John Heubusch (00:04):
As you can imagine here at the Reagan Library, we love any opportunity to quote our 40th President, but what we really love is the chance to quote someone else quoting him. It was in 2016 lecture at Auburn University that then general Lloyd Austin told students of a plaque that President Reagan kept on his desk. One of the privileges of my job is access to President Reagan's last working office, and here is that plaque. It reads, "There is no limit to what a man can do or where he can go, if he doesn't mind who gets the credit." General Austin making his point to the Auburn students, encouraged them, "In all that you do, look for ways to enable the success of others."

John Heubusch (01:14):
This is the mantram, and this is the spirit by which secretary Lloyd Austin has lived his life and served his country. It is that sincere selflessness, that refusal to seek credit, say those who best know him, that set him apart, empowered his meteoric rise from Mobile, Alabama to West Point to the Commander of US Central Command responsible for all military operations in the Middle East and Afghanistan, and now, out of uniform to become the 28th United States Secretary of Defense. It is our honor to welcome him today as the keynote speaker at the Reagan National Defense Forum. Throughout his career, he's been a trailblazer for others, breaking barriers, becoming the first Black American to hold some of the nation's highest defense positions. He's been praised as a soldier, even as a Brigadier General in Iraq, he famously carried an M4 service rifle fully loaded instead of a pistol as generals traditionally do, the troops adored him for it. When President Biden announced his choice for Defense Secretary last December, he called Secretary Austin, the definition of duty, honor, and country, here at the Reagan Foundation, those are the very values that matter most. Mr. Secretary, we look forward to hearing your vision for the choices our nation must make as we confront new and enduring challenges. Ladies and gentlemen, please join me in giving a warm welcome to the 28th United States, Secretary of Defense, Lloyd Austin.

Hon. Lloyd J. Austin III (03:16):
Well, thank you, John for that kind introduction, and thanks for everything that you do for the Reagan Presidential Foundation and Institute. And good afternoon, everybody. It is great to be here in person at the Reagan National Defense Forum. And I'm glad to see so many friends and valued colleagues including a truly outstanding delegation from the Department of Defense, this is indeed quite a crowd and I'm honored to be here at the Reagan Library. The old saying is that, "Institutions are shadows of people." And this library is a tremendous extension of the legacy in optimism of President Ronald Reagan. He always believed that Americans were up for a challenge, up for eating hard problems with a can-do spirit, he had bedrock beliefs, a love of democracy, a zeal for free enterprise, and an implacable opposition to autocracy. Yet President Reagan also showed a willingness to change and to work together even with an old foe to try to make all our children safe from the specter of nuclear war, that's central to his legacy, not just the vigor that he showed in waging the cold war, but the vision that he showed in helping to end it. In today's changing world, I hope that we can, again, summon Ronald Reagan's solid conviction, that this country can be stronger, prouder and better, and his confidence in the power of Liberty, his enthusiasm in the face of challenge, and his openness to seize an opportunity for statesmanship.

Hon. Lloyd J. Austin III (05:42):
Now, if you're looking for some of that spirit today, if you're looking for optimism, and pragmatism, and patriotism, and if you're looking for a can-do attitude in American life, well look no further than the
United States military. Our outstanding men and women in uniform volunteer to work hard and to
sacrifice mightily, and they don't expect any rewards besides a quiet satisfaction of a mission achieve,
and the fellowship of teamwork, and the honor of defending our democracy. So we're enormously
grateful to them, and to their families as well, and in return, we owe them clear thinking about the
challenges of our change, and we owe it to them to make the world of the 21st century far more secure
and far less bloody than the world of the 20th.

Hon. Lloyd J. Austin III (06:51):
I've spent a lot of time thinking about that over the past few days. And my team and I took the long way
to California, by way of South Korea where we held our important annual security talks with key allies,
this was my third trip as Secretary of Defense to the Indo-Pacific. And that's yet another sign of the
priority that we give to the region in our commitment to its security and prosperity and openmess
importance, because of something that everyone who lives in California understands. America is a
Pacific power and we will always be, and the Indo-Pacific is a region of great opportunity and real
challenges, and one of those challenges is the emergence of an increasingly assertive in autocratic,
China, and that's what I'd like to focus on today.

