AA – Ep. 181 - Rendezvous Transcript

**John "Slick" Baum:** [00:00:00] Welcome to the Aerospace Advantage Podcast. I'm your host, John "Slick" Baum. Here on the Aerospace Advantage, we speak with leaders in the DOD, industry, and other subject matter experts to explore the intersection of strategy, operational concepts, technology, and policy when it comes to air and space power.

So if you like learning about aerospace power, you are in the right place. To our regular listeners, welcome back. And if it's your first time here, thank you so much for joining us. As a reminder, if you like what you're hearing today, do us a favor and follow our show. Please give us a "like" and leave a comment so that we can keep charting the trajectories that matter to you most.

This week, it's time for the rendezvous, our monthly installment where the Mitchell team digs into stories you've seen in the headlines. And we're going to spend most of this episode focused on the Air Force and Space Force budget submissions to Congress. But before we introduce this week's panelists, I'd like to share some news.

As you know, I've been part of the original team that created the aerospace advantage podcast four years ago, and it's been an [00:01:00] incredible journey. And point blank, it's been an honor to share so many stories with you and give the voice to Airmen, Guardians, and those innovating tomorrow's air and space technologies.

And as many of you know, I fly as a member of the Polaris Ghost Squadron jet team as part of the Polaris Dawn Space Mission. And I also run my own business consulting, executive coaching, and speaking. So, activities on both of these fronts are really ramping. So, the point has come where I need to relinquish the full time reins of the aerospace advantage.

And I will still be part of the team as a special correspondence. And we have some incredible content that's coming your way this summer. And it really is a bittersweet moment for me because it has been one of my favorite things to do to host this podcast every week, but this is the right call. So I really appreciate all of the support from this incredible audience over the last four years.

So the good news is that I'm excited to announce that our very own Heather "Lucky" Penney will be assuming the full time host duties and. She is a key part of what makes the aerospace advantage unique. you know, she brings the operator's [00:02:00] perspective into the equation, not as someone who's just, read the book about what we're discussing, but Heather's got this in spades.

She spent years in the F 16, including multiple combat tours and she worked in the Pentagon. She has also done a tour with the industry before her time at Mitchell. So she really provides a fantastic 360 degree view on the issues that we cover here on the aerospace advantage. And bringing that firsthand expertise is key.

And that firsthand guardian perspective as well. So we'll continue to ensure that Charles Jen and General Chilton have a leading place in the lineup. So lucky I'm handing the keys over to you. Do not screw it up.

**Heather "Lucky" Penney:** Slick. Thank you. I cannot give you enough gratitude for everything that you've done for Aerospace Advantage.

You've given voice again to so many people and you've done it with tremendous professionalism and insight. You just crossed the 175 episode marker a few weeks ago, and that is incredible. And you and I have been friends for years and I honestly couldn't have thought of anyone better than you to have led this effort.

I know I've got big shoes to fill, so we're [00:03:00] going to love having you back when your schedule allows.

**Lt Gen David Deptula, USAF (Ret.):** Hey, well, Slick, as the leader of Mitchell Institute, let me chime in here. I just want to give you a huge well done for all that you've accomplished. You literally changed the air and space dialogue on so many important topics.

And we're really, really grateful and wish you all the best. You literally changed the air and space dialogue on so many important topics and we wish you all the best in your future endeavors and look forward to periodically having you on in the future.

**Heather "Lucky" Penney:** Though I got to say Slick, going out there and flying with the Ghost Sqadron.

I think we would all rather be in your shoes than sitting here in front of microphones. But before you head out, let's do share the mic on this. It's going to be a standard demo do, and we've got a full house today.

**John "Slick" Baum:** Well, yeah. And I tell you, I am having a ball flying. So, if anybody hasn't seen we are posing some pretty cool videos out there on, on social media.

So it's really fun, but uh, all right. So to kick this off, I'd like to introduce the Mitchell Institute, Dean, Lieutenant General David Deptula, [00:04:00] sir. Welcome back to the show.

