



Panel 4: REAGAN DOCTRINE 2.0: SUPPLYING ALLIES AND FRIENDS TO DEFEND FREEDOM

Moderator:

Shashank Joshi, The Economist

Panelists:

Sen. Deb Fischer, U.S. Senator, Nebraska

Gen. Charles A. Flynn, Commanding General, U.S. Army Pacific

Christopher Calio, President and CEO, RTX

Sen. Jack Reed, Chair, Senate Armed Services Committee

###

Shashank Joshi:

Good morning ladies and gentlemen, could you all please take a seat? Thank you so much for joining us. We know you have a choice of panels, so thank you for picking the right one, and the quite obviously best one this morning. We appreciate it. I'm honored to be sitting here today. The other panels, as you can see, are chaired by my fantastic colleagues in the American press. I think I'm the only non-American moderator here, and it does feel apt for this session, which is on supplying and assisting allies and partners, the "Reagan Doctrine 2.0." I want us to start by reflecting on some of the findings from this year's Foundation poll. If we could pull that up -- the slide up, please. And I think this morning's session, this morning's breakfast discussion was a great jumping-off point for us because I want to say a quick word on how this looks from Europe.

On the one hand, I think there's huge respect for the pivotal, perhaps even decisive role the US has played in resisting Russian aggression in Ukraine, and some disappointment at ourselves for not stepping up more quickly. On the other hand, I think there's also grave concern over the implications of the US having to juggle several of these crises at once, two live conflicts, and one situation that is increasingly tense with the air and naval picture around Taiwan, and there is growing and serious concern over the impact

of US politics on America's ability to provide the kind of aid for which you see there is pretty impressive and substantial majority support here.

With that, I'd just like to welcome our fantastic panelists who I think you all know, but I'll very briefly introduce. We have Senator Deb Fischer, Senator from Nebraska. We have General Charles Flynn, the Commanding General of the US Army Pacific. We have Chris Calio, the President and Chief Operating Officer of RTX, previously Raytheon, and we have Senator Jack Reed who of course is Chair of the Senate Armed Services Committee, and I think we have to start with the politicians. I think that's where we have to begin this conversation, because it's the most pressing concern for us. We have obviously huge, huge debate inside the American Congress. This issue will come to a head in the Senate it seems in the coming days, but we have an input-output problem. We have this high level of public support. We have a political process that is not allowing that to be manifest in terms of aid and support. Senator Fischer, can we start with you? Could you tell us what's the way out of this deadlock? What's the way out of this problem? How do we ensure that support here, support in Congress translates into the money necessary without which Ukraine, by all accounts, by all my reporting, is going to be in a very, very serious and sticky situation in the absence of that.

Sen. Deb Fischer:

If I had the answer to that, we wouldn't need this discussion, so I would just like --

Shashank Joshi:

Give me your best shot.

Sen. Deb Fischer:

I'll try. I'll try. I'd like to begin by thanking our committee chairman, Jack Reed. He has been a great partner to work on a number of these issues, and I think when you talk about Congress and what we do in the Senate and how we get that message out, the Senate Armed Services Committee is a great example of being able to identify problems and work together on solutions. We're in a different place with the Reagan Doctrine. You referred to it as Reagan Doctrine 2.0. This is a different place than President Reagan faced when he took office. We have two peer adversaries when it comes to our nuclear deterrence. To me, that tends to guide all of the decisions that I make, both on the Armed Services Committee and also on the Appropriations Committee, and to be able to show the public the necessary actions that we need to take in order to continue to grow our partners, our allies, and meet the threats that we have.

That is always foremost in my mind and Jack has been a great partner when we deal with all of those issues. Reagan inherited a military that many people viewed as a hollow force at the time after Vietnam, we saw our service members didn't have their benefits, there wasn't the training happening. We needed modernization. We're kind of in that same spot right now, and the more we can do as public officials to be able to get that message out that we need to focus on our military, our service members, and provide for them. That we need to focus on modernization, that we need to focus on training, that we need to be able to focus on developing -- continuing to develop partnerships and allies. This poll shows that because that's framing the Reagan Doctrine to be able to address

where we are in this day and age with the threats that we face, not just to our country but to the world as well. I'm one of those who believe the world's a safer place when America leads, but you can't lead if you turn around and nobody's behind you. And so, we have to be able to develop those partnerships, and be able to articulate to our people in this country about what the threats are and what we need to do to address it.

