

1SL RUSI HAULDOWN SPEECH

Ladies and Gentlemen,

Thank you to RUSI for inviting me to deliver the key-note address at this year's Maritime Conference. I've been privileged to serve as First Sea Lord for over 3 years now, and see today as an important opportunity for me to give my assessment of how the Naval Service has adapted to a fast-changing world in that time; in particular, against the bench marks I set for myself and the Service when I took over the helm. I hope this won't come across as indulgent self-reflection on my part, because although I am looking back on my experience and the lessons of the last 3 years, the focus of my comments is very much the future.

Writing in the Naval Review in my first year, and as set out in my Vision, I saw 3 themes very clearly. The ensuing years have not changed my analysis, but I must confess that the speed of change and its impact, positive or otherwise, have gone beyond what I anticipated. That said, I believe that these 3 themes will continue to dominate the future.

Firstly, I saw Britain as a pre-eminently **maritime nation** whose people rely on the unhindered use of the sea for their security, prosperity and well-being. I know this continues to be the case, but I am concerned that many people in positions of responsibility and influence too often fail to acknowledge or give sufficient weight to this key geo-strategic fact in their thinking, planning and actions.

Secondly, I considered that the world would continue to face an **uncertain**, rapidly changing and competitive global environment during the early decades of the 21st Century. In the last 3 years I have seen no reduction in the range of threats and challenges facing us. Indeed the world scene has deteriorated. While globalization and the inter-dependence it brings will continue to be the engine of success for many nations, not least our own, the downside of susceptibility to world events brings with it the potential for a rise in nationalism, and a continuing shift towards a multi-polar world. That mandates a pressing need to ensure the robustness and fitness for purpose of our own national security apparatus, now and in the future. However you choose to characterise the future of conflict, this is an era of deployed operations. That necessitates an expeditionary mind-set that can influence regional stability and deal with threats at arm's length.

Thirdly, and I don't imagine I will get much credit for this particular insight, I wrote that **resources would remain tight** in the face of competing demands on public expenditure. But even I could not have foreseen the economic environment we find ourselves in today and the influence it is going to have in the coming years. It is very probably questions of what the Country can afford – or more particularly, what it is prepared to pay for - which will be more influential than anything else in determining the future size and shape of our Armed Forces. Some commentators are already urging a change in the balance of our investment to reflect their predictions of operations in the near-term, but I think this is jumping the gun. President Obama said, making the

case for a concerted global economic relief package to the Prime Minister in April, “Don’t short change the future for fear of the present” and I think, in the current climate, that advice applies equally to Defence Planning.

Clearly it has been Defence’s commitment to Afghanistan and Iraq that has been a major focus of attention during my period as First Sea Lord. I remain clear about the Navy’s need to give unequivocal support to these operations and I am immensely proud that the Naval Service continues to contribute superbly to them. I remain acutely aware that none of these operations has come without the high cost of casualties and very many have been called upon to prove themselves under fire and frequently well outside their comfort zone. But our versatility shines through. In Afghanistan, the naval commitment has been significant and diverse, including the Royal Marines, our Naval Air Squadrons – both fixed and rotary wing - and our medical, logistics and HQ staff, as well as many individual augmentees – last winter, 2 ships’ companies worth. The Royal Marines, from a force of only around 7000, provide significant combat power in Helmand roughly one Brigade roulement in four, a remarkable achievement.

Valuable as the hard-won experience in both theatres has been, long-running operations such as these place considerable strain on our people and equipment, and two of my concerns throughout this period have been the hollowing out of broader war fighting capabilities as a consequence of our commitment to these tasks, and how best to optimise the regeneration of those capabilities.

I make this point because, while Afghanistan is rightly our priority, it is not the only show in town. As I speak, the Naval Service is globally deployed in support of an enormous variety of other tasks that promote and defend the UK's interests - protecting maritime trade routes, conducting maritime counter terrorism, surveying the oceans, countering drug smugglers and pirates, interdicting migrant smuggling, intelligence gathering and conducting fishery protection, as well as providing assistance to other Government departments and other countries. Our experience of recent land operations, valuable as it is, cannot - and should not be thought to - provide a template for the future size and shape of the Navy, which exists as much to influence outcomes and deter aggression as it does to deliver combat power.