**Lt Gen David Deptula, USAF (Ret.):** Yeah. Always great to be here, Slick.

**John "Slick" Baum:** And we also have Anthony Laser Lazarski, one of our Washington experts.

**Anthony "Lazer" Lazarski:** It's great to be here and it's great to be with you on your last podcast.

**John "Slick" Baum:** Thanks so much, Lazer. And we also have Todd "Sledge" Harmer with us today.

**Todd "Sledge" Harmer:** Great to be back, Slick.

**John "Slick" Baum:** And next, we're pleased to introduce Jeff Rowlison. As Sledge and Lazer have help bring awesome insights regarding what's happening in Washington from an air powers perspective, Jeff is a space power expert, and you did an awesome job last month on your first episode.

**Jeff Rowlison:** Oh, giddy up. Thanks for having me back.

**Heather "Lucky" Penney:** And we've also got Charles Galbreath, one of our senior fellows for space power.

**Charles Galbreath:** Thanks. Great to be back.

**Heather "Lucky" Penney:** And we've saved the best for last. We've got our China expert, Mike "JDAM" Dahm with us.

**John Michael "Mike" Dahm:** Thanks, Heather.

**John "Slick" Baum:** All right, Lazer. Let's start here, we had progress in Washington, finally. The aid for Ukraine, Israel, and Taiwan finally passed the House and the Senate, and that's obviously been stalled for months.

So what changed to break it loose? [00:05:00] Washington is always about pragmatic political calculations, so what clicked this time?

**Anthony "Lazer" Lazarski:** I'm happy for progress, whatever progress gets made up here. I think I've been working in D. C. and with Congress for a long time, probably too long. And I've seen a lot of highs and lows out of Congress's partisanship.

Um, I remember once I was on a co-del with SASC Chair, John Warner, and we were flying in New Orleans in 2005 after Hurricane Katrina. And I asked him when Congress had become so partisan and he leans back and looks at me and it says, well, it started around the time of George Washington and proceeded to give me the best political science lecture I've ever had.

But, as we discussed on the last podcast, we knew those funding bills individually, or as a package had the bipartisan votes to pass both the house and the Senate, if they would have just brought it to the floor. We also knew it was gonna be difficult and you know, as you said, pregmatic as they tried to navigate the political [00:06:00] process, both on the house and the Senate side. To make sure that we did have the votes as we'd go through.

Um, but what had really changed, if, and again everyone on the call knows this, but if you look at the global environment. Iran's attack on Israel, continued Iranian proxy attacks, increased Russian attacks against Ukraine, that is, was met by continued Ukrainian perseverance. Increased Chinese aggression in Asia, and then increased cooperation between Russia, Iran, China and North Korea.

And then you had what was really working was an open and vocal support of leadership in the House and the Senate, as well as from President Biden and the Administration. And then, when they looked at the American people, for each of those bills, there was a majority of American people that were supportive.

The other thing that played in his former President Trump, who was usually has been, outspoken on Ukraine in the past, did not come out against the package. [00:07:00] So, and then the one last piece, because they were working border, and that's really what stalled us for about 6 months. The inability of Congress to come to agreement on any type of border bill, drop that out of the package.

And then that's what gave us the final package that got across the finish line. And then finally, House Speaker Johnson. He worked with both House and Senate Republicans and Democrats. He worked with the Biden Administration to build the package. And he basically put his speakership at risk. By bringing the bills to the floor.

And the final votes if you looked in the Senate, you looked in the House, I mean, the Senate was 80 to 19 and then every one of the bills voted individually over in the House side were over 300 votes. So, now we have to see, okay, they return on the 29th, and we have to see what happens with Speaker Johnson, because Representative Greene could move forward with her motion to vacate the Chair.

Congressman Cole says a relatively small number of Republicans actually support that. There are 3 co-sponsors on her motion right [00:08:00] now, but Johnson's going to need Democrat support to remain as the House speaker. And while they haven't said they will, they won't, there's been indications that they, because of all the work he's done.

