

Center for Strategic and International Studies

TRANSCRIPT

Event

“America’s Warfighting Navy with Chief of Naval Operations Admiral Franchetti”

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FEATURING

Admiral Lisa Franchetti

Chief of Naval Operations, U.S. Navy

Captain Bill Hamblet, USN (Ret.)

Editor-in-Chief, Proceedings, U.S. Naval Institute

CSIS EXPERTS

Seth G. Jones

*Senior Vice President; Harold Brown Chair; and Director, International Security Program,
CSIS*

Transcript By

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INTERNATIONAL STUDIES

Captain Bill
Hamblet (Ret.):

I'm Bill Hamblet, the editor-in-chief of proceedings at the U.S. Naval Institute. And on behalf of the Center for Strategic and International Studies and the Naval Institute, we are proud to bring you this event as part of our 2024 Maritime Security Dialogue Series. This series is made possible through the generous sponsorship of HII.

The topic of today's dialogue is "America's Warfighting Navy," and our guest is Chief of Naval Operations Admiral Lisa Franchetti. A native of Pittsford, New York, Admiral Franchetti is a graduate of the Medill School of Journalism and was commissioned through the Northwestern NROTC Program in 1985. She earned her surface warfare qualification on USS Shenandoah, AD 44, and went on to command at all levels, including Naval Reserve Center Central Point, Oregon; the USS Ross, DDG 71; Destroyer Squadron 21; U.S. Naval Forces Korea; Carrier Strike Groups 9 and 15; the U.S. Sixth Fleet; and Striking and Support Forces NATO in Portugal. Apart from command, Admiral Franchetti has worked across the Navy and the joint force with an emphasis on strategy, international engagement, interagency collaboration, most recently serving as the director for strategy, plans, and policy, the J5, on the Joint Staff and as the 42nd vice chief of naval operations.

Ladies and gentlemen, please welcome the 33rd chief of naval operations, Admiral Lisa Franchetti. (Applause.)

I now turn it over to Dr. Seth Jones, who will engage the CNO in a moderated discussion that will include audience Q&A. Dr. Jones is the senior vice president, Harold Brown chair, director of the International Security Program, and director of the Warfare, Irregular Threats, and Terrorism Program here at CSIS. Over to you, Seth.

Seth G. Jones:

Thank you very much, Bill. And also wanted to thank the U.S. Naval Institute and HII for what has been a great partnership. And, Admiral, thank you very much for coming over here to discuss, among other issues – I'm going to hold this up; I think you've got a copy as well, the NAVPLAN –

Admiral Lisa
Franchetti:

NAVPLAN.

Dr. Jones:

– which has just been released. So welcome.

Admiral
Franchetti:

Thank you. Thank you very much. And, really, thanks to CSIS for putting on really this entire series of conversations on the maritime and all of the things that we get to do for our nation every day.

Dr. Jones: Yeah. And for those just who aren't fully aware, we have a couple of other discussions coming up. We've got Senator Kelly and Mike Waltz to talk about the perspective on the maritime domain from a congressional standpoint, and then we've got your vice coming over a little bit later in the fall also to follow up. Let me just first start off with the NAVPLAN itself, which you've just released. Can you talk a little bit about the motivation for why you put it together and, looking forward, where you intend to steer the Navy based on that?

Admiral Franchetti: Sure. Well, as you mentioned, I put the Navigation Plan 2024 out yesterday. That's the "Navigation Plan for America's Warfighting Navy." And I really put this out to provide strategic guidance to the Navy and the fleets on where I think we need to go as a Navy. It really sets us on a path to improve our readiness for a potential conflict with the PRC by 2027 while also focusing on our enduring naval warfighting advantage. And I know we're going to talk a lot about the NAVPLAN today, but let me just talk a little bit about the why behind, you know, why I thought I needed to do this. And you know, when I came into the position, I put out a document called "America's Warfighting Navy," and that was really to center the Navy on my priorities of warfighting, warfighters, and the foundation that supports them. It also talked about who we are, what we do, and where we're going. And I knew I was going to need to do more homework on the where we are going piece, so that's really what I've spent, really, my first year doing.

Essentially, like we like to say in the Navy or any maritime industry, we got to take a fix. You need to know where you are so you can figure out where you're going. So I really spent the last year getting around to the fleets, talking with our fleet commanders – our numbered fleet commanders, our type commanders; meeting with industry; meeting with our sailors; meeting with our allies and partners to really get a good sense – meeting with members of Congress, as you mentioned a couple are coming – you know, to get a sense of where we are in the Navy and, again, where we need to go.

And so from that is where I developed the Navigation Plan. It looks at a couple of things.

From the big why perspective, you can look at the changing geopolitical environment. China is clearly the pacing challenge. They are on, as you mentioned in one of your stories, a wartime footing. But you know, when you think about all the capabilities, the capacity, the things that China is doing; you look at its actions all around the world with dual-use technologies, with the Belt and Road Initiative, with the lack of transparency, about all the things they're doing, we know that they are a multidomain challenge not just for our military but economically and in

a lot of other competitive areas.

You also look at the changing character of war – certainly, the use of new technology. You can see that in Armenia-Azerbaijan. You can see that in Ukraine and Russia. You can see that in the Red Sea. So we know that we need to be able to adopt robotic, autonomous, cheaper technologies to help us complement and extend the reach and lethality of our conventionally manned fleet.

Then the other why is that, as we've seen, we have some challenges here domestically that we really need to get after and we're working hard to get after from an industrial base perspective, from a weapons industrial base perspective, from recruiting to infrastructure challenges that we have. So there are a lot of reasons that we need to set a course to where we need to go.