Shashank Joshi:

Thanks very much. Senator Reed, can I get your reflections and if I could just also get you to answer a fairly simple question, which is will we get a Ukraine supplemental?

Sen. Jack Reed:

I believe we'll get the Ukraine supplemental because I think the majority of my colleagues, particularly my colleague Senator Fischer, understands how critical it is not just to Ukraine, to our position in Europe, keeping NATO countries and other countries together with us, but also a very simple axiom: I'd rather send resources than young Americans, and I think if we can communicate that effectively, then we will. What you're seeing now is politics that have changed dramatically since President Reagan's day. Social media has disrupted what used to be the factual purveyors of news and converted it into something that is whatever you think is true is true, and that affects us just as it affects the entire society. But I think we have to make the case, and I believe that the vast majority of both senators and Republican members of the House and Democratic members understand that we have to do this and our efforts have to be to make sure that message gets across and we'll do that.

Shashank Joshi:

Senator, if they haven't got the message that they have to do this, if they haven't, aren't persuaded that the ramifications of this are a slowly eroding battlefield position for Ukraine over the next 12 months, what is your strategy for persuading the holdouts that in fact this is necessary? If you haven't done it by now, can you persuade us, or me, or everyone that you're going to be able to do it further ahead?

Sen. Jack Reed:

I think there are some holdouts you'll never persuade because it is not an intellectual exercise. It's a more visceral exercise in what they say and what they don't say. That's a very small minority. Majority of people do understand this. That's why I think right now we have the votes for Ukraine, for Israel. There are some, and this is always the case, somewhat peripheral issues that are being drawn in which are delaying, but we're going to come to the end of the trail and have to get it done. And I think we will. And it's one other factor I should point out too, is that there was extraordinary spontaneous support for the Ukrainian people among the American people. That's still out there, but it's been overcome by the recent attacks by Hamas on Israel. Just the turbulence in the world that they've sort of put that now a little bit in the back because there's so many other pressing circumstances, we still have to remind them of our commitment to Ukraine and how critical it is to us. And that's something, it's our job. It's everybody's job really, but it's our job.

Shashank Joshi:

Thank you. So that's the will side of it, the appropriations side of it. Let's say a little bit on the capacity side of it, our ability to actually generate the stuff they need and send it to them. And Chris, your company obviously is at the front line of this in many respects. I want us just to reflect on the situation we're in. We're nearly two years into this conflict. We've been very slow to mobilize our defense industrial base. The Russians have got there before us. Next year, Russia will outproduce America in shells. That seems inevitable from all the publicly available numbers. They will also outproduce us on a number of other important systems. Our ability to tap into existing stockpiles is obviously diminished by virtue of all that we've done over the past year, and that includes external sources in countries -- the South Koreans, for example, we're a vital source of shells for this year's Ukrainian offensive, but we can't expect them to keep providing infusions of 700,000 shells every few months, that isn't realistic. How are we in a position almost two years into this conflict where in 2024, Russia will outproduce us? And although you can only speak for yourself and your company, not for the entire defense industry, can you persuade us that in 2025, we are presently on a trajectory to be able to outproduce Russia, and be in a position to fulfill America's other commitments without some of these sort of panicky moments of scarcity we face today.

Christopher Calio:

While I can't and won't speak for the defense industrial base, I am confident in talking to the folks you'll see here today from industry. There is a tremendous amount of dedication to continue to ramp up to meet the needs of our troops and our allies. Of that, I'm convinced. I'll just build on something that Senator Reed said about the importance of the supplemental, for instance. For all the reasons you mentioned, of course it's the right thing to do for our partners and for our allies and to defend Ukraine. It's also helpful for the defense industrial base. If you're thinking about a healthy and resilient supply base, which I think in here no one would disagree is critical to this effort, you need a couple of basic things: you need a long-term demand signal and you need stable and secure funding and you don't necessarily need it just for the primes. I'm not here speaking for the big five or so. It's the supply base itself.

And just to put that into context a little bit, at RTX across all of our businesses, we've got about 40,000 product and non-product suppliers. 40,000, close to 40% of those are what you would call small businesses. And as a small business, you can't withstand a gap in production because you can't retain people that aren't working. You can't make the investments you need to make because you don't necessarily have the balance sheet to do that. And so you need that stable and secure funding. You need that outward demand picture so that you can go make the investments you need both in terms of capital, but in terms of people as well to be able to meet the needs of our government and our allies. I'll tell you, and again I'll just speak for RTX, we will continue to ramp production.

