s – you know, the – five years from now, because of what we
can do with data in these new environments, these organizations are going to
naturally change. So it’s about putting that in place. The other part will follow.
I mean, it – you just look around the world. Every place where people start to
have better information, their organizations change. So instead of having that debate, do the work and then that’ll naturally occur.

Todd Harrison: So, you know, speaking more broadly about innovation within the Department of Defense, some, you know, of the high-tech companies have shown a reluctance to work with DOD, to work with the military. Do you see that as a lingering problem, as something that, you know, the department needs to address?

Patrick Shanahan: I do. We’re really hard to work with. (Laughter.) I don’t know if you – if you – if you guys think that, but you know – (laughs) – it’s not just hard, it’s expensive. I mean, we – you know, for a lot of good reasons we ask people to produce certain information or, you know, use certain processes, but all those things add cost. And if you’re somebody who’s using their own money or investors’ money and you have, you know, the opportunity to pursue something commercially or with the government, it causes – it really does cause people to pause. So I would – I would say – and Secretary Lord understands – this is one of the things she’s working on, is how do we make it easier to do business with the government. But I’ve heard this from investors, entrepreneurs, small-business owners. It’s we – they’re very clear: we have great stuff for you to use, but it’s just really hard to work with you and it takes too long.

Todd Harrison: And so, you know, last question for you. So, you know, how are you adjusting to the new job, acting secretary? And what kind of surprises have you seen so far in this new position?

Patrick Shanahan: OK, I’ve seen a lot of surprises. (Laughter.)

Patrick Shanahan: When I – when I think about the job and what’s really important right now is continuity and being able to stick to the National Defense Strategy. You know, we’ve – I want to say it’s, you know, a year ago that we rolled out the strategy, but we’ve really been working to the strategy for about 18 months and we’ve been resourced to the strategy. And what I think you would find really encouraging is there is a tremendous amount of alignment within the department. I think it’s not a – it’s not a – like, the biggest surprise it’s the thing that, you know, gets me up in the morning and makes me really excited is we can – we can win this game. I mean, we have – we have the people and we have the resources.

Patrick Shanahan: You know, there’s a lot – as everyone knows, you pick up the newspaper, there’s a lot going on, you know, in the world today, and especially in this – in this town. I’m really encouraged by the talent and the opportunity that we have in front of us. We’ll push through all the – all the – all the challenges. I mean, that’s just – that’s life in a very complicated world. But I think the biggest surprise for me is the commitment and the unwavering dedication to implementing the National Defense Strategy.

Todd Harrison: Yeah. Secretary, I know our time is up. I want to thank you for joining us here at CSIS.
Todd Harrison: And, folks, please keep your seats until the secretary’s had a chance to exit the building.

Patrick Shanahan: All right, great. Thank you, everybody. (Applause.)

(END)