Then, when I took a step back and I look at a lot of those headwinds, we know there's – we're going to be fiscally constrained. There is a lot of time that will be needed to grow our fleet, and we acknowledge that we need to have a larger fleet with more capacity. But I'm not going to get that done in three years on my watch and we are not going to get that done by 2027. So I had to step back and think about how can we think, act, and operate differently with the resources that we have to make the most gains in the shortest time possible.

So that is the NAVPLAN. It is really designed to do that. And if you look at the ways that we're trying to do that through implementing Project 33, which are really seven areas that, as I worked with my team, with our four-star fleet commanders, these are areas that I can put my thumb on a scale, we could make a difference in those areas, and it will make a meaningful contribution to our ability to be more ready by 2027. The second was how do we enhance our Navy's work – our Navy's contribution to what I like to call the joint warfighting ecosystem. How do we get those right capabilities delivered at the right time that are going to be gamechangers on the field?

So those are some of the reasons, the why, behind why we produced the NAVPLAN, why I wanted to get the NAVPLAN out right now. And now that is the work that we need to be done. It's rolling up our sleeves now.

And I think the other thing that's unique when you look at Project 33 especially is a lot of the things that we've learned in the past is we've benchmarked ourselves with very successful companies and in industry. You know, setting a high stretch goal and really going after it, and then having a data-driven and informed process to understand where you are in the pursuit of that goal is how you're going to get there. So we've

got single accountable individuals for each one of the targets, and that will help me make sure we're staying on track.

Dr. Jones: Well, great. That's a great overview.

As a reminder for everyone, if you have questions, please scan the QR code there. We already have questions coming in, so about three-quarters of the way through we'll have audience questions. So, again, remember to scan in and ask that way, and it'll come right up here on this tablet.

So there's a lot to unpack here. There are a range of things that would be helpful to get into a little more detail on. Let me start off with the first one, is the urgency.

So the NAVPLAN mentions and you note right now 2027. Can you talk a little bit about where that comes from, the urgency behind it, and your vision to move the Navy to be ready for a scenario in that timeframe?

Admiral Franchetti:

Sure. I mean, the 2027 timeframe really comes from Chairman Xi's own words that he has directed his forces to be ready for war by 2027. And I know that we need to be more ready. So as I look at moving forward with purpose and urgency in those areas that I can change by 2027 – I'm going to be the CNO in 2027 – so I am compelled to do more and to do more faster. So that really is my driving focus. And I think, again, as I've talked with all of our leadership, everyone is unified in our efforts to be more ready by 2027.

As I've gone around the fleet, you know, and had a chance to meet with everybody and see our sailors in action, I know we're ready now. I couldn't be filled with more confidence and pride in the work that our teams are doing. You know, if you look in the Red Sea, all of the things that we're learning there as an integrated joint force, all the things that we've been able to put into practice to get – and stay ahead of Houthi evolving tactics. You know, we're knocking down antiship ballistic missiles, antiship cruise missiles, UAVs, USVs. There's a lot of learning going on there. And I'm really proud of what we've been able to do there.

And of course, if you look at things like RIMPAC, where we had to extend RIMPAC – Rim of the Pacific exercise, the largest exercise in the world, really – we had to extend it a week because people wanted to have more opportunities for free play and an opportunity to really exercise at that – at that pointy end of the spear. I think, you know, I'm seeing that everyone is aligned that we need to be more ready.

Dr. Jones: So that 2027 time is really capability – to continue to have the capabilities to deter. I suspect deterrence is a – is a key part of it. And if deterrence fails and the Chinese do whatever they do, that you're ready for any contingency.

Admiral Franchetti: Yes. Our number-one job all the time is deterrence. I mean, no one wants a war. War is not good for anyone. And our number-one job is to deter. And we do that by having a combat-credible force that's ready whenever it's called.

Dr. Jones: So one component of the NAVPLAN – and I'm going to quote it here – is that "the PRC's defense industrial base is on a wartime footing," end quote; and it, quote, "has the world's largest shipbuilding capacity." So can you talk a little bit about what you mean and what the NAVPLAN means by China is on a wartime footing and a little bit of the way you see the Chinese, including its maritime capabilities – some strengths, some weaknesses? Because as I see it, too, what the U.S. Navy and the joint force more broadly is building towards too, it's dealing with a China that is building serious capabilities, and with some urgency on the Chinese side

Admiral Franchetti: Yeah. You know, so if you step back and you think, in the way-back machine, to when we, you know, did the pivot to the Pacific, and we really started trying to focus on China, what I'm trying to do here, again, is highlight all of the things that China has done and is doing, as you said, in the – in the in the civil-mil fusion to be able to develop and build this force that they can see as a global power. And again, it is sometimes hard for people to see that because maybe they don't focus on it every day. So again, I'm trying to shine a spotlight on that to make sure and create this awareness that this is what China is doing, and that we need to be one step ahead of them, and always being more ready to get after that.

Again, as you mentioned, and it's – you know, China's competing in a lot of different ways. I'll leave the – leave it to the China watchers to talk about their strengths and weaknesses in their defense industrial base. But really, they are in a lot of spaces. It's a multidomain challenge. You see them using dual use facilities, like ports through that Belt and Road Initiative. You see them in academic institutions. You see them with dual use military forces, like their maritime militia. So again, they are doing a lot of things that people may not always be aware of, but make no mistake they are really getting to really build that force that is going to be able to do the things that President Xi, Chairman Xi, wants them to be able to do by 2027.

Dr. Jones:

Yeah. And there are a few things in what you just said that we'll come back to in a moment based on what the Chinese are doing. But you did mention earlier the war in Ukraine. So one of the interesting components – I was there recently as well to talk to senior Ukrainian leadership – is the proliferation of autonomous systems. I mean, in that case, it's an air – largely an air-land war, although the Ukrainians have done marvelous things to the Russian Navy without the Ukrainians having a navy. But when it comes to autonomous systems, whether it's UAVs, USVs, UUVs, how are you thinking about the future? And when it comes to the capabilities the Navy is going to need, how do you think about that moving forward?