We've increased production year over year and we'll continue to do that given where we are. I think everyone has heard about things like Stinger. Okay, that's kind of been one of the poster children for the ramp-up. And as you've heard earlier, that went dry. That production line went dry for many years because of a lack of orders. In fact, we had to bring people back out of retirement to kind of help us reconstitute that line because of the domain knowledge that they had. But now that we've got that back up and running that capacity is in place, and we'll continue to deliver on the ramp up commitments there

because it's so critical. So there's a number of different elements, but again, that's why things like the supplemental are so important to the industrial base because of the small businesses which make up the fabric of the defense industrial base.

Shashank Joshi:

Can I ask you a word on supply chains? We heard a lot, whenever I've spoken to defense industry over the last year, there's a great deal of concern over their ability to get their hands on critical constraints and bottlenecks in the supply chain, whether that's energetics, propellants, explosives. In Europe, I've heard a great deal about the problems we've had in using chemicals from old, long-shuttered production lines because new European Union directives forbid the use of particular chemicals that were once used commonly in a previous age, but no longer can be. Are you getting over that hill? Have you sorted -- Is that problem, has it been tackled or is it still a big issue for you?

Christopher Calio:

I don't think anyone can say we're over the hill, but I think we've made significant progress in climbing that hill and to be in a position to come down the other end. Again, the demand signal that gets put into the defense industrial base is critical, because many of the things that we need are what I would call long lead materials. Some of those are 18 to 24 months from the day you order them to the day they show up. And so, having that demand signal as early as you possibly can to go into your supply base to say, I've got to put that on order today in order to see it in 2025, is absolutely critical. But again, there continue to be, we like to call it whack-a-mole. You have one supply constraint that you address and another one pops up. But I'll tell you some of those systemic supply chain issues that we had coming out of COVID, I think those have largely receded. They're still some things that we would consider pain points. I won't get into them here, but overall, I think we've made a lot of progress as an industry.

Shashank Joshi:

Thanks very much. General Flynn, can I turn to you? This is about supplying allies, but it's also about supporting allies in a very wide variety of ways. And of all the people here on the stage, you are probably the closest to the action in terms of working with partners day in day out in your command, in your area of operations. And you took office, you started your command post in the summer of '21, is that correct? So you've now had a number of years of experience under your belt. You took charge at a really interesting moment. It was a year after the huge clash between India and China in the Galwan Valley in Ladakh, killing 40 Indian soldiers, the bloodiest clash for decades. And the US provided an extraordinary amount of support to the Indians, both in the form of direct assistance but also intelligence, a surveillance and reconnaissance capacity. We currently have tensions with the PRC in the Philippines, a case of naval intimidation. And again, the US, your command is there providing support to the Philippines. This support often takes place under the radar. It's quite, sometimes it's quite low profile. Perhaps that's how allies and partners like it. But can you just give us a sense from your experience now, what have you learned about what works well, what doesn't from your time in your seat?

Gen. Charles Flynn:

Yeah, I'm going to back up a little bit from just India and Philippines. I'll get to that in a minute. But I think oftentimes the discussion gets lost in the material delivery and what that support looks like and how quickly you can get things off of production lines, get them in the hands of soldiers, and it's about hardware and things. And we also provide security force assistance, security cooperation, individual military education and training. So the leader development, the training that goes on through persistent partnering out there. It doesn't matter how many weapons systems we've given them, if they don't know how to use the weapons systems, if they're not trained on the weapons systems, then it's going to sit in the corner. And so, a big part of what our teams are doing out there from the integration of Special Operations Forces that are out operating in the region with Security Forces Assistance Brigade, which is something that the Army built five of here in the last three or four years, one of which is central to these training platforms that happen in the region. We have small teams that operate out Oceania on the small island nations out there. All of these platforms are really important platforms for us to bring the force together to train.

So more to India and the Philippines. I'll talk to the Philippines first. So the Philippine military, 70% of that military is Army. They have 11 divisions and what they're trying to do, and they are a seven and a half thousand island archipelago, they're trying to figure out how to reorganize, retrain, retool, refit their military to be able to operate in the maritime littorals, the air littorals in order to protect their territorial integrity and national sovereignty. That's what the Chinese are doing. They're violating that. The same would be true along the line of actual control in India. And you're right, we did provide information. We did provide ISR, but maybe the more important point was there was also a training platform that we have called Yudh Abyas, which is actually the largest army-to-army exercise that India has with any other country is the one they do with us. We do it, we just finished in Alaska in September last a year ago we did it in Himalayas and we did it back and we're going to go back again next year. And actually India has asked to increase the size of that exercise from what was about 300, 400 people to 650 of brigade combat team plus enablers in there.