Hon. Lloyd J. Austin III (08:02):
Now, President Biden has said that we are in stiff competition with the people's Republic of China, and
as he's made clear, Beijing is the only competitor capable of combining its economic, diplomatic,
military, and technological power to mount a sustained challenge to a stable and open international
system. So we've got to be clear about the challenge of China and what we need to do to meet it. I'd like
to focus today on the security dimensions of this competition, because we've seen two decades of
breakneck modernization by the People's Liberation Army, and China's military is on pace to become a
peer competitor to the United States and Asia, and eventually around the world.

Hon. Lloyd J. Austin III (09:05):
China's leaders are expanding their ability to project force and to establish a global network of military
basis. And meanwhile, the PLA is rapidly improving many of its capabilities including strike in air and
missile defense, and anti submarine measures, and it's increasingly focused on integrating its
information, cyber and space operations. So that means, new areas of competition in space and
cyberspace where the norms of behavior aren't well established and the risk of escalation and
miscalculation are high. Meanwhile, China is pouring state funds into key sectors including Quantum
research, and Beijing is pursuing what its leaders call indigenous innovation to cut its reliance on
imports, and all that is fueling swift advances in PRC technology with significant implications for China's
military. China's nuclear posture is changing as well, the PLA has been rapidly advancing its nuclear
capabilities, and that includes growing its nuclear arsenal to at least a thousand warheads by 2030, and
modernizing its delivery system, and building a nascent nuclear triad.

Hon. Lloyd J. Austin III (10:45):
Now, we always assess not just capabilities, but also intentions and actions, and the leaders of the
Chinese communist party have been increasingly vocal about their dissatisfaction with the prevailing
order, and about their aim of displacing America from its global leadership world. Chain's President, Xi
Jinping, regularly talks about, "Great changes unseen in the world in a century." And he recently assured
his fellow party members that, "Time and momentum are on China side." President Biden has been very
clear about his concerns over China's human rights abuses and it's bullying of other countries, and
Beijing is misusing technology to advance its repressive agenda at home and exporting the tools of autocracy abroad. Now, I've repeatedly described China as a pacing challenge for the Department of Defense, but I chose the word challenge carefully. We seek neither confrontation nor conflict, and as President Biden has repeatedly made clear, we're not seeking a new cold war or a world divided into rigid blocks. So yes, we’re facing a formidable challenge, but America is in a country that at fears competition, and we’re going to meet this one with confidence and resolve, and not panic and pessimism

Hon. Lloyd J. Austin III (12:45):
As president Reagan put it, "The future doesn't belong to the faint hearted, it belongs to the brave." So we are determined to deter aggression and to prevent conflict, and to establish common sense guardrails. And our new initiatives are part of a government-wide approach that draws on all tools of national power to meet the China challenge. Now, this Department has been stepping up its efforts on China since the very first days of the Biden's administration. Our China task force sharpened the Department's priorities and charted a path to greater focus and coordination. We made the Department's largest ever budget as for research development, testing and evaluation, and we're investing in new capabilities that will make us more lethal from greater distances and more capable of operating stealthy and unmanned platforms, and more resilient under the seas and in space and cyberspace. We’re also pursuing a more distributed force posture in the Indo-Pacific, one that will help us bolster deterrence and count our coercion and operate forward with our trusted allies and partners. We're developing new concepts of operations that will bring the American way of war into the 21st century, working closely with our unparalleled global network of partners and allies.

Hon. Lloyd J. Austin III (14:31):
Ladies and gentlemen, we will always stand ready to prevail in conflict, but America's defense will always be rooted in our resolve to prevent conflict. Now, what I call integrated deterrence will be the cornerstone concept of the new National Defense Strategy that I will release early next year, and it means integrating our efforts across domains and across the spectrum of conflict to ensure that the US military in close cooperation with the rest of the US government and our allies and partners makes the folly and cost of aggression very clear.

