I took a little bit of time and put some talking points together to make sure I stay on track. Nothing more intimidating than having a camera pointed at you, as having a microphone in front of you, and worse is having a countdown clock that you’re looking at [audience laughter] on the floor here. So I wanted to be concise. But unfortunately this event has been so rich, that I’ve already filled my first page full of notes, with comments that others have made. And I want to touch on those comments, because it’s really core to what I wanted to say in the ten minutes I have allotted here. I’m going to be brief, because I want to get to your questions and comments.

But I was struck by Secretary Hagel’s comments on his expectations, and I can speak for my fellow leaders in uniform that we take it as an obligation to understand broadly the challenges that are experienced in whatever our area of responsibility may be.

I was struck by Minister Ishiba’s comments on birth rate and mortality rates. It is something that I actually think about quite a bit. I frame it in the context of demographics. Too oftentimes I think that people have the misperception that wars are the result of militarization. I have not found that to be true in the history that I’ve studied. In my mind they’re the result of political, diplomatic, economic, or cultural differences. I think we’ve got some examples at hand, certainly in the Pacific, with World War II and the Vietnam War and the Korean War, and others as well. The trigger event is oftentimes demographics, where the cultural differences or whatever they may be drive those conflicts.

There’s been some discussion about TPP. I was going to talk about it in my comments. I made a recent trip through the theater with Asst. Secretary of State Danny Russel. I defer to him. He is better suited to speak to it. And it is always dangerous to speak about one issue. If one issue is most important, what is it? I tend to avoid answering the question directly. I’d love to live in a world where I have just one really important issue to think about. But if I had to pick one thing, absent domestic concerns with TPP, if I had to pick one thing in the Pacific that has the greatest potential for increasing the stability, and overcoming the vectors of instability that are in play, it’s TPP. It’s a mechanism that draws economies together. And my comments before about, it’s not the militarization that concerns me so much, it’s this fracturing that we see in longstanding relationships.

As the President has said, the United States is a Pacific nation. Certainly resonates with me. I was born in Hawaii. Lived there for two years. My family moved to Japan, and we lived in Japan until I was five. Then we went to San Diego, and I grew up, essentially from that point on, in San Diego.

I’ve been a Pacific Fleet Sailor my entire career in the Navy, some 37 short years. I’ve always been a Pacific Fleet Sailor.
And my experience is not unique. It’s a common experience, I think, that we share as Americans.

I was also struck by Secretary Cohen’s comments on the $13B that supports the U.S. forces, and I can tell you as the Pacific Fleet commander, I could not do the things that I do, some of them enumerated just now by Adm. Blair, were it not for the strong support of my Forward Deployed Naval Forces, that are supported exclusively out of Yokohama and Sasebo.

And then I look at my good friend Gen. Hironaka, retired Air Force general, who was the J3 on the Japanese staff during the Great Eastern Earthquake, and he and I worked very closely together when I was the J3 at PACOM. And now we find ourselves, thank goodness with less of the magnitude of event with the current earthquake. But I think it’s the great leadership of Gen. Hironaka and others who have set the stage for the great success of the Japanese Self Defense Force under the leadership of Adm. Kawano, that has responded so well to the current challenge that Japan faces.

People talk about the rebalance and refocus. I think that rebalance is the right term, and that’s the term that I use. And I think it goes back to, I think, a comment that Secretary Hagel made that this rebalance wasn’t an exclusive focus of the U.S. government or the U.S. military. The United States has global interests, we’ve got a global military that helps look after those interests, and I think you can see the events that have occurred globally since the rebalance, that we have been able as a military to operate in support of U.S. government interests from a global perspective.

I will say the 60/40 split, 60 percent of the Navy is committed to be stationed in the Pacific by 2020. We’re at about 57 or 58 [percent] complete. Oftentimes when I talk to my friends in the region, they wonder why we’re waiting. Why don’t we make that 60 percent commitment now? It’s because the ships and aircraft haven’t been built yet. So DDG 1000 is on its way. JSF is on its way. The P-8 is here now, but it’s not here in numbers yet. So the remaining percentages are those ships that are still being produced.

Our allies, partners and friends remain the backbone of regional security. That’s certainly true in the Pacific, as other speakers have mentioned before me, of the seven treaty allies, defense treaty allies that the United States has, five of them are located in the Pacific. And in particular, I want to highlight the importance of our relationship with Japan, South Korea and Australia, as they work as critical bridging elements to our other allies and partners in the region.

The U.S.-Japan alliance has been alluded to before, by the Ambassador and others, it has never been stronger. And it’s hard to believe it could be stronger. You just saw Adm. Takei. It’s wonderful to hear his voice. I just saw him at a recent conference in Malaysia. We conduct VTCs on a regular basis. And in fact, happenstance, not planned as part of this engagement, but he and I exchanged e-mails this morning.