They in fact have bought 145 777s. So again, to training on 155 is a very similar instrument that's being used in Europe. To me, the value of sending them to our schools, half the CHODs in the Indo-Pacific have either gone to Airborne Ranger Command and General Staff College, Army War College, and then these leaders fleet up and they're in instrumental and really, really important senior leader roles. And that influence through our education platforms, through our training platforms is just, it's unquestionable. And so sometimes I think we've got to come back to instead of just talking about hardware and production lines and things, and talking about the people and the leaders, and actually the human interoperability that's so important to any of the procedural and technical interoperability that we get.

Shashank Joshi:

I think that's a really useful point. And I want us just to take it a little bit further because it's not – US training of its partners of course is nothing new. You've done it decades and decades and decades, and you've had units that are very good at it, and you've got, obviously you're a Ranger yourself, but the US spent 20 years training Iraqi forces and Afghan forces, and I think it was quite traumatic for the US and its allies when in 2014,

Iraqi forces collapsed. And in 2021, when Afghan forces collapsed. Ukraine in a way was I think refreshing and redeeming because it showed what incredible pace you could train Ukrainians on some of these new systems coming in. And Chris, you could say a little more on that in a moment, but can I ask you to then push us on what have you learned about best practice? What are you doing, for example, what do you take from those experiences and do differently in the future when you deal with these armies rather than open up the old playbooks that you've had for years?

Gen. Charles Flynn:

Immediately for -- many may not realize it, in 2014 after Crimea, we stood up what was called the Joint Multinational Training Group-Ukraine. So imagine had we not done that, I mean the outcome of that is now you have at least a very skilled, tactically proficient force that can fight. And a benefit of that was having -- at least the Army has a training center, a combat training center, and Hohenfels and Grafenwoehr in Europe, and they've used that platform and the exercises there to get that force to the state it is today. In fact, they're sending people back there now to continue to train that force. Well, we never had a platform in the Pacific, but now we do. We have the Joint Pacific Multinational Readiness Centers, got a campus in Hawaii, got a campus in Alaska, high altitude, extreme cold weather, mountainous, eight island Archipelago, jungle, tropic, right? Looks a lot like the region.

And by the way, in '21, that training center was deployed into Indonesia in the southern tip of the island of Sumatra. In '22, we put it in Indonesia again, in '23, we just had it in Townsville, Australia. And then in March of this coming year, we're going to put that in a place called Fort Magsaysay in the Philippines, which is one of the nine EDCA sites. The point I'm making is, again, it's a training platform, and the countries in the region are asking for our training because they see what's actually happened in Europe, and they recognize that they need to increase their skill proficiency on what they're doing. The other -- and I'm going to make an Army point here, these militaries in the Indo-Pacific, they have huge armies. I mean India, 80% of that military is its Army. 70% of the Philippine militaries -- they have 11 divisions, they have more divisions than the US Army does. And I could go around the horn, but the -- the fact I'm making is that they appreciate the training, they appreciate the security, force assistance, and the security cooperation so that their leaders can understand how to employ their force appropriately to defend their borders, their territorial integrity, and their national sovereignty.

Shashank Joshi:

These training efforts, these engagements, these provision of arms, they don't take place in a political or diplomatic vacuum, and allies are necessary. America is relatively less dominant than it was 20 years ago. It needs partners, it needs allies to cope with those challenges. But allies are not always easy to deal with. And the allies, general Flynn that you deal with are different to the allies that your EUCOM partners would deal with. NATO partners have 75 years of engagement with America in a tightly knit, highly institutionalized alliance. You are dealing with a more fluid environment in which countries don't have the same political like-mindedness in all cases. And I just want to raise some of the challenges that this poses. We discussed this morning in the breakfast session, the question of whether there should be conditions on aid for Israel. The other

topic that interests me, and I'll get the Senators to comment in a moment, is India is a crucial partner in the Indo-Pacific.

You've raised lots of the reasons why, they're the only army in the region, the only army anywhere in the world that is currently facing off against the People's Liberation Army face-to-face in mountain peaks, directly in that sense. We also are a week on from a US Department of Justice indictment that says, India's government may have tried to assassinate somebody on American soil. How do you juggle these challenges and to what extent do they need to constrain our, or your, support for allies? To what extent should they be set aside is the price of doing business? Senator Fischer, can I start with you please on that?