Admiral
Franchetti:

I think there are many examples from Ukraine. You know, really the innovation on the battlefield – and one of the things I try to inspire in our people is, hey, how do we innovate before the battle? And those are things that we need to think pretty hard about. I think, you know, the things I would say that we've really learned from Ukraine is the value of sea denial. And as you look at one of the evolutionary things from – I had America's war fighting Navy. We also – I built the Nav Plan on the many successes of Nav Plan 2022 that Admiral Gilday put in place.

And he had a large number of, again, specific areas that we were going to focus on and move forward as a Navy, and they are moving also with purpose and urgency, and then I took my seven and moved on. But we added one to that, based on what we were seeing in Ukraine, which is the importance of having sea denial capability, because that's really what you're talking about there.

But one of the targets I have in my Project 33 is really to be able to operationalize and integrate robotic and autonomous systems in the Navy, in all of the domains that you mentioned. I think that is one of the ones – all seven are equally important – but that one has the most promise and the most opportunity. If you look at all the work that we've been doing over the last couple years in Task Force 59, with cooperating with partners over there for large-scale maritime domain awareness, also injecting some lethal capability in there, being an entirely unmanned platforms to be able to get some lethality in there as well as maritime domain awareness.

Then you go down to Fourth Fleet in South America where they actually have some unmanned surface vehicles that are on patrol actually reporting back and monitoring different types of activity there. Then you look in the Third to Seventh Fleet in the Indo-Pacific, how we're able to navigate unmanned surface vessels all the way from San Diego to Guam to Australia and back. A lot of learning is going on in that space. So my goal is to really now how do we take everything that we're

learning, through experimentation and exercises, and really operationalize that into our standard formations, put them into our certification exercises, get our people used to operating alongside unmanned or autonomous platforms?

And then, as a CNO, whose job it is to man, train, equip for our Title 10 mission, you know, I know that I need to provide the infrastructure, I need to provide the people, I need to provide the training to be able to man, train, equip, and sustain those systems so they don't become orphans that nobody owns. That ownership, stewardship is important. So earlier this year I also created a robotics rating. We know that we're going to need to have people that are able to be skilled in this area. We've got a pilot program going on right now up at Carnegie Mellon, sort of learn from the best, you know, of what our universities are doing now to develop our own training program, and having that skill set going forward. So I think we're learning a lot there from Ukraine. That's really spurred a lot of really urgent work to get that more integrated into our operational forces.

Dr. Jones: Yeah. I think there are some interesting lessons coming from Ukraine. Also from the Bab al-Mandab Strait, the Red Sea, where Operation Prosperity Guardian is occurring right now. And, you know, interesting with the recent attacks, I'm going to call them attacks, in in Lebanon right now, against Hezbollah – both with the pagers but now also the walkie talkies – serious concern about escalation along the Israeli-Lebanese border. So, you know, the region is tense.

I'm curious, when you look at where the Navy has come over the last several months, what's the Navy learning from operations right now in the Gulf of Aden and the – and the Red Sea? And, along those lines, what more needs to be done? I mean, we continue to see these attacks – cruise missiles, drones, and other standoff weapons from the Houthis and others. So what are the lessons you're learning? And what more needs to be done to deal with this threat?

Admiral Franchetti: We are learning a lot of lessons from the Red Sea. And you mentioned first Operation Prosperity Guardian. And sometimes we overlook and we forget to talk about that when we talk about all the different kinetic activity that's going on there. And I think that is just one really important thing to remember, that the United States, allies and partners, like-minded nations, standing up for the rules-based international order is really important. And, you know, collectively, we can do that. And that is the one thing that I think is always really important for us to remember, is that we have allies and partners. We have great joint and integrated capabilities, that are also on display there. And our adversaries simply don't have that.

On the more kinetic side of the house, you know, a lot of the things that we're learning – like, first of all, it's important that all of our weapon systems, all these investments that we've been making over the last 10 years in excellent weapon systems, investing in excellent training, and really ramping up that training over the last couple of years to really increase that war fighting capability, the war fighting capacity, and making sure that our people know how to use their systems and they trust their systems are going to work, I mean, that's what you see right away. When the Carney comes through the Suez Canal on day one, UAVs inbound, shoots them all down.

And, you know, it's true that all of our conventional capabilities are working against these unmanned, cheaper capabilities. And I think it's important. That conventional force makes a difference every single day. And when you put it up against the unmanned technology, it is winning. I think the other piece is we're learning a lot about the importance of, again, innovating, and iterating, and understanding what the adversary is doing. So if you take a step back and you look about all we're learning, we are able now to take the data from engagements that are occurring out there, from our – from our ships, from our aircraft.

We're able to get that data back immediately, back to our war fighting centers, where they develop tactics, techniques, and procedures. We get that to our warfare centers, where our engineers are, where they work with industry partners. They can look at these engagements and then they can quickly iterate and come up with new tactics, techniques, procedures, even sometimes new additions to some of our softwares to be able to make a modification, again, to stay ahead of the adversary.

I'll just give a small example of a FC2 that I got to promote to FC1 when I was out on one of our ships visiting them, welcoming them home from their deployment over there. And he was a fire controlman who operated on our gun weapon system. He saw a different way that you could use the gun to be more effective against some of these threats. He provided that up. All of the engineers vetted it, and it was correct. We were able to put that tactic out to everyone. And we promoted him for that. So, again, it's inspiring our sailors too to unleash their innovative spirit to be able to get after some of the challenges that they see. So a lot to be learned in the Red Sea. And it's directly applicable to any other theater that we are going to operate in.