Hon. Lloyd J. Austin III (15:17):
I’d like to focus today on two key elements of integrated deterrents, and those are partnership and innovation. First, we're building on a lesson that I learned over four decades in uniform. In war and in peace we're always stronger when we work together with our friends, and that defines our approach to the China challenge. No, we're not seeking an Asian version of NATO or trying to build than anti-China coalition. And we're not asking countries to choose between the United States and China, instead, we're working to advance an international system that is free and stable and open, and we're strengthening our peerless network of allies and partners with a shared commitment to a peaceful and prosperous Indo-Pacific, a region where all countries are free from coercion, and where the rules that buttress stability and expand Liberty are upheld together. As one Western leaders said in 1989, "We know more clearly than ever before that we carry common burdens, and face common problems, and must respond with common action." No, that wasn't Ronald Reagan, it was Margaret Thatcher.

Hon. Lloyd J. Austin III (17:06):
Now, my first trip as secretary took me to Japan, and South Korea and India. And a few months ago, I had the opportunity to visit with leaders in Singapore, in Vietnam, in the Philippines. Yesterday I was in Seoul, and early next year I'm planning on heading back to Southeast Asia. And in every conversation with our partners, I hear the same thing again and again, a call for the United States to continue playing our stabilizing role in the Indo-Pacific, and make no mistake we will, and that means joint exercises such as the recent six-country multi-carrier operation in Asia, it means deepening our R&D relationships with our regional allies and partners, it means encouraging the helpful in growing security role that our European allies are playing in the region, it also means strengthening the Indo-Pacific security architecture, that of course centers on our valued alliances and ASEAN, but it's reinforced by a range of mechanisms, both old and new, including the Indo-Pacific Quad, and AUKUS, and the Five Eyes, and the triangle of the US, Japan and South Korea. And finally, we remain steadfast to our one-China policy and our commitments under the Taiwan relations act to support Taiwan's ability to defend itself while also maintaining our capacity to resist any resort to force that would jeopardize the security of the people of Taiwan.

Hon. Lloyd J. Austin III (19:20):

As President Biden told President Xi last month, "We share a profound global responsibility to ensure that the competition between our countries does not veer into conflict, whether intended or unintended." And we're going to stick to what President Biden calls, "simple, straightforward competition." Yes, we have real differences, both over interest and values, but the way that you manage them counts, and we're going to be open and candid with China's leaders. As President Biden put it, "We need to talk honestly, and directly with one another about our priorities and our intentions." And big powers should be models of transparency and communication. So we're actively seeking open lines of communication with China's defense leaders, especially in a crisis and both between our diplomats and our militaries, and we're taking steps to reduce risks and to prevent miscalculations. So we're going to build on President Biden's discussions with President Xi, and President Biden's pushed to develop ways to manage strategic risk and work to build strong, sensible guardrails around this competition.

Hon. Lloyd J. Austin III (20:53):

Now, I also want to focus on a second element of integrated deterrence, and it's one that I'm especially looking forward to discussing with this audience, an audience with so many industry leaders, and entrepreneurs, and members of Congress, and it centers on America's unique, competitive advantage, and innovation. Now, integrated deterrents requires us to weave together cutting edge technology and operational concepts, state-of-the-art capabilities to seamlessly dissuade aggression in any form domain or theater, and so that means that innovation lies at the heart of American security. Now huge advances in AI, and edge computing, and nanotechnology are already underway in America, and much of that right here in California. Nobody innovates better than the United States of America, but we can't take that for granted. And at the Department of Defense, that means that serious changes to some of the ways that we've done business must be done. So let's face it, for far too long, it's been far too hard for innovators and entrepreneurs to work with the Department and the barriers for entry into this effort to work with us in National Security is often too steep, far too steep.

Hon. Lloyd J. Austin III (22:41):

My recent travels, I've seen some outstanding examples of cutting-edge-tech including weeks ago in Bahrain, where I saw unmanned, solar powered, Naval vessels that used AI to build a shared picture of the surrounding seas, but it often takes too long to get that kind of innovation to our war fighters. So
let's say that some great California start-up develops a dazzling way to better integrate our capabilities. All too often, that company is going to struggle to take its idea from inception, to prototype, to adoption by the Department. We call this syndrome, "the valley of death." And I know that many of you in this room are painfully familiar with it. It's bad enough that some companies get stuck in the valley of death, but some brilliant entrepreneurs and innovators don't even want to try to cross it, and work with us, so the Department has to do better.