Despite our demanding operational commitments, I have concerns that the present public and media focus on land conflict risks overlooking a more fundamental point about this country's relationship with, and dependence on, the sea. For those prepared to think in more strategic terms, it follows that our nation's dependence on the sea means that our ability to influence what happens there and in the littoral regions is central to our continued security and prosperity. The global sea lanes are the arteries along which the economy of this island nation flows. We rely heavily on imported raw materials, goods, food and even energy. Our national strategic holdings of all these commodities have to be measured against our ability to guarantee the security of those sea lanes. We live in a 'just enough, just in time' economy and virtually all of our economic activity, imports or exports, travel by sea.

So, the ability of states' navies to protect their national interests is as much about presence and reach, about the very fact of having a Fleet and what it can do every day for you, as it is about combat operations.

None of this is lost on other States. China and India are investing heavily in naval forces, as is Australia, aware of the growing competition for resources and the real need for influence in the Pacific and Indian Oceans. States are coming to recognise that enforcing national claims over the resources within the sea is likely to assume much greater significance as the 21st Century progresses. Population growth and greater density in coastal areas, climate change and disputes over maritime boundaries and fishing rights are enduring concerns, while continental shelf claims and competition over resources on the sea bed, being made accessible by new technologies, seem to be issues for the future. Whatever the potential for disputes over seaborne resources and maritime claims, all nations need the ability to guarantee free movement of trade and goods across the seas, and especially through vulnerable International Straits, such as Gibraltar, the Suez Canal and the Straits of Hormuz in the Northern Arabian Gulf – and it is no coincidence that you will always find the Royal Navy operating in these areas. But while we all must protect free trade, we must also be prepared to deter and prevent unlawful trade and activity where that threatens our national interests and way of life.

In 2006, I had recognised that we would need to deal effectively with the threats posed by the proliferation of irregular activities undertaken by terrorists, criminals or insurgents. This has certainly proved to be the case. In my time

the Royal Navy has interdicted more than 65 tonnes of illegal drugs, most of it in the Caribbean but bound for the UK. At the same time there has been a rise in piracy in the Gulf of Aden and Somali basin. While this is undoubtedly symptomatic of state-failure, the ultimate solution to which lies ashore, there is nevertheless a need to provide maritime security to this strategic choke point. It is good news - and appropriate - that a Royal Navy Admiral is the Commander of the European Union Naval Force which is contributing both to the protection of the World Food Programme shipping as well as countering piracy more generally in the region. We are respected for the leadership we provide.

From under the Arctic ice to the South Atlantic, from the Caribbean to the South China Seas, in the deserts and mountains, our sailors and marines are deployed and delivering in spades. Given our track record of operational success, underpinned by the lessons we have been quick to learn along the way, notably after the Iranian hostage incident, I shouldn't be surprised that we are so busy. That said, I don't think the Royal Navy, Royal Marines and Royal Fleet Auxiliary have been so operationally active since the Falklands Campaign. While this is a testament to the capabilities and utility of the Naval Service, it also says a great deal about the scope of the UK's ambition on the world stage. As I mentioned earlier, economic realities will surely continue to dominate the Government's thinking, but this nation's place in the world depends on the country's ability to meet its obligations as a Permanent Member of the Security Council, Nuclear State, G8 and NATO member, to say nothing of our partnership with the US.

How does the Navy contribute to these strategic objectives? In my Future Navy Vision I laid down **two core deliverables**:

First and foremost was, and remains, the continuous at sea deployment of the national Strategic Deterrent. Since 1969, there has not been a single day when a SSBN has not been deployed at sea, ready to dissuade those who might threaten us with nuclear weapons.