Dr. Jones: Yeah, including the Indo-Pacific.

Admiral Franchetti: Definitely.

Dr. Jones: Yeah, where many of these issues, I think, would be big and probably at significantly more – higher levels.

Admiral Franchetti: Oh, can I give my thing back, one second?

Dr. Jones: You can, yes.

Admiral Franchetti: I was also going to – yeah. I think the other thing, though, is that, you know, very clearly, we need to continue to develop counter-UAS capability. Whether it's counter-UAS ashore, whether it's counter-UAS afloat. And there is a lot of work going on in that space right now. The Secretary of Defense has made this one of his very highest priorities. And you're seeing amazing levels of cooperation and coordination between the services, between industry, and between a lot of different experiments, so we can get those type of capabilities out to our forces as quickly as possible, and get them in there so we can test them out, use them. And, again, we know that – one of the things from the Red Sea is, you know, you need to have these capabilities, and you need to be able to defend against them.

Dr. Jones: How do you think about the trade-offs – I'm going to oversimplify – but the trade-offs – how are you thinking about the cost of the systems used to counter incoming UASes? I mean, I think when you're talking about missiles, including ballistic or cruise missiles, slightly more expensive systems. But for some relatively cheap incoming UAVs, how are you thinking about the trade-off, and what you're using to counter them, and whether we've got to get some of the costs down slightly in the system?

Admiral Franchetti: Yeah, well, you can never put a price tag on one of our sailors or the 300 sailors on a DDG. And, you know, I 100 percent endorse and support all of our commanding officers in, you know, defending their ships, saving lives, defending merchant mariners. I mean, that's what we tasked them to do, and that's what they're doing. But we – as you said, we need to get on the right side of the cost curve on that. And I think some of these emerging technologies that we'll be able to employ are going to be a good sort of a fabric that we'll be able to use, whether it's kinetic effects, non-kinetic effects, and how do we weave those together in a layered defense, that's what we really need to be getting after.

Dr. Jones: Yeah. One issue along – sort of along these lines, and you mentioned it earlier. I was on the Hill yesterday. Obviously, a big topic is the budget and the continuing resolution, this looming potential continuing resolution. I want to just talk briefly about the budget. One of the things that's interesting – and we had Undersecretary of Defense Bill LaPlante

a couple of months ago here for a maritime security dialog. And one of the items that that he mentions, just historically, is the defense budget as a percentage of gross domestic product.

It is about 3 percent or so, in that realm. You know, we pulled the numbers. They're pretty well known now. During our last major period of strategic competition against the Soviets, budgets hovered between about 9 and 11 percent during the Eisenhower administration, between 8 and 9 percent during the Kennedy and Johnson administrations, so you're seeing actually Republican and Democratic administrations, and about over 6 percent during the Reagan buildup. So those are – those are all in that six, seven, eight, nine, 10, even 11, during the Korean War it was upwards of 16 (percent). You know, we're not quite at that level of engagement in a war right now, although we are involved in supporting Ukraine and certainly supporting Israel, and dealing with commercial ships.

So the question really is, Congress has not shown – again these are my words – the propensity to give the Navy the resourcing to expand the fleet. How do you intend to raise or how are you thinking about raising the readiness of the fleet with the buying power – I would call it reduced buying power – that comes with continuing resolutions and the budget that you have?

Admiral
Franchetti:
Dr. Jones:

Well, a lot to unpack there.

Yes, I know.

Admiral
Franchetti:

And, you know, this is one of the things that I acknowledge right up front, you know, in the Nav Plan, that we face constraints, budgetary constraints. And, you know, I've in my own testimony talked about the fact that we need 3 to 5 percent increase above inflation to really be able to grow the fleet.

Dr. Jones:

Which you don't have right now.

Admiral
Franchetti:

And so – and I continue to advocate for a larger fleet. You know, we talk about that with our members of Congress. And we know that that is important. We know that every assessment that we've done shows that we need a larger fleet. The reality is, as you just mentioned – and, you know, I'm going to continue to advocate for that fleet. But I've got to focus on readiness, capability, and capacity, in that order, because that is where we can make the most difference in the shortest amount of time.

So getting after that readiness is really important. And when I think about readiness, it's platforms that are ready. When you look at the

Project, 33 targets – and they’re actually all interlinked when you – when you think about them. And that is all about getting more ready players on the field. So getting what we have in and out of maintenance on time, that’s really important because that sets the stage for all of the training that we’re going to do. Getting our people trained and ready to go through live virtual constructive training, really raising the warfighter level of competency, that’s another target.

So, again, now you have your ready ship. It’s ready to train on. You’ve got your people that have been in the simulators, working together as a joint force, getting out there. That gives you more readiness. If you look at how we’re going to integrate robotic and autonomous systems, that’s going to extend the reach, the lethality of our conventional platforms. If they’re ready and they’re out there, that’s what we need to do. So these are some of the areas through the Nav Plan that I really want to increase our level of readiness.

Dr. Jones: Can – you you’ve raised it a few times, and for folks that are not fully aware of the specifics – can you talk a little about the priorities in Project 33, just for the broader audience. And then I’m going to start going to a couple of questions we have. So, Project 33. I can – I can hold up the Nav Plan again if you want, because it’s in there.

Admiral Franchetti: Actually, there’s a cheat sheet. There’s actually a website now too. And there’s a little cheat sheet that looks like that, that can be pretty helpful for everyone. As, you know, it’s a new document, and so as people are trying to navigate their way through it, I hope it can be helpful.

Dr. Jones: No pun intended, navigate through that.

Admiral Franchetti: Oh, navigate your way. (Laughter.) Yes, navigate your way through Nav Plan.

