Paul, thank you. And thank you all for having me this morning. One of my very close friends was chief writer for Jay Leno. He worked on both my gubernatorial campaigns. Now I don’t know if that means that he’s a really funny guy, or that both my campaigns were jokes.

[Laughter] He was in New York last night working on a show and I talked to him, and I said that I’m speaking to 500 lawyers from the Navy tomorrow, got any lawyer jokes? So I got an email with a page of jokes, and some of them are repeatable. [Laughter] I’m going to talk for 20 minutes, or if you were in the private sector four billable hours. [Laughter] But I’m going to stray from the script, we’ve all heard lawyer jokes. I’m a recovering lawyer. [Laughter] We exist in a nation based on the rule of law and lawyer jokes are easy, lawyering is not, it’s hard.

And, I rarely see Paul Oostburg, that he has good news for me. [Laughter] But, he handles the news that he does have for me with grace and intelligence. He always gives me the range of options. Usually none of them is easy. But, what you do on a day to day basis, the types of decisions you have to make, or that you have to give to your leadership to make, are just not easy. And we are incredibly fortunate that we have the talent in this room. And we are incredibly fortunate that we have the people with the skill that you have, who are willing to serve our country. Willing to do what you do, on a day to day basis.
And to be very frank with you, we haven’t treated you well over the past couple of years, with furloughs, and government shutdown. We’re living in this time of fiscal uncertainty, and the instability that that brings with it, and the demands that we have placed on you, on our uniformed military, on our workforce writ large, have been unprecedented, extraordinary. And it has been your dedication and commitment to service, your willingness to work through these things, that have helped us get through to this point. And for that I just want to personally thank you, and to thank you for the support that you give to our Sailors and Marines deployed around the world every single day.

Because that’s what we do, support those warfighters. That’s what we do; support America’s Away Team – the Navy and Marine Corps. There’s a long great history and tradition associated with all this, starting with the fact that the need for a navy is enshrined in our Constitution, in our basic law. I enjoy pointing this out to our Army friends. [Laughter] The Constitution says that Congress shall raise an Army, but that it shall maintain a Navy. Maintain a Navy. Because the Founding Fathers knew what we know, that is, to be a world player, to be effective on the world stage, to do the things that America needs to do you have to have a great Navy and Marine Corps.

What we uniquely give to the country, what we uniquely give to the world, is presence. Presence is what the Navy and Marine Corps are all about. We have, today, a maritime defense strategy. For the first decade of the twenty-first century we were involved in two land wars. But now, as we’re out of Iraq and as we’re drawing down out of Afghanistan, the strategy that the President announced in January of 2012 is a maritime strategy focused on the Western Pacific, focused on
the Arabian Gulf, focused on building partnerships around the world. That is the definition of
the Navy and Marine Corps.

But to do that we’ve got to do certain things. One is, we have to arrest the decline of the fleet,
the size of the fleet, because quantity becomes a quality all its own. And some of the numbers
that I’m proudest of is that on 9-11, 2001, the U.S. Navy had 316 ships. By 2008, after one of
the great military buildups in our history, we were down to 278 ships. In the five years before I
became Secretary we put 27 ships under contract. As Paul said, next week will be five years
since I became Secretary, and in that time we have put 70 ships under contract. We’re growing
the fleet. We’re going to get back to 300, and more, before the end of this decade.

So many people in this room have helped us deal with those complex issues that come with
acquisition, that come when you are not only trying to build more ships, and build more aircraft,
and we’ve built almost 1000 more aircraft in those five years, but do so in an ethical, legal, and
economic fashion. We put 70 ships under contract with a smaller top line for the Navy. And one
of the things that I tell audiences is my father was one of the cheapest people who has ever lived
on this earth. He threw nickels around like they were manhole covers. In fact, when I was
running for office as State Auditor, my first race for elected office, I met a guy in Wiggins,
Mississippi. And he said, are you Raymond Mabus’s son, from Ackerman? And I said, yes sir.
He said, well I’m going to vote for you, if you’re half as cheap with the state’s money as your
father is with his, we’re going to be ok. [Laughter] Well, I am my father’s son. I believe in
getting a dollar’s worth for the tax payer every time we spend a dollar. And the people in this
room are a part of what make that possible.
One of the biggest responsibilities that you have is helping all of us ensure that our decision makers and leaders approach the issues that they have to decide in an ethical way. Particularly in tough economic times, it can be tempting to cut corners. I’m going to share with you one more story, this one about my time in the Navy.

When I did ROTC at Ole Miss. I finished in three years, so I had to do my last two years of naval ROTC in one. And I took my summer cruise after I graduated. I was on a Cruiser in the Mediterranean, and I got orders to come back to New York and go to Columbia University to get commissioned at the ROTC unit there. This was the summer of 1969.

So I did I flew back to New York from Naples, I got up the next morning and called the Commanding Officer of the ROTC unit to make about arrangements to come out and get commissioned. He said something that struck me as sort of odd. He said, now, you don’t have to wear a uniform if you don’t want to. I asked him why not, and he said, well, there’d been riots about ROTC the year before at Columbia. He was concerned about our safety. And ROTC members at Columbia did not wear their uniforms, for drills or any other time.