Sen. Deb Fischer:

I think it always depends on the relationship you have with each country, with each ally, you have to look at them all separately. I don't believe you can have a blanket policy -- really even for every member of NATO, and you certainly can't have this blanket policy that's going to determine the United States' relationship with any country around the world. When we look at Israel, we have a very unique relationship with Israel. I support the Biden administration's first comments that came out about giving Israel time and space to be able to handle the horrific terrorist attacks that the people of Israel suffered. And I still support that position. When we look at India, for example, in these new revelations that just came out yesterday or today with the possible assassination attempt here in the United States, that has to be factored in. Our relationship with India is extremely important just because of their location, because of their neighborhood, what they bring, not just to us militarily, but with commerce as trading partners, they are a democracy.

We can go on and on, but we still need to determine the steps that we need to take with them and forming what hopefully will be a long-lasting relationship. So I just think every country has to be looked at individually to make a determination, always on what is in the best interests of our country first, what serves us first, because that's the narrative, as public servants, we have to be able to articulate to the people of this country. Why do we need this relationship? Why are we so determined that we need to provide resources to Ukraine? We aren't good at that. The administration's not good at it. Congress is not good at it. I've pushed for quite a few years trying to declassify some information that the Department has, because I think if the American people had the opportunity to have access to information on the threats that our country faces, we would have tremendous support for not just our military, but for what we need to do as a country to make sure that we can not just defend ourselves, our homeland, our national security, but that we can also be able to continue to grow partnerships, allies, and make sure that we have a safer world.

We can't just expect the American people -- especially in this day and age, we saw the poll this morning, Congress and the media aren't held in high regard. So we need to get information to the people of this country so that they have an understanding and they can make decisions and they can be able to say, heck yes, we have to do these things. We have to do them if we're going to have a safer world.

Shashank Joshi:

I've never been compared to the Senate before. I'm not sure how I feel about that.

Sen. Deb Fischer:

I know, you should be offended.

Shashank Joshi:

Senator Reed, I want to actually ask you something a little bit different, which is prioritization. Prioritization, because there's a question here -- and please start sending your questions in on the app please, via the app, because there's a couple of good questions here, and I'd like to get some more as well for the discussion. And an anonymous correspondent -- I don't get to see who it is sadly -- has pointed out that President Biden has sent a defense supplemental to Congress, which includes increased aid for Ukraine, Israel, and Taiwan, as we all know. But they've pointed out that out of the nearly \$50 billion in aid, Indo-Pacific partners are getting \$2 billion worth of this. And there are people, particularly Asia watchers, who ask, "that doesn't sound right, that doesn't sound consistent with the National Defense Strategy, with stated administration goals." And this is obviously a delicate subject because we don't want to perhaps believe that there are -- we want that we can do all these things at once. There are some trade-offs. They are real, some of them. Should Congress increase the Indo-Pacific's share of the supplemental, or is it about right?

Sen. Jack Reed:

Well, I think the supplemental was responding initially to Ukraine, frankly, because our funding was rapidly running down, and we had to put that back in place. Then suddenly on October 6th, we were confronted with a depraved attack against our ally, the Israelis, by Hamas. So that became part of the funding. And then I think we also thought, and -- we had to go the extra way, which was Indo-Pacific funding, and also some humanitarian funding for the struggles in -- not just in one area but in many parts of the world. And I think the composition of the bill reflects different times, different impulses, but we should be able, I hope, to fund all those, and without indicating that we have a preference for one or another in terms of their success. But it's more immediate, where do you need the funds the fastest? How much time do you have? And I know, with respect to the Indo-Pacific, in terms of Taiwan, Senator Flynn is doing a remarkable -- excuse me, I demoted him -- General Flynn is doing a remarkable job there, but the capacity of the Taiwanese, for example, to absorb equipment, to train their forces, to increase even their draft period to a year from four months, the money could be there, but it's not going to be utilized right away. So that was part of the calculation.

Shashank Joshi:

And on that, just to pick up from that General Flynn, I'm not trying to gauge you into a fight with EUCOM, but do you think there are trade-offs? And for instance, just to give, I think, an important example, would you be comfortable, as the user here, with significantly more ATACMS being sent to Ukraine, if that's what the administration shows? Or does this begin to eat into your readiness in dangerous ways that your partners are going to start saying, "hang on a minute?"