So, on Project 33. So, again, I’m the 33rd CNO. So we call this Project 33. And they’re the areas that I’m going to put my personal thumb on a scale, invest my time and resources in, because I think that’s where we can make the most gains in the shortest period of time. So the first one, readying our fleet. That’s about getting 80 percent combat surge readiness. So basically, push the go button, 80 percent of the fleet is ready to go. I’m trying to summarize it, but that’s in all air, subs, and surface ships.

You know, the second one, operationalizing – and I’m going to make sure I use the same words – operationalizing robotic and autonomous systems. That’s about – we’ve been talking about that a lot, integrating that into our fleet because, again, wherever we can free up our sailors to

do the things that you really need our sailors and our civilians to do, we want them to focus on that. If there are things that are dirty, dangerous, dull, we can have autonomous or robotic systems that can do those things. And if we can do unmanned-man teaming with them, again, that improves our readiness to do our job that we need to be able to do.

The third one on there is fighting from the maritime operations center. So a maritime operation center, you can think of it as the big command and control hub for everything that we're going to do. We have maritime operations centers today. And they do a really good job of what we've needed to do throughout my entire time in the Navy. But if you think about a future fight, you think about a maritime operations center that is going to need to synchronize joint effects in time and space. And I can just give a quick example of that.

So if you have a DDG, it's driving around somewhere in an ocean and it needs to do a long range Tomahawk strike on a target. It may get the information about that target from a Space Force capability. And then it may refine that targeting through capabilities that come from forces that are closer in, like an Army sensor, Marine Corps stand-in forces, SOF, allied partner. And that helps refine the targeting solution. And then, if they want to do some deception or conceal the fact that they're doing this, maybe they need some kind of other information warfare effect to be able to do that. And then all of a sudden, they launch their weapon.

The DDG CO may not know anything about that. They just knew when it was time to do the launch because all of that coordination needs to happen in the maritime operations center. So we need to get maritime operations centers up to that level of synchronization so we can deliver the effects we need to deliver at the time and place of our choosing. And that integrates joint as well. And that's really important going forward. So what is it? It's a MOC. It's an infrastructure. What type of connectivity do they need? What type of people do they need? How are we going to certify them? That's a big effort here.

Those are all the warfighting ones. In the war fighter ones, going back to my America's war fighting Navy, those are how we're going to recruit and retain talent. That's about – and our chief of naval personnel set his own stretch goal right here – 100 percent fill for our ratings, and 90 percent – 95 percent fill of all our deploying units. That's a stretch goal, and we are going to achieve that. I will just take a side note, recruiting is going really well this year.

Dr. Jones:

I was going to say, yes. You can brag a little bit.

Admiral
Franchetti:

I can brag momentarily. (Laughter.) You know, recruiting – I just give a shoutout – I’m going to talk to them later today – our recruiting nation. Everyone who’s out there really working hard to reach every ZIP code in America. We’re going to achieve our number of contracts that we needed this year, which is just over 40,000. And we’re even – we can’t push all of them through boot camp this year, so we’re going to start next year with a little bit of a delayed entry pool.

But really using an enterprise approach and a lot of the processes that I’m talking about here to look at, OK, what is your driver? What is the single most important driver in recruiting? Throughput per recruiter. How do we enable the recruiter to be able to do their job better? And that way we get more recruits. Maybe if we just change the target, instead of saying you need two a month – so they don’t hold the ones that are their hopper for next month – we just give them a goal for the year. So, again, there’s a lot of things we’re doing. We don’t want to get too far off track. All right.

The other one is delivering quality of service. So to be able to deliver these ready platforms we need the people to do that. So we’ve got to recruit them. And then we also need to retain them. And we know that improving our sailors’ quality of service, which is their quality of life and their quality of work, will retain them. Retention right now is over 105 percent in every one of our pay bands, but we cannot take that for granted. And we need to keep working on that. So delivering quality of service.

And then the third one in the warfighter bucket is, like I talked about, investing in warfighter competency. Modernizing our training regimes. Making sure we can get the reps and sets we need in the high-end warfare that we need to. And then the final one in the foundation bucket is restoring our critical infrastructure, investing in the most important infrastructure in the Indo-Pacific first. But if you take a step back and look about our infrastructure, I like to call it aircraft carriers that don’t get underway, but they project power. They generate our force. They sustain our force. And you think about force generation in a wartime environment, they’re going to really be able – need to be able to train, certify, and get forces out. So what does that need to look like in the future? So those are the Project 33 targets.

Dr. Jones:

Sounds good. One of the areas – I want to go first to the first question here. This from Cynthia Cook, who’s the director of the Defense Industrial Base Group here at CSIS.

It’s actually a subject I was going to get into as well. And, Cynthia, if it’s OK, I’m going to preface your question first with the Chinese. And that

is, when you look at the Chinese shipbuilding capacity, it's impressive. The size of the shipyards, the capacity to produce at mass and scale. And so I'll preface that, and then I'll go into Cynthia's question here. Which is: The U.S. shipbuilding industrial base is relatively constrained, and the U.S. produces less than 1 percent of the world's ships. How do you understand this challenge? And what are the potential pathways to address it?

So that's the first question. The second question is, is there a role for allies and partners, like Japan and the Republic of Korea, which are global shipbuilding powers, in producing ships for the U.S. Navy? They also have commercial capabilities as well. So, again, what's the challenge and pathways for shipbuilding, first? And then, second, allies and partners?