Japan, as I mentioned before, is the home of Seventh Fleet and the forward deployed forces of Pacific Fleet.

There is more that can be done. And I’m going to defer to my close friend and shipmate, Otsuka-san here, to describe in better detail the recent Japanese initiatives that I think will move us from a step-by-step improvement of our relationship to a leap-ahead improvement in our relationship.
And people want to know what does that look like. I’m not sure that anybody – perhaps Otsuka-san can answer that question – but I’m not sure anybody can really answer that question. We’ll have to go at a rate certainly the Japanese government is comfortable with. But I can assure you that I’m excited about the potential that these changes make. And I’m ready to move forward at a pace that my Japanese partners are willing to move forward at.

This will take us beyond the minor evolutionary process our mil-to-mil relationship has progressed at, and as I said, enabling a much more substantial and substantive advancement of that relationship.

Now, just to make sure that I baseline everybody on this panel discussion, I want to outline what is the military piece of the foundation on which the last seventy years of stability that we’ve enjoyed since the end of World War II. And it’s that peace and stability in the Indo-Asia-Pacific that has engendered, I think, the great economic advancements that have been made. Largely from a military perspective, it’s fallen on the shoulders of the Pacific Fleet. I will tell you, my comments are directed towards the Fleet as it has been formed, really, since 1907, was as far back as we go to the original founding of the Pacific Fleet.

It’s the most capable, ready and significant naval force in the world. It’s represented by the combined power of Seventh and Third Fleet. As a previous Seventh Fleet commander, when I took over Pacific Fleet, I was surprised that everybody looked at the Pacific Fleet through the optic of Seventh Fleet, and Third Fleet was almost the forgotten fleet. So I spent some time bringing Third Fleet back into the focus.

What’s unique about the commander of Pacific Fleet, is that they’re responsible for both the production and consumption of readiness on a mass scale. I’ll talk a little bit about what that scale is in a moment.

I have a responsibility to provide fully trained, ready forces, ready for tasking, equipment to support those forces, not just for Adm. Harris as the PACOM Commander, but to every geographic and functional combatant commander around the world.

As the maritime component commander to U.S. Pacific Command, Pacific Fleet responds to tensions and crisis as we’re seeing in the recent earthquake response, manmade or otherwise, throughout PACOM’s maritime centric area of responsibility. Over 100 million square miles. The world’s economic and military center of gravity.

Three of the world's largest economies exist in this area. 15 of the 20 busiest seaports, seven of the world’s ten largest militaries are all in PACOM’s area of responsibility. Geographically, Pacific Fleet’s area of operations is larger, with a higher human population, than the rest of the geographic commanders’ areas or responsibility combined.

One of the most important tasks of Pacific Fleet is acting on President Obama’s strategy to rebalance to the Pacific, as has been addressed by other speakers. With respect to that effort, it’s important to note that there’s three groups that I regionally bin perspective on the rebalance in. One is doubting advocates. And it’s interesting that some of the speakers up here have even spoken about the concerns of Japan with respect to the rebalance. The second category is fence sitters, and those that are really holding back. And the third group are staunch opponents.
The largest group are those doubting advocates. The second largest group are the fence-sitters, the wait-and-see’ers. And the smallest is the staunch opponents. My primary focus is on the doubting advocates. In comments to Minister Ishiba’s remarks, I think it’s important to note that you can’t surge trust. And there’s a previous CNO who used that frame and was given credit for it. The most important thing that I do is build relationships, for the simple reason that the most important byproduct of relationships is trust. If you’re not building trust, then it’s decaying.

More than a few key leaders that I visit on a regular basis, while enthusiastically supportive of the rebalance, still harbor significant doubts about America’s ability and willingness to follow through on the rebalance with action. I think that’s why you see some of the angst that’s been commented on by some of the speakers.

Not my most recent trip, but the previous trip into the theater that I made, it included visits in New Zealand, Australia and Vietnam. I was stunned, I did not expect to have a discussion on American politics in New Zealand, Australia and least of all Vietnam. But that was a core focus from my unofficial and official calls as well men and women on the streets approaching me as an American, asking, you know, what was going on with respect to America and this view of the rebalance, and the value that America saw in the Pacific. Was this changing? Was this representative of how America thinks today?

The excitement and positive response to any of our rebalance initiatives has represented more the angst and uncertainty that resides in the region, and the desire for more examples of demonstrative commitment to that refocus, that rebalance.