And it's worth reflecting that on 30 April 1969, when HMS RESOLUTION began her deterrent patrol, it was an uncertain world. On that day, the US was at war in Vietnam, and a fortnight earlier, in the skies over the Sea of Japan, a US reconnaissance aircraft had been shot down by a North Korean MIG with the loss of all hands.

Forty years later, some things remain the same. The US is still engaged in conflict far from its borders, albeit this time with British forces fighting alongside them. North Korea continues to antagonise world opinion, nowadays through provocative demonstrations of its nuclear ambitions. And in the face of nuclear proliferation and attempts by states and non-state actors to access nuclear technology, the case for the Deterrent remains at least as strong as it was in 1969. So I was pleased when in December 2006, the Government announced that it would replace the current Trident nuclear submarines. This means that the Royal Navy will continue to provide the

ultimate deterrent in the interest of the United Kingdom's security into the latter half of the century.

Secondly, I stressed that it was equally important that we retain sufficient depth and breadth in our other capabilities to deal with conventional threats. Whatever view one adopts on the future nature of conflict, who, how and where we fight, one thing is clear. As I said at the beginning of my remarks, **this is an era of deployed operations.** The ability to deploy and stay deployed is - and should be - a vital Defence capability for years to come. It follows that all 3 Services must be structured and equipped at every level, first to be deployable, then to be deployed and then to stay deployed until the job is done. At least 25% of the Navy's people are deployed on any one day, and virtually the entire naval service is of course deployable.

This is as important when conducting deterrence and influence as it is when preparing for war-fighting. While the ability to wage war must and will remain our bench mark, we shouldn't overlook those unique attributes of access, sustained presence, and reach that can deliver effect elsewhere. In 2006, one of my early observations on taking over as First Sea Lord was that at all times we must remain ready to provide humanitarian aid and disaster relief at short notice. This proved prescient because, within months, the Royal Navy was called upon to evacuate UK nationals caught up in the Hezbollah rocket offensive in Beirut. The ability of our warships to arrive on the scene, maintain a presence and evacuate thousands, all in short order, meant that

costly political and military entanglement could be avoided. Since 2006, we have also conducted a series of operations to provide assistance after hurricanes in the West Indies, the tsunami in the Indian Ocean, off Burma, and even sent sailors and marines to protect critical infrastructure during the major flooding in Gloucester in 2007.

What about a direct threat to the UK? I think we would all agree that the prospects of this country having to fight a war of national survival in the short to medium term are pretty remote, although it would be reckless to rule it out completely. The Falklands campaign of 1982 reminds us to guard against the unexpected and we must always remain prepared for war, no matter how unlikely it appears to us today. Indeed, strategic analysts across the world are already making the point – perhaps over-hastily - that wars usually follow global recessions, as economic protectionism and internal instability prompt nationalist tendencies.

So when it comes to thinking about and planning for the security challenges of tomorrow – from a strategic perspective – you might agree with an analysis that suggests that while full-scale war is less likely, the proliferation of small wars in parts of Africa and Asia is likely to continue as state and non-state actors jostle for their place in the new order of things. In order to respond effectively to these challenges, we need a Navy that is big enough to have a meaningful presence, whether to deter or defeat attacks, and versatile enough to operate across the entire spectrum of possible tasking – everything from

Search And Rescue operations in the North Sea to Focussed Intervention and beyond.

That should mean a broad balance of maritime capabilities, including Carrier Strike and Littoral Manoeuvre. I say this because maritime forces are a vital instrument of our national power. We shouldn't, for example, have a force solely comprising frigates because, while they are effective, versatile work horses, when it comes to high end operations, they need to be backed up with high end capability, the sort of sea power that can influence friends as well as deter enemies. We will always need some high-value, high capability clubs in our golf bag, unless our ambition is only to play pitch and putt.

We have made great strides in this respect – HMS DARING the first of the Type 45 destroyers is now with us and is performing very well. DAUNTLESS, DIAMOND and DRAGON are afloat with DEFENDER and DUNCAN in various stages of build. At the same time the PAAMS missile system, which we now call SEA VIPER, has conducted 2 very successful test firings, and we can expect the first ship firing next year.