Admiral
Franchetti:

Thanks. You know, I have spent a lot of time investing myself in going out and visiting our shipyards – both our private shipyards and our public shipyards, really to get a better understanding of the environment that they're facing and the challenges they're facing. And I would say that universally, you know, they all face the same challenges. One, workforce challenges, both in recruiting and more importantly in retention. A lot of our shipyards have young supervisors. And, again, that sometimes leads to quality issues, rework issues, and also just coordination issues within the – within there. So that's – workforce is one challenge. The second one is supplier base. You know, we have a lot of – used to have a lot of suppliers. A lot of suppliers have dried up. How do we reenergize and invest in that supplier base, so we can get all those parts and things that we need right away? Those are two – the two main challenges that people talk about. And, again, investing in that is really important.

You've talked to – you know, Secretary Del Toro talks about maritime statecraft and really a national call, you know, to invest and improve in our maritime industrial base, because we do need to generate the ships that we have on contract. We need them on time, on cost, and we need to be able to ramp up that. And you've seen our advocacy for investing in our submarine industrial base and really working hard to infuse all of the things we need to do to grow workforce, grow supplier base, improve our processes within the shipyard to be able to accelerate our shipbuilding, because we know we need a larger force.

When I think hard about, you know, what I really need the industrial base to do now, it is to get after this maintenance piece that I was just talking about. We have units in private and public shipyards. So, again, how can we work together, and I always believe this is a partnership with industry, to be able to expedite getting our ships in and out of

maintenance on time, learning from other shipyards and best practices, and then sharing those around and moving people out. I also need industry to help get some new entrants into the robotics and autonomous capabilities, because I think there's a lot of talent out there. There's a lot of ideas and creativity out there that we need to harness and bring that into our scope.

On the part about the foreign shipyards and allies and partners, you know, one of the things that I'm looking at, and I know the secretary has talked about this a lot in his Maritime Statecraft Initiative, but one of the things from a more uniform military perspective is that, you know, we have a legislative proposal in the system this year to be able to do some very short maintenance periods in a small number of foreign shipyards.

And the reason we want to do that is to start to develop those relationships. That's not about our shipbuilding or our ship repair capacity. That's about potential need in a crisis or in a wartime scenario to be able to work with allies and partners that are closer to where we might potentially have a conflict, to be able to have those relationships so we can quickly get things in and out and repaired. So that's just our first step in going after that.

Dr. Jones: I want to come back to your workforce issue. Having visited a number of our shipyards, there are workforce challenges. There are housing prices and housing costs in some areas that are very expensive for those working at shipyards. There are – you know, there are some challenges in recruitment for key – welders, for example, and others, and keeping them, retaining them. So what role do you see the Navy has, and how do you think about trying to solve or at least, you know, conduct, more effective solutions on the workforce issue? Because it's a – I mean, it clearly is a challenge. I mean, I think most of the shipyards will acknowledge that, pretty straightforwardly.

Admiral Franchetti: Definitely. Well, I think there's a lot of partnership going on here. And, you know, I've had an opportunity to talk with the folks that are running some of the pilots in, like, the Danville process, you know, where I think we've got some more going on in additive manufacturing. We have other work on pipelines for welders and some of the more much in-demand skillsets that we need people to be able to do when they get to the shipyard. So how can we help partner with industry to really energize that system, working with high schools, working with community colleges? How do we help kind of reinvigorate?

And, like, when I went to high school, which was a very long time ago, I know – (laughter) – but we had shop, we had opportunities, you know, to do things. A lot of that's fallen away. So again, how do we reinvigorate

the focus on those trades and the value, that that can provide an amazing career for you and your family. And how do we get that word out? So I think that's part of our Navy's job. When I go around high schools, and I meet with some of those school administrators, and I talk about opportunities, you know, for kids that may not want to be going on to college, there's a lot of other opportunities.

And I will say, the workforce when you – and I'm sure you've experienced this – when you go to the shipyards and you meet the workforce, they are the most patriotic people. They are building for America. They're building for the defense of America. And they really want to succeed. So it's our job to give them the tools, working with industry, to be able to do that.

Dr. Jones: Yeah. And, I mean, it's an issue that has been identified in the National Defense Industrial Strategy that the Pentagon put out at the end of last year as well.

So we've got a question from Abby Shepherd at Inside Defense. How do you propose achieving and sustaining in 80 percent combat surge ready posture for ships, aircraft, and submarines by 2027? How is this made difficult by a constrained budget environment and potentially a CR?

Admiral Franchetti: Yeah. Well, everything is made more difficult by a CR. And, you know, I would say we've experienced a lot of CRs. The continuing resolutions really stop any momentum on the things that I'm trying to achieve in this Nav Plan. So that is very detrimental to us. I sent my own letter on the CR to Congress. And, again, very concerned about the potential for that.

But, you know, how we're going to achieve that is really – it's it is think, act, and operate differently is probably the mantra for all of these things that we have. But it is about understanding, first of all, what are the driver trees, what are the reasons that are stopping us from getting to 80 percent readiness? Some of this is the maintenance. That's probably the number one thing, getting things in and out of maintenance on time. But we have to put in place a lot of process that we have learned already from analyzing this.

So, for example, locking in the packages for our ships going into maintenance well ahead of time, 180 days out, so the yard can plan, the yard can hire, the yard can get the spare parts. If there's government-furnished materials that are we're responsible for, that we get them all ordered on time. Another big one is growth work. That is another delay that we see in many, many, many of our availability. So how do we get ahead of the growth work? How do we analyze the data of the ships that

have – submarines that have gone before to be able to do that? How do we prevent work stoppages and get more engineers out there to be able to help understand why that the work is stopped, resolve the issue, and move it on?

There's a lot of things that we can do internally to help get more players on the field. It's the same thing about continuing to invest in our own workforce, making sure that we are, and our other goals in here, about recruiting but also retaining and then filling our platforms so they can get all the training that they need. So when the ship is ready to go, the people are ready to go. And that's really important.