Hon. Lloyd J. Austin III (24:00):
Let me tell you about some steps that we're taking to transform the way that we do business. First, we're paving new pathways for American innovators and entrepreneurs to work with us. Consider the Defense Advanced Research Projects Agency, better known as DARPA, it is legendary for scientific breakthroughs. But now, DARPA is also connecting its top research teams with corporate leaders and US investors so that those teams can build successful businesses with cutting-edge-technologies that they develop. Second we're doubling down on our Small Business Innovation Research program, which as it happens, was signed into law by President Reagan. This program helps fuel American firms to pursue R&D tailored to the Department's unique tech requirement, and so far this year we've awarded funds to more than 2,500 small businesses working on ground breaking tech. We're also doing more to integrate the Department's innovators into tech hubs around the country, we're academics and business leaders and innovators thrive.

Hon. Lloyd J. Austin III (25:28):
So we recently opened defense innovation hubs in Seattle and Chicago, adding to other sites from Austin to Boston. So the goal here is simple, to connect with new talent who will help us compete and win on challenges countering from countering UAVs to responsibly leading the AI revolution. And finally, we're making it easier for companies to safely cross that valley of death. And I would like to commend the congressional leaders who have tackle this issue, and many of you are here today, but we need all of your help, and this is urgent. We can't just keep funding programs and platforms that will be irrelevant, and we must streamline the acquisition process or we'll tie one arm behind our backs.

Hon. Lloyd J. Austin III (26:35):
So the Department of Defense has established the rapid defense experimentation reserve to let us quickly see if promising tech and prototypes can help our war fighters. It helps identify our most pressing capability gaps and makes funds available to test new technologies that could be game changers, and it lets the Army, the Navy, the Air Force, the Space Force and the Marine Corps out innovative tech together at scale for the first time, because when we maintain our technological edge, we maintain our military edge. And let me be clear, the United States of America has an advance that no autocracy can match, our combination of free enterprise, free minds and free people.

Hon. Lloyd J. Austin III (27:35):
Even in times of challenge, our democracy is a powerful engine for its own renewal. So I will put the American system up against any other and I'll do so with great pride and total confidence. No other country has a creativity to put such phenomenal computing power into our pockets, and no other country has our astonishing universities, our grounding rule of law and our restless spirit. So let me offer a call to action to American businesses, large and small, and to everyone in this room, including industry leaders, join with us, work with us, and help keep our country strong. Let's meet this moment with all the innovation and ingenuity that America can muster because America's strength in the world rests on
its strength at home. An innovation in America is rooted in the creativity of an open society and the ingenuity of an open mind.

Hon. Lloyd J. Austin III (28:47):

As President Reagan put it in 1988, "Progress is not for ordained. The key is freedom, freedom of thought, freedom of information and freedom of communication." Ladies and gentlemen in America, we don't fear competition. As President Biden says, "In the competition against China and other nations of the 21st century, let's show that American democracy and the American people can truly outcompete anyone." This is America, we're still a country that can do great things from vaccinating people against a terrible virus, to saving lives of civilians in peril, to building a new architecture for global security, great powers today must shoulder great responsibilities for the safety of our citizens, for the defense of our democracy, and for the security of our world. So we're going to do our part, we'll meet the challenges of the 21st century, but we will face them with fortitude and not fear, democracy has always been our roadmap to success and security, and I wouldn't trade it for anyone else's. Thank you very much.

John Heubusch (30:25):

Thank you, Secretary Austin, as expected, you have challenged us and given us a great deal to discuss. So, to continue the conversation, please welcome Fox News anchor, Bret Baier to the stage for a discussion with Secretary Austin.

Mr. Bret Baier (30:43):

Mr. Secretary. Thank you very much, it is great to be here back in person at the Reagan National Defense Forum, I think I've done this keynote interview four times, and Mr. Secretary, I hadn't talked to you in person, we talked when you were a general in the Middle East, the last interviewed you, you have a bit of a different portfolio now. So we have a few other questions to get to.

Hon. Lloyd J. Austin III (31:08):

Sure.