Notwithstanding the significant upgrades in capability these ships represent, I am often asked about numbers of frigates and destroyers and the balance of quality versus quantity. We have 24. As the UK Commander of EU NAVFOR knows only too well, the 25 ships in or working alongside his international Counter Piracy task force - which includes contributions and presence from Russia, China, the US, Japan, Korea and Singapore - are not enough to

patrol the million square miles of ocean within the national boundaries of the Gulf of Aden, Horn of Africa and Somalia. While we can still sustain operational activity and effective deterrence through careful use of force multipliers such as ISTAR, targeted interdictions, and leveraging numbers through coalition building and improved inter-operability, no ship can be in two places at once. As US Defence Secretary Robert Gates said recently, paraphrasing Stalin, "*mass of numbers has a quality all of its own.*" I fear that we have reached a tipping point where overall numbers of Frigates and Destroyers are forcing difficult programming decisions which fetter the Government's strategic choice. For example, in order to commit a frigate to the EU's counter piracy effort, the Atlantic Patrol Task (South) was for a time covered by a Royal Fleet Auxiliary. It delivered presence, but let's not kid ourselves that it had the same deterrent quality as a frigate. More ships, versatile and able to fulfil the widest range of tasks, would mean more political choice and greater strategic influence. It would also better guarantee our ability to contribute appropriately, either to ad hoc maritime coalitions or those under existing treaty obligations such as NATO.

HMS ASTUTE is expected with the Fleet this Summer and the build of the next three hulls - AMBUSH, ARTFUL and AUDACIOUS - is well underway. This class of submarines not only possess the core SSN capabilities of speed, stealth, endurance, intelligence gathering and firepower, but it also has an enhanced capability for Special Forces insertion and recovery, enhancing their utility both in war and times of tension. Overall the ASTUTE programme remains fundamental to the Defence programme and Industrial Strategy: it

provides the build drumbeat to sustain a national nuclear ship-building capability within the UK but it is also essential to guarantee the replacement strategic deterrent platform. However, we must also realise the facts. SSN fleet fragility has reached critical mass and ASTUTE cannot come a moment too soon.

The steel for the first of the Aircraft carriers will be cut next month, and to date over £670 Million worth of the onboard systems are on order for both ships. Even getting to this stage has been the result of an enormous amount of hard work and dedication, but there is still a long way to go before HMS QUEEN ELIZABETH and HMS PRINCE OF WALES take their place in tomorrow's Royal Navy. Not least, we need to ensure that the value to the nation and utility to defence offered by these capital ships is properly understood and realised, not just by the maritime community but across government, defence and by the general public.

As you may have followed in the media, Defence has recently scrutinised the present and future manning requirements for Carrier Strike. I welcomed this process, which gave the opportunity to address differing views on how Carriers should be used. There is a school of thought that sees the carriers as Cold War relics, merely spare airfields which will only be deployed for specific operations where air basing ashore is not available. That is a minimalist view that fails to understand the fundamental characteristics of the maritime environment which are embodied in the concept of using the Carrier Strike Group as an instrument of national power in areas of strategic interest

to influence, coerce and deter. However, the aircraft carrier is only half the capability. The other essential component is the carrier air group of which the Joint Combat Aircraft, operated in concert with the Royal Air Force, will be the fixed wing component. I am therefore very pleased to see the government's continued commitment to that programme.

And as we celebrate the Fleet Air Arm Centenary, there is more good news for naval aviation. The stability brought to the Future Lynx programme after the decisions in the latest planning round confirms the intent to proceed with Wildcat. The Merlin fleet upgrade programme will guarantee the continued availability of these versatile aircraft, currently doing so much good work in the Gulf of Oman. Meanwhile ASaC Sea Kings will have joined their Mk 4 opposite numbers in Afghanistan, having yet again successfully proved their worth as ISTAR enablers, this time complementing the RAF's Airborne Standoff Radar capability.