Gen. Charles Flynn:

I mean, again, we've not lost any readiness out there. In fact, it's stayed stable and has improved. I think the other aspect of this, again, that's lost is, at least in my command, and I know the other components are doing it, and Admiral Aquilino was helping us all through this, is like -- the Army has added two Multi-Domain Task Forces out into the Pacific. We've added a Security Force Assistance Brigade. There's a Theater Fires element in my headquarters, there's an Information Advantage headquarters that is part of the region. We've just gotten approval to put a composite watercraft company in Japan. As I mentioned earlier, we've added a training center into the Pacific.

So, I could go on and on with other additive capabilities that are out there that don't always fall into the description of a supplemental, or trade-offs on 155 rounds, or Stingers, or whatever. I mean, the point I'm making is that there's a lot of ways to weight your effort, and it's not just steel coming off of a production line. And I think that sometimes we can get wrapped around that because the material costs are the big costs of what is in these supplementals, but it's pretty cheap to send somebody to a two-week school or a one-month school. I mean, again, I could go on and on here, but education, training, leader development, persistent partnering, that builds mutual trust, that creates a state of cooperation, and there's a confidence measure that's created. And what I think we're trying to do, and what I think that I'm seeing out there -- at least as a returnee, this is my third time out there -- what I'm seeing is a greater sense of unity and collective commitment across that region. Why? Because of the incremental, irresponsible and insidious behavior of the Chinese.

They are behaving -- they're talking about operating with us more, because they're joining more of our exercises, and they're increasing the multinational participation. And to me, that's a signal of the success that we're having out there is them coming to exercises, instead of it being a bilateral one-on-one nation, it's 14 countries. Australia, we just had 15 countries. I'm about to leave next week and go to Japan. And that was an Army-to-Army bi-lat command post exercise five years ago. Now the Australians, the Philippines, the Japanese, we're going to have rock observers -- I mean it's now four countries coming to this. So to me, that is the counterweight of what the Chinese are doing out there. And it's not all wrapped up in a supplemental.

Sen. Jack Reed:

I'll just make a quick point to supplement the General's remarks. You just can't view our commitment to the world based on this supplemental. Several years ago, we established a national defense build-up, the Pacific Defense Initiative. Every year, the Pacific sector gets a significant amount of money, which they have great flexibility to use, because we recognize that is the pacing threat. So, this supplemental is adding money to the Indo-Pacific, but that's on top of money we've exclusively reserved for the Indo-Pacific. And just a final point too is, all of his comments about how important it is to educate officers. Two of my classmates at West Point later went on to become the Chief of Staff of the Thai Army and the Chief of Staff of the Philippines Army. And that's just one example.

Shashank Joshi:

Chris, can I come back to you, and raise another question I've received, which is the point that training Ukrainians on our systems takes a long time, or can take a long time, delaying deployments to the field. How can we simplify our platforms and equipment to

make it quicker and easier to train partners? And there, I just would like you to reflect on your experience of getting stuff to Ukraine in what would be ridiculously short periods of time, and having units which may have very little experience of using this kit employing it. How much is that the responsibility of the companies building these systems to facilitate that process? What have you learned from your experience in Ukraine on how you better do that if, God forbid, a crisis were to break out in Taiwan or another country where you may have to repeat the process?

Christopher Calio:

Well, a couple things there. One, you sort of waded into this idea of co-production, if you will. You've heard Dr. LaPlante and others talk about the need to co-develop, co-produce, co-sustainment. I think it's obviously a very, very worthy idea. Not only -- the General's point on education is the interoperability there, but interoperability in terms of the hardware is actually pretty important. And so, to the extent that we have opportunities to co-develop and co-produce, it can make a much more seamless experience for our allies. And we've got success stories in places like Norway, like Poland, like Germany. So it can be done and be done successfully. I'll tell you the training aspect that you're talking about, I think some systems are certainly easier than others, and I think we've all seen that the Ukrainians have become incredibly adept at coming down the learning curve very quickly in order to take up the -- sort of the fight of their lives that they're going through.

We will always of course stand at the ready in industry to support as we can with people in the field. We've got people all over the world embedded with our systems and with our hardware, training folks, making sure it's operating correctly, doing everything we can. I would say the mission focus of some of those folks is truly amazing, and we'll always be a part of that, at the ready with the government and fast to do so. But again, I think it gets back to the interoperability point. I think the more commonality that you can have out in the field with your allies and with your partners, the more seamless it's going to be.