Mr. Bret Baier (31:09):

I want to follow up with your speech about China, but I want to start with something that's pressing right now on the international stage, and that is that senior officials are confirming to us that Russian plans call for a military offensive against Ukraine as soon as 2022. An intel possibly involving 100 battalion tactical groups, 175,000 Russian troops, armor, artillery equipment, there are already almost 100,000 Russian troops along that border with Ukraine. So my question is this, how concerned are you that Russia this time is not bluffing that in fact they will invade Ukraine?

Hon. Lloyd J. Austin III (31:53):

Well, we remain focused on this Bret, they've invaded before, and so as we look at the numbers of forces that are in the border region, as we look at some of the things that are occurring in the information space, as we look at what's going on in the cyber domain, it really raises our concern. We remain focused on this, we are certainly committed to helping Ukraine defend its sovereign territory, you heard President Biden speak about this, I think yesterday, and in terms of our concern, we're very concerned and it's something that we're going to remain focused on going forward.
Mr. Bret Baier (32:44):
Ukraine is not obviously in NATO now, doesn't fall under Article 5 protection, but if there is an Article 5, obviously for those at home is, an attack on one is an attack on all. But what happens if Putin does invade Ukraine? What does the US do?

Hon. Lloyd J. Austin III (33:01):
Well, I certainly won't speculate on different scenarios, but again, I would point back to what the President said and that we're certainly committed to ensuring that Ukraine has what it needs to protected sovereign territory.

Mr. Bret Baier (33:22):
So does that include advisors, does it include equipment?

Hon. Lloyd J. Austin III (33:27):
As you know Bret, we have provided them with a number of different things over the years, and most recently things including lethal capability, a lot of non-lethal capability, and again, we'll continue to look for different ways to help them be able to support their sovereign territory, and you heard the President say yesterday that he's looking at a number of initiatives. So I won't get out in front of my boss.

Mr. Bret Baier (34:00):
I understand that, I'm going to try one more thing. The President is talking Tuesday with Vladimir Putin, can he say something even the threat of pushing for an invite into NATO that gets Putin, in your mind, to back down from that border?

Hon. Lloyd J. Austin III (34:15):
Yeah. I'm sure that there are a number of things that he'll want to explore with President Putin, I think that he knows President Putin very well. Again, I think there's a lot of space here for diplomacy and leadership to work, and again, we're going to remain engaged with our allies in the region, and our partners in the region, and we're going to continue to do everything we can to help provide Ukraine the capability to protect the sovereign territory.

Mr. Bret Baier (34:49):
Okay. Let's talk China. Your remarks today seem to have a different tone, has something changed in your mind?

Hon. Lloyd J. Austin III (34:58):
Well, nothing's changed Bret, as you heard me say earlier, we're clear eye about the challenge that China presents, but China's not 10 feet tall, this is America, we have the greatest industry, the greatest innovators in the world, and we're going to do what's necessary to create the capabilities that help us maintain the competitive edge going forward. It's that combination of ingenuity, leadership, support from our Congress that has enabled us to be where we are today, and enabled us to be successful over the years. We clearly recognize that.. As you heard me say earlier, that China presents a challenge, it's our pacing challenge, but they're not 10 feet tall.
You referenced President Reagan a number of times in your remarks. In 1983, President Reagan called the Soviet union, "the evil empire" because of its communist goals. Do you think it’s time to speak more boldly or clearly when referring to China, the communist party and its communist ambitions?

Hon. Lloyd J. Austin III (36:17):
Well, I think we’re doing a lot of that, and again, the activity that we see in the region and in other parts of the globe is disturbing. It’s racing to develop military capability as fast as it can, but some of the core immersive activity we see in the region, has us and our partners in the region very concerned. So yeah, I think we’ll continue to speak very clearly about our concerns, but again, we’re in a competition with China, and we don’t have to be in a conflict, and I think it’s very important to continue to communicate, and ask for China and Russia to be as transparent as possible.

Mr. Bret Baier (37:08):
I know we’re not going to do hypotheticals, but just looking at what’s happening, China has been launching multiple air operations near Taiwan, they’ve moved air refuelers into that area, tactical aviation, wing size elements, do you think that these are training flights for future operations?

Hon. Lloyd J. Austin III (37:27):
Well, again, to your point, I don’t want to speculate, but certainly it looks like, a lot like them exploring their true capabilities, and sure, it looks a lot like rehearsals.