Meanwhile, the Future Surface Combatant programme continues to mature. The Naval Design Partnership has been busy working up some exciting concepts that will enhance our ability to respond more flexibly to the challenges of the 21st Century. My fellow Navy Board members and I agree that this programme, so important to the future of the Royal Navy, must hit the ground running.

A significant upgrade in our amphibious lift capability was completed during my tenure with the introduction into service of the Bay class. What

fantastically versatile vessels these are. Three are deployed as I speak, 2 in the Gulf and one in the Caribbean. Together with HMS BULWARK, HMS ALBION and HMS OCEAN, these ships can now deliver the bulk of 3 Commando Brigade Royal Marines as a formidable theatre entry force.

There is also a joint and multinational dimension to all of this. It's no good talking exclusively in terms of balanced maritime force capabilities without taking the time to understand how the maritime component can and should contribute to joint operations by complementing the forces and capabilities operated by the Army or Royal Air Force; or how the delivery of key enablers, such as ISTAR, lift and protected mobility can be coordinated across all battle space environments. Our experience of operating across land, sea and air does, I think, equip us well to understand the capabilities needed to contribute effectively to the Joint Campaign and we will continue to engage with the other Services and the Department to optimise the maritime contribution to Defence.

Yet resource challenges are potentially forcing a choice between investing in current shortfalls at the expense of future capabilities – and given the long lead times and complexity of submarine and ship building, I find this worrying. While we may appear to claim a relatively large part of the Equipment budget, it should be borne in mind that maritime forces repay initial investment over time very well, because they are extraordinarily cost-effective once the platform is built. That's partly because our overheads on the biggest cost to Defence – which is manpower – are relatively lower. And let's not forget how

long these ships and submarines can be in service - HMS EXETER, which decommissioned only last week, entered service 30 years ago.

But we also need to be more proactive in ensuring the timely delivery of these capabilities if we are to avoid risky capability gaps. I remain concerned, for example, that some of our current support ships with single hulls do not meet international standards - and these platforms are also increasingly expensive to operate because of their age. Although the Military Afloat Reach and Sustainability programme aims to ensure future world-wide capability, current delays to this programme, unless they can be addressed, will increasingly have a detrimental effect on our ability to sustain operations.

With all this in mind, the Naval Service has been working hand-in-hand with MOD and industry to effect changes that aim to drive down the delivery, support and through-life costs of these platforms. Our willingness to embrace structural and organisational change, as well as developing mechanisms to deliver benefits more efficiently, demonstrate our shared commitment to finding innovative solutions that can square costs with sustainability. The Maritime Change Programme and Naval Base Review so closely tied to it have already identified the value of long-term partnerships based on planning certainty, supply rationalisation, sustainment of Key Industrial Capabilities and a number of incentives that reward greater efficiency. The Waterfront Support Modernisation Initiative with Babcock Marine at Devonport has successfully blazed a trail for others. Industry alliances will improve surface ship support into the future, smoothing the load between Portsmouth and Devonport. And

at the waterfront, all 3 Naval Bases are optimising through estate rationalisation and collocation, reviewing and improving business processes and identifying manpower efficiencies. All this work is linked into and informed by the strategic context of the Maritime Industrial Strategy. Let's not forget that the acid test is to check that the front line is getting what it needs, on time, on budget and to the right level of capability.

That point applies equally to our most important capability – our people. The one common factor underpinning all our success is our sailors and marines – these people are the life blood of the Service. I do not underestimate the future challenge of recruiting and retaining the bright people that we need to fight, maintain and support our ever more complex equipment. We will need to develop more flexible career structures and examine ways of making it easier for people to enter the Service later with developed skills. Branch structures, agile manning, initiatives to drive down the hassle our sailors and marines endure when not deployed, all deserve the effort being put into them. Quality training will continue to be essential, but among the new technologies and procedures it is vital that we remain rooted in our traditional naval ethos; courage in adversity, determination and discipline – in short, fighting spirit.