Gen. Charles Flynn:

Can I jump --

Shashank Joshi:

Please.

Gen. Charles Flynn:

So just to give a little story here, I remember being at an aviation assembly area in the middle of the jungle and there were three MI-17s that were on that field, and there were two Black Hawks, and the Aviation Center of Excellence Commander was there, two-star general from this country. And I said, how are you doing with these helicopters? He goes, well, the Russians drop them off and we never saw anybody after that. We have a hell of time getting parts. The point I'm making here is, for the last four to five decades, the arms dealer in the Indo-Pacific has been Russia, and the countries are beginning to see that maybe our stuff is a little expensive, and maybe it takes a little bit of time, but it works. And I think that that's one of the things that they are taking away from what's actually happening in Europe. And to the point, if it works, and it's reliable, and it comes

with a training tail, it comes with a supply tail, it comes with a chain of command that can help them understand better how to employ the system.

Because it's one thing to just train a crew. It's a wholly other thing to be able to say, okay, this goes into this formation, and this is what you do with it. This is how you employ the systems. I mean, that's a whole -- another level of training that has to go on that I think again is often lost in this discussion about just give them 80 things, or give them 100 things, and they've got to know how to employ those things.

Christopher Calio:

That's why I think in the long term, I think you're making a great point. So when we talk about co-development, co-production, co-sustainment, that's an entire life cycle. And the more you can get in on the front end and see each piece of that life cycle, I think, the more adept folks are at being able to operate it.

Shashank Joshi:

I think that's a good moment to reflect on AUKUS. We have an AUKUS panel coming up later this afternoon, but I think it fits so naturally into this panel we should address it, because it's quite a dramatically different way of thinking about cooperating with allies and partners. It is essentially the US saying it's willing to share some of its most prized, secret, valuable technology with core partners, partners -- it has never shared this with anyone other than the UK 70 years ago, and that we'll have some benefits in terms of Australian money coming into the American industrial base and shipbuilding, and you certainly desperately need that. On the other hand, you also may lose a Virginia-class or two to the Australians at a time when your own submarine fleet is under enormous pressure. I'd just love you to all -- to reflect on AUKUS, but particularly this question I have, which is: is it a model? Does it offer a path forward as well? Are there other areas that you can think of where this scope from something that breaks the mold, not just selling them stuff you have, not just training them in the way you've done, but offering technology of a level, and scale, and importance that is almost unprecedented. At some cost to you and your own regulations, whether that's ITAR, whether that's other things, is this an example for the future? Senator Reed, do you want to start, or Senator Fischer?

Sen. Jack Reed:

Well, AUKUS, I think, is an extraordinary achievement on several levels. First, it sends a very, very effective message to the Chinese that we're not alone. In fact, we are multiplying our military force in the Pacific, and the submarine is a very effective platform for promoting our power in the Pacific. Second, it will help us on our industrial base because we have to have more skilled workers, we have to have more areas to construct submarines. And then, the point is that we're already operating Virginia-class submarines with Australian crew members. So this is not exactly a hush-hush, they don't know anything about how you operate one of our submarines, et cetera. So I think we can make this transition very effectively and it'll be essential for us.

They want to contribute \$3 billion or so to our industrial base. I would say take the money and run, and give them the submarines. I think we can do it in a way which does not diminish our security but increases it dramatically. And again, a very strong message

to the Chinese that we're not alone. We are really together, and we can see other areas in which we've cooperated. Take for example, Iron Dome, the Israelis develop the Iron Dome. We paid 87% of its full development. We purchased, the US Army, two Iron Domes currently in our inventory. So there are other examples throughout the world where we can co-develop, cooperate with allies of unquestioning commitment to our common cause, and we can be more productive, more effective, and more threatening to our potential enemies.

Christopher Calio:

Just a foot stomp on the Senator's point, which I think is a great one, about the industrial base. I mean you think of the Tamir missile, okay, that's -- now we are going to be investing in capacity with an Israeli partner in the US to build out that capacity. NASAMS, which you've heard all about in the Ukraine, again, a tremendous partner in Norway. I think your question though hit the nail on the head, which is Pillar Two, I think, has a lot of potential, but it is asking us to do things differently.

Shashank Josh:

And sorry, I think this audience probably knows what Pillar Two of AUKUS is, but just in case, it's the part that covers emerging technologies, AI, quantum, undersea capabilities, all the stuff that's not the subs.

