

ADMIRAL TIMOTHY J. KEATING, USN: Do you want us up there, Jackie, or go here.

DR. DAVIS: Wherever you're more comfortable.

ADMIRAL KEATING: How about here, is that okay?

DR. DAVIS: It's fine. I told the poor navy guy the wrong ...(inaudible)

ADMIRAL KEATING: Are we okay here, with you guys? Whoever? Great. Doctor, thank you very much for the intro. I would hasten to point out that the three distinguished gentlemen to my right are representing an institution that will be yet again defeated on the gridiron, Saturday.

Jackie, thanks. It's good to see you, again, and it is great to be here to talk about the new maritime strategy, from the Pacific Command perspective. The last two decades of our country's history, we think, are a testament to the immense and growing importance of the Asia-Pacific to our nation and to the world. And the region today, the Pacific, is free and more prosperous than ever thanks, we believe in large part, to international interaction, particularly in the maritime domain.

Reasons are several. Almost all trade, at one point or another, is afloat. Each year, almost twenty million containers move on the water between Asia and the United States. And fifteen million move between the United States and Europe. Thirty-five million containers.

Through the Strait of Malacca, every year, seventy thousand ships, carrying a third of global trade, by volume, and more than a third of global oil trade-- That's about twelve million barrels a day-- Pass through the Strait of Malacca. That's of considerable interest to China, Taiwan, South Korea and Japan, who get over-- between ninety-four to ninety-

six percent of their crude oil from ships that pass through the Indian Ocean and then the Strait of Malacca.

Those numbers are impressive, and they demonstrate that international prosperity depends upon continued security and stability in the maritime domain. And for us, at the Pacific Command, every indicator-- All of them that we read-- All of them that we get-- Say that reliance on the seas and the maritime domain is only going to increase. Nations in our area of the world have taken to heart the lessons of sea power. They understand the direct link between the maritime domain and prosperity. Further, they not only have more money to spend on projecting national power, but they also have vital interests of their own that they want to protect on the seas.

China is a good example. Those folks in China are now the second-largest consumer of oil, and third largest net importer of oil. Seventy-five percent of their oil comes sea, from the Middle East or Africa. India, another country of significant import to us, of course, imports sixty-five percent of their petroleum, and they're only going to increase up to ninety percent, if projections hold.

In the last forty years, world ship building has quadrupled, from about ten to over forty million gross tons per year. Interestingly, the market has shifted from Europe to the Western Pacific. The number three shipbuilders in the world, of about eighty, almost ninety percent of all that is built were South Korea, the People's Republic of China, and Japan.

History, the current geo-political and economic environments, and the trends that will most likely shape the future, all remind us that we get it right in the maritime domain with this new strategy that you're discussing here.

Now, those of us in the Pacific, we have the largest AOR in the department of defense, and a lot of it is water. We rely on access, at all times, unrestricted, to a secure maritime

domain. We must deploy and employ on, under and above the sea to do our mission in the Pacific Command.

But that's a backdrop. I'd like to share with you four ideas of what we think are the basic tenets of an effective maritime strategy. First, and foremost, our new strategy must integrate and leverage the great power of our joint military capability. The importance of traditional naval power, especially in the Pacific, is tough to over-estimate. But American sea power is more than just navy. And it has been that since Admiral Dewey and General Merritt joined forces to take Manila during our nation's first excursion in the region, decades ago.

Real American sea power is, and must remain, fully joined. We in the Pacific focus heavily on the oceans, seas, and waterways that dominate the region, and that sustain the interaction that so many now depend upon. But we do so with the full realization that success in the maritime battle space is routed and fundamentally found in joint military power: naval, air, and land power, projection combined, around the clock.

Second, the new maritime strategy must emphasize the absolute criticality of, and be designed to support, continued U. S. military pre-eminence across the full spectrum of operations. We must maintain the effective over-match, the powerful over-match we currently enjoy, whether it's based on numbers, capabilities or, preferably, a combination of both. Our joint maritime force must retain the ability to dominate, in any scenario, in all environments, without exception.

It's essential to our ability to overcome the current, foreseeable challenges that our nation will face in the Pacific, whether it's conducting major combat operations, combating terrorism, countering weapons and technology proliferation, defending against ballistic missile attack, assisting neighbors in need and responding to distress after national disaster.

While the new maritime strategy must first and foremost focus on joint war-fighting effectiveness and the pre-eminence of our fighting forces, truly winning the maritime

domain demands much more from us, and from all who value the relative peace and prosperity that most countries in the Pacific currently enjoy.

In today's world, we must encourage peace, through cooperation, collaboration, and good-will. Make no mistake. Make no mistake, we must always, always be prepared to act decisively and, if necessary, alone. Now we also understand that it's in the best interest of all nations to act together, in the name of common cause, in the pursuit of those conditions that most reasonable people seek. Threats to one nation's shipping, destruction of another's natural resources, proliferation of weapons of mass effect, or immense national disaster, threaten the collective security and prosperity of all nations in our AOR.

Opportunities to act together on the sea, in the air, and on the land, for the betterment of the human conditions, those opportunities are bound, especially given the increasing reliance all nations place on the maritime domain. We believe we must encourage cooperation and collaboration among nations by increasing basic inter-operability, and awareness of all aspects attendant to operating in the maritime domain.

We begin by enhancing strong bi-lateral relationships with our partners and our allies. We're already emphasizing throughout our AOR through the maritime domain. And, then, we intend to build upon these bi-lateral relations, as we expand to a broader, collaborative interaction in multi-national exchanges, exercises, and operations.

Finally, we believe that a sound maritime strategy is essentially fortified by the traditional and demonstrated significance of naval presence. Particularly significant in the larger maritime AORs, like the Pacific, persistent, visible maritime force posture matters. Our new maritime strategy must indicate a fundamental understanding of the importance of presences and, further, support requirements for force structure that demonstrates to all that we are not just a fleet-in-being. We are a fleet present. Through presence, we communicate global reach and commitment to security and stability. Through presence, we are able to interact with partner nations and advance our inter-operability goals.

So, for the Pacific command, our big four are joint sea power, U. S. pre-eminence, collaboration and cooperation, and persistent real presence.

Thank you very much, Jackie.