Dr. Jones: So you mentioned CR is right at the beginning of your answer here. Can you talk a little what is the impact of – if we go into a CR, what's the impact on the Navy of a CR? What does that constrain your ability to do? Are there some specific examples?

Admiral Franchetti: Yes. I definitely have specific examples. And, you know, it's always – the CR, one of the biggest challenges, of course, is the new starts. And that those are the things that we can't do. So, again, we want to move forward. It's going to – I'll just give it broadly. It will have an impact on Columbia. It will have an impact on Virginia-class procurement. It'll have an impact on Harry S. Truman's RCOH that's coming up. It has the potential to have an impact on our families.

And I think that is the one that I always take the most seriously, because it can impact PCS moves. It can impact our new starts on construction of child development centers. It can impact these new bonuses that we were trying to implement. It basically ties your hands. And, you know, it holds you where you are, and you can't move forward on any of the initiatives that you wanted to put in place. So those are some of the bigger ones. There's work being done at our Trident refit facility down in Kings Bay, Georgia that would not be able to start. We're trying to design a new system for CPS weapons testing. That would not be able to start. So those are just a couple, you know, that come right to the top of mind. But, again, the CR is not a good thing. And we continue to live with CRs.

Dr. Jones: Yes. It's been a recurring theme. So for those congressional members and staffers listening here or listening, please take all of this quite seriously because we're hearing this from across the services as well, not just the Navy.

I want to go to a question from Stiles Herdt, who is one of our former Navy fellows here at CSIS. And this gets to Project – this goes back to Project 33. He says, Project 33 states a goal to operationalize robotic

and autonomous systems. We talked a little bit about that. What are your fleets doing well? And how would you course correct them to meet the future of war at sea?

Admiral Franchetti:

Well, I think the fleets are doing a great job. And a lot of this initiative is really coming out of the fleets. You know, starting first in Task Force 59, then scaling over into Fourth Fleet, and now Seventh Fleet. And I think the really good things that they're doing is that they're sharing what they're learning. And so we're not learning in three different silos of education and learning. We're actually having an enterprise approach to that. You know, we stood up an Unmanned Task Force to really look at what are some of the technologies that are ready, and how can we test them out. how can we work under the Replicator Initiative to get some energy and funds infused in some of the programs we want to do. So those are all the things that I think we're doing well.

The things that – I think the fleets are doing great. Where the challenge is really on my end, which is how are we setting up the infrastructure to be able to support and train to integrating these robotic and autonomous systems. So that's what I need to do. You know, making our type commander the owner of these individual systems. So our surface type commander has the USVs. The submarine type commander has the UUVs. So we prepare for the man, train, equip, operate. I think that's on my end.

I think the last thing that we really need to do is continue to experiment with them, but also fully flesh out, what is the concept of employment? How are we going to use these things? That'll help us refine the requirements of what we want them to do, but then it will also help us train to them. So as we develop those TTPs, the doctrine of how to use those and integrate them into the future, I think that will be really important.

Dr. Jones:

How are you thinking of using them, along those lines? I mean, we've seen the evolution of UAVs, for example. I mean, when I use them during my time in special operations, primarily for ISR and strike, but we've seen them even in the Ukraine context for EW and counter UAS. We've seen them for information operations. We've seen them for targeting for other systems, especially attritable ones. How are you thinking about the utility, including underwater? I mean, some of the war games we've been involved in here, the underwater systems are actually quite useful. They're more difficult, in some cases, for our adversaries to see and monitor those. So how are you thinking about sort of using them?

Admiral Franchetti:

Yeah. I think, well, you described a lot of the ways, you know, that we are thinking about using them. But certainly, they're already doing

maritime domain awareness. You know, so that's one. That one, to me, is a little bit of a no brainer. And when you talk with a lot of our allies and partners, especially those with big EEZs, and they really want to have a better perspective on what's going on in their EEZ, this is a low-cost way to have that information.

And then be able to see, all right, this is the normal pattern of life, here's an anomaly. Let me get something over there to look at it. You can see them being used in large scale in South America, if you want to look at counter drug or counter – you can see them used anywhere counter illegal fishing, because, again, they can get out there on patrol and you don't have to devote your people or your own manned platforms to be able to do that. So I think that's one that we're already doing.

I think you mentioned another one. You know, certainly, where can you use their stealth, you know, how can you get them to be able to see, sense things, and provide that information back? How could you potentially have them a lethal one, you know, further down range to be able to extend the range of your manned platform? I think you can talk about using them for deception. There's certainly plenty of ways that we can integrate those. And that's what the fleets are really generating right now. You know, how do they – and, again, this is – we didn't talk too much about this yet, but about, you know, how do we expand the Navy's contribution into the joint warfighting ecosystem?

You know, these are some of these capabilities that we offer up to the combatant commanders so as they're going through their planning about how they want to execute, you know, a war, you know, what are their flexible response options? What are their deterrent options? What are their actual operational things that they want to employ? This is part of the Navy's contribution. And as we write our Navy War Fighting Concept, which is another new initiative I talk about in here a little bit, that's where we're going to talk about how we contribute these layered capabilities that will layer in with other capabilities from the joint force and enable each other to achieve those effects that we're trying to achieve in a synchronized manner.

Dr. Jones:

I do want to come back to the joint – the joint warfighting – your joint warfighting comment in a second. We did have Chris Grady in earlier this year to talk about at least 3.0, so the perspective from there. But I do want to go to one of the questions here from Heather Mongilio from USNI News. And she says, in your Nav Plan released yesterday you list several 2027 milestones, including 100 percent manning, ship construction, and maintenance timelines. Given the current state of the Navy, especially with its shipyard delays which we've started to talk about, how realistic – how realistic are these goals?