This is a consequential group of leaders, those advocates with concerns. But just as in a Navy construct, it’s important to note that in the outreach, in the importance of Pacific Fleet, is the fact that there are 25 four-star navy counterparts who call the Pacific Fleet area of responsibility home. So from a Navy perspective, there is a natural connection to carry that dialogue forward.

So how do we get after this problem? The challenges that we have in the theater, as well as the grave concern, the angst, the uncertainty and the view of, will America be there to continue through on this rebalance?

I will say first is the continued commitment represented by the longstanding strength, power and storied heritage of Pacific Fleet and its commanders. This is our greatest Pacific national strength in my mind. Not to diminish the important work that Asst. Secretary Russel is doing and the State Department responsibilities, the Secretary of Treasury, all the elements of national power that are being applied towards the rebalance.

I oversee three operational subordinate commanders. One is the commander of Seventh Fleet, which most people are aware of. The other is the commander of Third Fleet, which most people are aware of. But some people are not aware that the Commander of Marine Forces Pacific, Lt. Gen. Toolan, also wears the hat as the Fleet Marine Force Pacific commander, where he is subordinated underneath my leadership. And this together comprises the most powerful expeditionary force, and most significant naval force in the world.
Responsible for U.S. naval engagement with 36 nations in the Pacific, including five of the seven nations that we have mutual defense treaties, as mentioned earlier. One of my challenges is that this reality is better understood by our allies, partners and friends in the region than it is by Americans themselves. I’m surprised at how oftentimes I need to explain to my own family what it is that I do as the Pacific Fleet commander.

And perhaps, hopefully, we’re victims of our own success, ensuring the peace and stability of the region for over 70 years. Perhaps there is our heritage of looking after our significant national interests in the Indo-Asia-Pacific region within the forces and funding assigned to us by the government. Perhaps it is the vast time and distance that the Western Pacific, Asia and Indian Ocean is from the continental United States.

But the regional access, responsiveness, transparency and solicitation of advice, counsel and recommendations, and predictions, of Pacific Fleet is stunning.

There’s a clear understanding in the AOR that the United States’ national importance and prioritization of the Pacific is represented in the authority and responsibility bestowed on the Pacific Fleet commander, represented by the breadth and depth of the Fleet’s assigned missions and tasks. These include the responsibility to man, train and equip the fleet through three subordinate three-star type commanders, the Commander of Naval Air Forces Pacific, the Commander of Naval Surface Forces Pacific and the Commander Submarine Forces Pacific, as well as regional responsibilities of the commander of U.S. naval forces Japan, Korea, Singapore and Guam.

I want to put this last point in perspective, and I’ll close and turn the podium over to Admiral Otsuka-san, and that is what is required to support these missions, functions and tasks in a way of assignment, management and leadership of assets that total more than $500B in ships, aircraft, equipment and infrastructure.

Now I use this often when I talk to my friends and allies in the region that get concerned, can we sustain the rebalance? This lack of understanding of how powerful the Pacific Fleet really is, taking the combined power of Third and Seventh Fleet.

140,000 Sailors are assigned to Pacific Fleet, by far the largest single command, with an annual budget of $12B.

Now for this audience, in comparison, if I put it in the context of a Fortune 500 company, roughly, the average Fortune 500 Company as 90,000 fewer employees, and over $450B less in assets and revenue.

That’s what the power of the Pacific Fleet… That’s what the commitment of the refocus is to the Pacific Fleet that the President has been so adamant about. And if that’s not enough to wrap your head around, there’s just one more point I want to make specific to the Pacific Fleet command in this era of reduced funding, pressurized budgets and focus on bloated senior staffs. All relevant, and needed focuses, I will say.
But the Pacific Staff that provides the necessary strategic and operational integration, deconfliction, synchronization and the mitigation oversight commensurate with the Indo-Asia-Pacific area that I’ve outlined here, if you go back 20 years, the Pacific Fleet staff is exactly the same size, almost the same size as it was 20 years ago, approximately 850 uniformed and civilian Sailors and contractors. I say almost because it’s actually 18 percent smaller today than it was 20 years ago, having embraced and executed a staff reduction in [2003], a reduction that was made during Operation Enduring Freedom, supported by the first carrier that arrived, USS Kitty Hawk, our forward deployed naval force, Operation Iraqi Freedom and a shift of 60 percent of U.S. naval power to the Pacific. And now Chairman’s CRIKT. I hadn’t heard this acronym before, until just last week, and that is the Chairman’s continued comment about the importance of China, Russia, Iran, Korea and Terrorism. Of those five, the Iranian influence is the least – it’s still present in the Pacific, but the previous four, China, Russia, Korea and terrorism certainly no stranger to the Pacific.

Let me stop at that point and turn the podium back over to Adm. Blair, is it Adm. Otsuka-san the next up? And I look forward to any questions or comments that you may have.