My idea was that if I was going to be commissioned I was pretty clearly going to do it in uniform. So I put on my uniform, got on the subway, went up to Columbia, got commissioned. Nothing happened. But it was not a strange notion then, in 1969, to tell someone that it might not be a good idea to wear your uniform.
Today our Sailors are in a very different Navy, and the Marines are in a very different Marine Corps from the military that I was in. The relationship that the Navy and Marine Corps, and all our services, have today with the American people is a fundamentally changed, fundamentally different one than the one when I was a junior officer. During and immediately after Vietnam, the military was just not very trusted. It was not something that a lot of people looked on to emulate, or to identify with.

Since that time, in those forty plus years, there has been a fundamental shift. Americans have now have separated the warrior from the war. Regardless of what they might think about any of our conflicts, the military has the trust and the confidence and the respect of the American people. It’s higher than any other institution, by a long shot, in this country. And that just didn’t happen.

That wasn’t an accident. A lot of people in uniform, and a lot of people working with the military in a civilian capacity, worked very hard to establish this new relationship. A lot of people have sacrificed a lot to live up to this new relationship. And to live up to a very, very high standard that we have set for ourselves. They’ve held themselves and others accountable. And because of that, this level of trust, this level of respect, this level of confidence is incredibly high. But it’s also a very fragile thing.

Every time a CO gets relieved for bad behavior, and every time there’s an ethical lapse in our civilian leadership, every time it erodes a little bit of the trust and confidence. So the misdeeds of the very few – and I want to emphasize I am talking about the very, very few – but those
misdeeds have capability to undermine the great work of the many. Every bad headline about unethical behavior, unprofessional behavior, has the potential to do a whole lot of damage.

Now, having said that, I will repeat what I have said at a press conference and what I said the War College: I would rather have a bad headline than have bad people get away.

And we’re going to continue to be transparent with what we do. Alone among the services, and alone just about in America, when something bad happens we announce it, and we tell why it happened. Partly to act as a deterrent, but also partly because it’s just the right thing to do. We have this Navy tradition, we’re going to hold people accountable and when we do we aren’t going to be secret about it.

I’m also going to say something I said at the War College, in some of the cases that we’ve been dealing with, all the ethics classes, all the lawyers, all the ethics advisors in the world aren’t going to help one bit. Because if you don’t know it’s wrong to cheat, if you don’t know it’s wrong to steal, if you don’t know it’s wrong to take a bribe, then training probably isn’t going to help you. You missed something that your momma told you a long, long time ago.

And so the only way we’re going to reach those folks is to set up a system of oversight, of accountability, to find these acts when they happen – and then to hold people accountable. I’ve spent a lot of my public life trying to do just that. As I said, the first time I ran for elective office was as State Auditor of Mississippi. And State Auditor is charged with looking at every dollar of tax money that is spent at every level, state, county, local, hospitals, schools. The fact that I had
never had an accounting course luckily wasn’t a requirement. [Laughter] But what was, was just this notion that people have a right to know what is happening to their money. People have a right to believe that their money is being used wisely and that their leadership is making decisions ethically. And that they’re thinking about it.

And when those decisions are not clear cut, and most of them are not. When the course isn’t just laid out for us. We know it’s wrong to cheat and steal, but there are literally thousands of decisions that are not as clear. And that is where we have to rely on your training, and your skill, and your good judgment, providing sound advice and sound counsel to our senior leaders, both in uniform and civilian. And you cannot overstate your importance, or the importance of the work that you do.

I’m not talking about a defect-free force, a mistake-free Navy. My favorite example of this is when Gary Roughead was CNO he kept a copy of a Fitness Report outside of his office door. It was the Fitness Report of a junior officer who had run his ship aground and had been court-martialed for it. His defense was that he was a destroyer captain, and the Navy urged destroyer captains to be aggressive. He had been being aggressive when he ran his ship around, trying to get his ship in as close to shore as he could to do close fire support for ground troops. His name was Chester Nimitz.

Now, World War II might have been different if he had not had Chester Nimitz in command. So we’re not looking for a mistake-free, defect-free Navy. But there is a big difference between taking measured risk, and I think that’s something we want to encourage, we don’t just want
everyone to conform. We want people to think differently. We want them to be willing to try some new things, not just follow the orthodoxy of people who have gone before. We want to encourage that risk. But it ought to be thoughtful risks, and it ought to me measured risks. And we need you to help us understand what the risks are. Make sure that they aren’t risks that take us over into unethical or illegal behavior, and ensure that we’re not going to lapse about regulations or laws, when we make those decisions.

Along those lines, I’m going to say the same thing I said the last time I talked to this group, I implore you not to make ‘no’ your default answer. No may be the right answer, but you ought to get there after looking at all the alternatives. You, like the rest of the Navy and Marine Corps, we’re not looking for a defect free, mistake-free, force. We are looking for a thoughtful, innovative, folks who are willing to take a different look at things to see what is ethically, legally possible.

So, we have a lot of stuff to do. But the greatest thing about it is that because of your hard work, the American people have a Navy and Marine Corps ready to engage globally, to support our allies, deter our adversaries and fight and win our nation’s wars when necessary, and to deploy around the world all the time in America’s interests. And that Navy and Marine Corps are what America trusts, that they look up to, that they believe in and that they are proud of.

For almost seven decades U.S. Naval forces have protected global commons and have maintained the foundation of the world economy. A lot of that is due to some very hard, in the background, very intellectually challenging work that you do.
Our Navy and Marine Corps are the most powerful expeditionary fighting force the world has ever known, and it is our job, no matter what the times, no matter what the circumstances, to keep it so.

So, from the Navy, Semper Fortis, Always Courageous.

From the Marine Corps, Semper Fideles, Always Faithful.

Thank you very much.