Mr. Bret Baier (37:45):
So, what would US do if China invades Taiwan?

Hon. Lloyd J. Austin III (37:51):
Again, our one-China policy remains the same, we’re committed to helping in Taiwan develop and maintain the capability to defend itself, and again, that’s another hypothetical, but... And nobody wants to see this or things develop into a conflict in this region, so we’re going to do everything in our power to help prevent, and dial down the temperature whenever possible.

Mr. Bret Baier (38:25):
So what do you say to the experts who say that we should send our advisors into Taiwan wearing uniforms and admit that they're there? The Taiwanese leadership has come out publicly saying there are US advisors there.

Hon. Lloyd J. Austin III (38:39):
Well, again, Bret, I think we're doing a lot to support Taiwan right now, we're going to look for ways to do more, and my leadership, my service chiefs, combat commanders will all stay engaged, and make recommendations on the best way to move forward on this.

Mr. Bret Baier (39:01):
One of your SpaceCom commanders said this week that China’s attacking US satellites on a daily basis actions that could be considered an act of war. So in your mind, is there an act of military conflict happening now in space with our adversaries, China, Russia, maybe even others?
Hon. Lloyd J. Austin III (39:22):
Well, Bret, space is no longer a benign environment, and I think we have to realize that, and I think...
That's why it's real important that as we look at... You heard me talk about integrated deterrence and
making sure that we account for all of our capability in each domain, clearly Space is a thing that we
need to stay focused on, but we want to make sure that we have resilient capability in the Space domain
that we're able to link that capability with other things like cyber, and that we integrate everything that
we have from Space to the face of the earth in a very coherent and agile way. So that's a key element of
integrated deterrence plus using every tool available to us in terms of national power and using the
capability that's resident with our allies and partners, which I think we need to do a much better job of.

Mr. Bret Baier (40:30):
You have some red lines in Space.

Hon. Lloyd J. Austin III (40:33):
Do I have red lines in Space?

Mr. Bret Baier (40:35):
As far as what's happening with these attacks.

Hon. Lloyd J. Austin III (40:38):
Bret, I always found that it's never a good idea to publish red lines. I would say that it's really important
to the United States of America to ensure that we protect our capabilities, and I think we'll stay focused
on that.

Mr. Bret Baier (40:58):
Okay. I'm just going to bounce around the world really quickly, and I know we don't have that much
time, but do you have any regrets about the Afghan withdrawal?

Hon. Lloyd J. Austin III (41:11):
Bret, I regret the fact that we lost 13 of our finest at Abbey Gate, I regret that we lost 10 civilians in an
air strike, having said that, Bret, I want to make sure that we don't lose sight of the fact that our
American forces in 17 days evacuated 124,000 people from Afghanistan, 124,000, and I think that we
need to continue to remind the United States of America, and we need to continue to remind the world
about the great work that they have done, and that they continue to do on a daily basis.

Mr. Bret Baier (42:08):
Have there been any over the horizon operations in Afghanistan since the US military left? Okay, I tried.
All right, quickly, the global posture review just came out Monday. It says, "Did not suggest any troops
would be coming home, just repositioned." So no plans to pull us troops out of Iraq and Syria in coming
months?

Hon. Lloyd J. Austin III (42:38):
I think, again, what's in the GPR is where we are, as you would expect any new administration will come
in and take a look at where his forces are, and baseline his footprint so that we can ensure that we're
able to support our main effort, which is, as I've said so many times, the Indo-Pacific, and that we maintain the ability to be agile, and I would remind you, Bret, that we need to account for the capability that's not only on air, land, and sea, but also space and cyberspace, I mean, there's capability in each of those domains, and our goal is to make sure that we're using all of that as we conduct operation.

Mr. Bret Baier (43:27):
But is there a role for, let's say, the US Army in Asia to counter China, are you going to expand in Poland where there's been training on? There's some things that just didn't seem to pop up that you-

Hon. Lloyd J. Austin III (43:38):
Yeah, well, this is a thing that we, again, continue to evaluate as we go forward and if conditions change, then we adjust.

Mr. Bret Baier (43:47):
Okay. President Reagan talked about peace through strength. Is Congress, and understanding there's a lot of lawmakers in this room, is Congress funding the Pentagon sufficiently to meet modern challenges? I know you're not a fan of continuing resolutions.