They may support him in a way of basically not being present for the vote, not necessarily voting for him. So, a lot of work, a lot of things had to come together, but big kudos to Leadership House and Senate.

**John "Slick" Baum:** Well, Lazer, thanks for that. And General Deptula, I want to bring you in on this because I've just got to ask you, why is this so important?

You published an op ed in Forbes about this one on the eve of the House vote.

**Lt Gen David Deptula, USAF (Ret.):** Yeah, um, I'm really glad that the House listened, paid attention to my uh, op ed, and I came down on the side of doing what was right. It took them six months, but bottom line, Slick, is it all comes down to credibility.

Russia launched the biggest war in Europe since World War II. China is pressing aggressively in the Pacific, violating international laws with no consequences. Iran has ignited numerous [00:09:00] fires in the Middle East and North Korea is pressing hard with nuclear weapons and ballistic missiles that threaten the United States.

So, we haven't seen this dangerous of a threat environment since the birth of our nation, and that might sound dramatic, but it's not an exaggeration. Between the post Cold War drawdown, cuts made to the Air Force, Navy, and what would become the Space Force to fund combat operations in Afghanistan and Iraq have literally crippled America's capacity and capabilities to be able to handle this surge of threats all at once.

Stay so we need partners to have a decent chance of deterring our adversaries and checking overt aggression. When it occurs. And the question becomes, why are allies going to stand with us if we won't stand with them when the chips are down? That's why these votes were so important. The money obviously provides direct [00:10:00] support for incredibly important activities, but higher order issues were in play too.

Plus, if you break it down, this money is, largely goes to U. S. companies to pay for arms that they've already contributed. So this helps invest in our own defense industry at a time when we need to scale it to meet today, as well as tomorrow's challenges.

**Heather "Lucky" Penney:** I'd like to emphasize that last point that General Deptula made is that this money isn't just going out into the ether.

First of all, this is the cheapest way to ensure our security within Europe because we're not putting our own U. S. forces at risk. But the second piece is we can look at this a little bit like a lend lease program, right? We're not lending, we're not leasing, we are actually, you know, providing those arms, but what we're doing is we are buttressing our industrial base. And that has been a key concern that I have had for a long time is how thin our industrial base has come, because we focus so much on efficiencies and [00:11:00] smaller forces. And we have forgotten that in this information age of warfare, industrial age capacity still matters. So this is incredibly important.

**John "Slick" Baum:** Yeah, Heather, I cannot agree with you more. It's a totally great insight, I love when you said that the industrial age capacity is still needed.

**Heather "Lucky" Penney:** Absolutely. But let's pivot a little bit because I'd like to bring Sledge into this conversation about the Air Force hearings that have occurred since the budget release.

Are there any notable takeaways in what Air Force leaders are saying? And what about member questions and reactions?

**Todd "Sledge" Harmer:** That's a great question. I would say there really aren't any surprises. I mean, what, the senior leaders of the Air Force and the Space Force have been saying is very consistent with what they have said publicly since, you know, really the re optimization strategy was announced at AFA in September of last year.

From Congress, I mean, really no surprises there either. There's always going to be the parochial, "I need more C 130Js in my district or state." Those type of questions [00:12:00] and a lot too is taking place behind closed doors in classified sessions. So that's where the real work gets done and it's really hard to have insight into what's going on there.

But in the big picture, if you look at the numbers, it's about a 1 percent increase. Um, Over what was enacted in FY 24, um, but when you adjust that for inflation, that's a real cut in terms of what your purchasing power is.

I would also say that what the senior leaders have said is, you know, everything is consistent with the National Defense Strategy. It's using the operational imperatives as a framework to make the decisions on where they're going to allocate resources. They've also been very straightforward that China is the pacing threat.

And time is not on our side. So there is a sense of urgency. And what does that mean in a resource constrained environment? Um, you're going to have to make some tough calls and tradeoffs. And what this budget reflects, and in the words of the Chief of Staff of the Air Force, is they've tried to maintain the minimum level of [00:13:00] readiness that's required to allow them to modernize.