Admiral
Franchetti:

They're realistic. My focus is on setting goals. We got to have a stretch goal. And I've asked our team to set for themselves – and all these goals were 100 percent agreed to by our four stars, by the type commanders, and most importantly by the single accountable individual who is going to be responsible to me to achieve this goal. And so my objective, if you don't shoot for the moon you're never going to get to the moon. So we are shooting for very high, very tough stretch goals here. And I know that.

But the only way we're going to get there is if we set those goals that high, and we really execute the strategic discipline that we need to, to focus on these goals, focus on the things that are in our five-plus-four, which are the capabilities that we're going to contribute to the Joint Warfighting Concept. That is what we need to do. And if we stay focused on that, we are going to get there. I have no doubt in my mind that we are going to get there. And where we're getting off track, I'm going to know about it, and because we're using data to know because each one of these has a metric associated with it. So I'll know, are we on plan, off plan, above plan? And what do I need to do to get back on plan, if we're not there?

Dr. Jones:

So we're almost at the end of our time. I did want to come back to joint war fighting, and actually it's about interoperability in two respects. One is, if you could talk a little bit about interoperability as you're thinking across the joint force. But, second, allies and partners as well. So question here is: The Constellation-class frigate program went from 85 percent commonality with the Italian FREMM to less than 15 percent commonality now, which injects more cost and further delays. How did we get here? And what are we doing about it? So there's the Joint War Fighting Concept and integration of the joint force, and there's operability with allies on the Constellation-class frigate.

Admiral
Franchetti:

Sure. I think, well, most – as I mentioned right up front, allies and partners, we have them. We do not take allies and partners for granted. These are investments that we need to continue to make. And we need to make sure that we remain interoperable with our allies and partners. That comes from baking it in up front and being able to exercise and work together as often as possible to make sure that we're building not only the interoperable systems, but also people that are used to working with each other along the way.

Joint warfighting ecosystem just is really my vision for how I see how a future fight will go. If you – if you think back to the Navy of old, you know, we deployed over the horizon, we met the enemy, we defeated

the enemy, you know, and that was what we did. If you think about the future, all of the capabilities from all of our services are going to be integrated in a giant information warfare ecosystem where we are all going to have to operate together. We may have to operate in a communications-denied environment. And we are going to have to know how to synchronize our effects together, again, to be able to get downrange and deliver those effects at the time and place of our choosing.

And that requires a lot of work. It requires a lot of conversation. And as service chiefs, it's really important that we continue to talk to each other. And we're doing this. There's a lot of things that Space Force is developing that we're relying on. And there are things that the Navy is developing that the other services are relying on. So understanding and having a shared understanding of how the joint force is going to fit together and fight together in this joint warfighting ecosystem, where every capability is essentially dependent on the other capability, and it needs to do its job, it's almost like – I think about an orchestra. You know, the flute needs to play when the flute needs to play. The tuba. You know, all the other things need to play at the right time. And that's how you create that effect.

And that includes not just a joint force, but it includes our allies and partners. And we've got to be able to integrate them into the process. You know, on the frigate, there is a lot of history on the frigate. The most important thing is that we need to continue to work to get the frigate delivered so we can get it out there operating. And, you know, the frigates are the workhorse of the fleet. They always have been. And, you know, our frigate will be completely interoperable with the frigates of every other nation that builds a frigate. And I just want to get them out there and operating.

Dr. Jones: Great. Well, we have one – we have time for one last very quick question on AUKUS. Bill Whitsitt, U.S. Montana Committee – USS Montana Committee. Can you provide your latest thinking on the importance of AUKUS, and when we might see specific SSNs designated for forward rotations out of HMAS Sterling in Australia?

Admiral Franchetti: Sure. As I think everyone knows, we just celebrated the third anniversary of the announcement of the AUKUS agreement. And I actually had the great opportunity to go to HMAS Sterling this summer, along with my Royal Navy counterpart, the first sea lord, and also we met there, of course, with –

Dr. Jones: Who's been here, by the way.

Admiral
Franchetti:

– Mark Hammond, the head of the Australian Navy. So it was great to get down there, to really have an eyes-on of all the work that is going down there to prepare for our submarine to go down there. And whether it's the maintainers that have been working up on the Emory S. Land, been working up at Pearl Harbor Naval Shipyard to develop their own skills and ability to maintain Virginia-class submarines, and then going to the machine shop, going to the barracks, going to see where the piers are going to be extended, seeing where the families are going to live. It was great to get eyes on and understand that.

I'm super excited about AUKUS and all of the promise that it has. I think also you may have seen, we just finished our first submarine-tended maintenance period there, where the USS Hawaii came down and was tied up with Emory S. Land, did a maintenance period with combined maintainers from the U.S., the U.K., and Australia. And, again, to great success. So this is a very exciting development. A lot of great progress. We're still working through the actual names of the ships. But, again, and I failed to mention, you know, we've got a lot of Australians going through all of our nuclear power school training. They're always finishing at the top of the class. They're going through sub school now. And the Hawaii actually had one of the first Australian officers as a crew member. So it was great to see. So a lot of promise in AUKUS.

Dr. Jones:

Yeah. Well, a good – a good sign of a good conversation is that – and I apologize to those both online and the – I didn't even get to probably a quarter of the questions. So there's a lot of interest. There are a lot of good questions. I apologize I didn't get to everything. But if you could all join me in thanking Admiral Franchetti for being here. (Applause.)

Admiral
Franchetti:

Thank you.

Dr. Jones:

Thank you very much. We appreciate your time. We know you don't have a lot of it, but we're really happy to talk through various aspects of the Navigation Plan and where you see the Navy headed.

Admiral
Franchetti:

Great. Thank you. And I look forward to coming back. Thank you very much.

Dr. Jones

All right. Thank you. (Applause.)

(END.)