So, looking at the balance sheet, I think that there have been many high points since 2006, tempered by some frustration that the Naval Service doesn't get as much credit as it deserves for all that it does. In particular, I

would cite the outstanding contribution made by the Naval Service in the highly demanding conditions of Afghanistan and Iraq.

The emphasis on ethos and fighting spirit, the capacity of our people to show real courage and true grit, finds its expression in those theatres on a daily basis. The loss of any member of the naval service is always dreadful, and as well as paying tribute to the casualties of those campaigns, I also recognise the sacrifice of those who have lost their lives or been seriously injured in the course of the everyday business of routine patrols and training. We must never forget that we operate in, on and over one of the most dangerous natural environments on the planet. We are always determined to do whatever is needed to address the risks inherent in that, but the risk is ever-present.

Looking to the future we must keep pressing for imperatives like energy security, sea lanes of communication, forward deployment, proactive defence diplomacy and maritime capacity building to be properly understood in the UK's defence, security and diplomatic fields. We are in the habit of labelling this problem as sea blindness, but is it not the case that even this sea blindness is a symptom rather than the cause? Could it be that this country is losing the ability to think strategically? If so, I worry because one of the reasons for having a globally confident and balanced navy is to use it strategically, 24/7.

Our efforts to advocate the Maritime Security case for the well-being and security of this island nation are, I think, beginning to bear fruit, but it has been a hard slog. The recent report by the House of Commons Defence Committee on National Security and the ongoing work in the Cabinet office resonate with the drum I have been banging about the need to establish a national maritime security strategy – I am encouraged by the direction this is taking. The Navy can play many roles in effecting security of UK interests, not just at the tactical level in supporting the civil power as we do now, but also, I sense an opportunity to stand up as a pivotal cog in coordinating both national and international effort through the new Maritime Operations Centre at Northwood with ideas I have been jointly progressing with my fellow European Chiefs.

We must remain confident in our ability to deliver the basic naval characteristics of versatility, presence and interoperability with our key allies and NATO, as well as being prepared to recognise and maximise opportunities to work with less familiar partners. We have direct relationships with 35 nations around the world, and deal indirectly with many more, all of whom continue to respect us as a World Class Navy. They are as strong as you would imagine with our key European friends such as France, but our links with the United States are especially strategic, and I take this opportunity to thank in particular the officers and men of the US Navy and Marine Corps, as well as the US Coast Guard, for the opportunities and rewards of our cooperative maritime operations and initiatives during my time as First Sea Lord.

A Defence Review, when it comes, will be an opportunity to revisit these themes. But they also need to be set alongside some bigger strategic questions. Namely, does this country know what it wants its armed forces for? What premium is the country prepared to pay? Do people realise that the Armed Forces are one of the only elements of UK power that still has a worldwide reputation, even if, in the misguided view of some, that reputation has been somewhat put under pressure by the current campaigns?

The waters that my successor has to navigate will undoubtedly be choppy, but I know he has been working to plan his track and will be setting out his own vision on arrival. There are some obvious challenges, some of which were highlighted by this year's RUSI maritime seminar series. We must realise where the balance lies between quantity and quality as the driver for the majority of the frigate force. We must stay firm on strategic nuclear matters and balance the 'here and now' with an unpredictable future. We must continue to bear down on infrastructure and eliminate waste in order to make support more affordable. And we must continue to make progress on the people front, so that we understand the aspirations of today's youngsters, and they understand what we will require of them.

I come to the end of an appointment which it has been an honour to hold. It has allowed me to promote the endeavour, achievements and needs of our people, who remain at the heart of the unique capability that the Naval

Service delivers. It has been my absolute pleasure and an honour to lead those currently serving and to be the guardian of the legacy of those retired.

The Royal Navy I leave is busy but stretched, challenged but still delivering operationally which, in the final analysis, is what really counts. I will miss it enormously, but it is time to hand over the watch.