Christopher Calio:

Absolutely. And so, things like export restrictions that you referred to, technology release, and the like. These are all the really important elements to make that a success. And this could be the first in what could be a very promising opportunity,

Sen. Deb Fischer:

Right, I mean it's good to think outside the box. It's good to be able to have these relationships, but they don't just happen overnight. You mentioned the UK, it's gone on for decades. To be able to have that with the Australians now that -- I think it's a natural progression that we're able to have that relationship with them. They're members of Five Eyes, they've always been strong allies with the United States in every conflict we're in, but still the Australians are having to meet certain standards, and they're changing some of their legislation, looking at changes there to meet requirements that our administration and State Department want to make sure are met to increase the comfort zone that we have with them.

I think it's, as Jack said, this is a strong message to China. I wouldn't encourage the Chinese to assume that this will be our last attempt to be able to develop these relationships into the future and expand upon them. Our adversaries should be worried because we have friends. We always like to say the Chinese have customers; the United States has friends. And that's the purpose of this panel is to discuss the friendships we have and how we can continue to develop them. But hopefully it's smooth sailing with the subs. I hope it is because it'll help us in the future, but we're going to have to be very, very cognizant of missteps along the way, and make sure they don't happen too.

Christopher Calio:

For sure.

Shashank Joshi:

General Flynn, can I ask you about the expectations we have of partners and allies as well? For instance, we could take the example of India, a country with which your relationship's been transformed over the last 20 years. You're doing things with India that you would never have done 20 years ago. Maritime patrol, aircraft, flights, information sharing. You mentioned the big exercise. Yet if you look at Indian debates, they still say, we don't think -- if there was a war over Taiwan, we don't think this what we're going to set this one out. We don't think this is a good idea for us. Of course, there's a live debate. Of course, this debate is taking place amongst all of America's Asian partners, some of whom are more affected than others, and there's a recognition that some probably couldn't stay out of it -- Japan, Australia -- there are some who are crucial to you like the Philippines, but where it's not clear what choices they would make, and others like India which really are in a much more early stage of that discussion. So what kind of conversations do you have with them, and is there an expectation you need them to fight with you on day one? And if that doesn't happen, does that break the basis of some of these relationships?

Gen. Charles Flynn:

No, I actually think that we need to listen more to them, and have a sense of humility about what it is they're trying to do in their interests, and where those interests overlap that help that country and help the United States. I mean, I think that that's incredibly important. The National Defense Strategy, on campaigning, it talks about the logical and sequential arrangements of operations activities, investments in time and space that benefit the US national security objectives and those of our allies and partners. And sometimes I think we forget that we want them to make a choice, and it's a loyalty test, but the reality of it is they have interests, and those interests need to be respected, and we need to listen to our partners, and find where we can have that common ground so that we can both achieve regional security -- in that regard, a sense of global security. So that's my view on it. I think that we would do well by listening.

Shashank Joshi:

We're drawing to the end of our time, and I just want to come back to the beginning, which is the political context to these relationships. As those of you who attend these foreign policy discussions, certainly in Europe but also in Asia, know, whether that's the Munich Security Conference or the string of others, like this forum, the subject, the discussion will always come back round to at the end, as long as you can discuss supplementals, and training, and defense industrial base, is still the US presidential election next year. And the concern amongst a whole host of different allies -- for different reasons, for Europeans because of NATO, for Japan and South Korea for reasons around nuclear extended deterrence -- is the prospect of a second Trump administration. Senator Fischer, can you just reflect on what that means for these alliances, and how we as allies and partners should think about this, because it does preoccupy us. We do spend a lot of time obsessing over it, fixating on it. What's your advice?

Sen. Deb Fischer:

You do. My advice is that the United States will follow the process that we have in place. Each party will select their candidate and we'll have an election. I think that we have a track record in this country of protecting our national interests. And you hear “America First” a lot, but you hear that in many other countries. To me, “America First” means we prioritize our national security. That is the first responsibility of the federal government. And I take that very, very seriously. So as we move forward in the election process, I would say to you, you'll hear a lot of debates, you'll hear a lot of conversation on both sides, whether it's from my party or the other party. And we have very vocal people on many sides of the issues depending on the country. You hear it with Ukraine, you hear it with Israel, and I would say that you need to pay close attention and view us on the actions that we take.

Shashank Joshi:

Thank you for concluding us on that note of, what I think is reassurance, that. I'm very grateful to all of our panelists for their excellent thoughts and insights, and please join me in thanking them.

Sen. Deb Fischer:

Thank you.

###