Hon. Lloyd J. Austin III (44:05):
Well, I'm absolutely not a fan of continuing resolutions. And the reason is Bret, is it disallows us the ability to conduct new starts or to get some of the things going that you heard me mention earlier. We want to invest in new technologies, we want to get capabilities to our war fighters, and we want to do that as soon as we can. So in terms of building ships and creating capabilities, your hands are tied under a continuing resolution, new stuff. Also, as you remember, our troops do a well deserved pay raise, and without that new budget, then I'll have to count for that pay raise in our current budget, that puts pressure on other things. And so, it's my hope that we'll get an NDAA passed as soon as possible.

Mr. Bret Baier (45:14):
So far, several courts have struck down the President's COVID vaccine mandate, you are now in a legal challenge and showdown with the Oklahoma governor and its National Guard about vaccine mandates. Only about 40% of Oklahoma National Guard are vaccinated right now, so what do you plan to do if they don't get vaccinated? Are you going to dock their pay?

Hon. Lloyd J. Austin III (45:35):
Well, Bret, let's start from the premise that... And I truly believe this, that the vast majority of them will get vaccinated. If you take a look at our active duty forces, over 96% of them are currently vaccinated, there was huge speculation that we could ever get to that level, but we are we've made tremendous progress.

Mr. Bret Baier (45:58):
So the people who say, "Why doesn't natural immunity count?"

Hon. Lloyd J. Austin III (46:03):
Well, invite the scientists and doctors in the room to speak to that, but again, the facts are...
Mr. Bret Baier (46:09):
As far as your policy goes, you’re going to stay with what you have.

Hon. Lloyd J. Austin III (46:12):
It is a readiness issue for us, Bret. A vaccinated force is a more ready force, and our troops have to deploy all over the world and place themselves in all kinds of conditions at a moment’s notice, so in order to keep this force healthy, I think it’s important that we get vaccinated.

Mr. Bret Baier (46:32):
And any comment about Florida wanting to develop their own civil national guard?

Hon. Lloyd J. Austin III (46:36):
Absolutely no comment.

Mr. Bret Baier (46:37):
Okay. Last thing, this survey from the Reagan forum found less than half the country has high confidence in the military right now, down from 70%, just a few years ago. Why do you think that is?

Hon. Lloyd J. Austin III (46:53):
Well, certainly, Brett, the trends in this survey are not trends that we would want to see. I would say that, and I know I speak for all of my DOD colleagues in this room today and all over the military, that this is very important to us, especially since we have an all volunteer force, it’s important for us to maintain the trust and confidence of the American people. I'll take a hard look at the potential causes behind these numbers or what the numbers reflect, and we’ll take a hard look at ourselves to see what we should continue to do to build trust and confidence with the American people. But Bret, if you could see what I see, and I know you have, because you spent a lot of time down range, if the American, average American could see what I see on a daily basis, as I go out and visit our troops, and listen to them, talk about what they’re doing, and watch them and at work, there’s no question that our American people would have confidence in our military.

Hon. Lloyd J. Austin III (48:13):
I think we need to do a better job of telling that story, telling the story of these wonderful troops and their families that have sacrificed so much in the past and continue to sacrifice on a daily basis. We need to remind America about what they’re doing and the sacrifices they’re making, and I think that’s something we’re going to work on.

Mr. Bret Baier (48:35):
I ended each one of these interviews with the same question, what keeps you up at night?

Hon. Lloyd J. Austin III (48:42):
Well, we’re developing additional capabilities in places like space and cyberspace. Sometimes the next serious challenge can come from a place that you didn’t expect, and you’ve heard some people speculate that the next conflict will actually be started by a cyber activity. And so I want to make sure
that we have sufficient capabilities in cyber and space to compliment the rest of the inventory and to make sure that we can react to any challenge and prevent conflict from occurring.

Mr. Bret Baier (49:28):
Mr. Secretary, thank you for your time and thank you for your service to the country.

Hon. Lloyd J. Austin III (49:32):
Oh, thanks, Bret.

Mr. Bret Baier (49:33):
Appreciate it.

Hon. Lloyd J. Austin III (49:33):
Thanks.