And that modernization is taking place at the expense of procurement. That means fewer F 35s, fewer F 15EXs. A lot of scrutiny on programs like Sentinel and the B 21, um, but there are some underlying enabling capabilities that we have to get right. Whether it's ABMS, whether it's APNT, those type of new technologies, GMTI, et cetera.

And then I think one of the most notable things that General Allvin has been saying is you know, if you look at the operations and maintenance accounts, the readiness, and they've actually stabilized weapon system sustainment. So we're investing in those readiness metrics. And they're also investing more in flying hours, which uh, anyone out there, that's doing the job every day.

If you give a maintainer, the tools to do the job and you give a pilot enough hours to fly they're going to be happy. So that's, I think that's also a very important. The other thing that really stood out to me was the emphasis on, [00:14:00] the ground leg of the nuclear triad. A lot of talk both in the House and the Senate. Both for and against, the major recap program of the intercontinental ballistic missiles.

I think the Secretary, and the Chief of Staff made a very compelling argument that this is the cornerstone of national security. Our deterrent posture that's reflected by a lot of members of Congress as well. Um, and in fact, Senator Fischer, has a standalone bill that's the Restoring American Deterrence Act that I think you'll see marked and put in as an amendment to the Senate version of the NDAA. So that the Sentinel program continues despite the review for a possible non McCurdy breach.

Um, but in terms of specific issues and reactions, I think just hit a couple here. I think the most, um, the one that's getting a lot of attention is the way the Air Force is going to re optimize for great power competition. And by Air Force, I mean the Department of the Air Force of both the Air and Space Force.

I think there's some skepticism over the way the [00:15:00] organizational structure is going to play out. A lot of unanswered questions. With the deployable wing concept, I think the Air Force got a pass from the members of Congress. Um, but I think the staffs are really digging into what was probably a very poorly communicated plan.

And I think they're going to have to do a lot of groundwork between the posture hearings now and the first markups that are going to be here coming shortly. Um, the second thing that was a, was really a trend. And probably the most significant is the members of Congress realized that the Air Force needs to modernize.

They ding the Air Force on their past performance with the divest to, um, invest strategy that never seems to work out. There's, there was a lot of concern over the risk in that transition from where we are today in terms of readiness and where we need to go with capabilities. And that was specific in the transition from airborne ISR to either a space based or a hybrid approach.

I'm not going to talk about Space National Guard. I'll leave [00:16:00] that to the real experts, but that was a common theme as well. And then, over in the House side, the House Armed Services Committee had a quality of life task force, and that panel recently published the report. Uh, That's getting a lot of traction.

I think you'll see a lot of that in the National Defense Authorization Act. But the investment that it's going to take to meet the recommendations of the quality of life task force have really been largely ignored. And I think this is something we really need to watch out for. The 800 pound gorilla with the Air Force budget request is, if Congress is going to put a lot of money into the personnel account, it has to come from somewhere else.

This is a zero sum game. And as we all know, Readiness is typically the bill payer for those fixed costs. And that really concerns me that we'll see, you know, and I guarantee you, Congress is going to add back F 35s. They're going to add back the big ticket procurement items. So your O& M and your RDT accounts are probably going to be at risk there to make the books balance.

I don't want [00:17:00] to be the "Cassandra" totally on that. I think there's growing support within Congress, primarily within the appropriators, that the top line defense budget under the Fiscal Responsibility Act is woefully insufficient and that there's going to be some type of a move to raise that.

I don't know what the numbers are or where they would invest that. But I think the Air Force needs to get in front of that and advocate that whatever top line increase goes to, um, address the challenges with our budget request. So that the Air Force can get what it needs to meet the National Defense Strategy.

And then finally, just kind of paint a picture or put a timeline on it here. Most of the posture hearings are complete. We're getting into the markup season. The House Armed Services Committee will mark their version of the National Defense Authorization up in about three weeks of the week of the 20th of May.

The Senate Armed Services Committee will follow suite the week of the 10th of June and the appropriators will be, you know, plus or minus a few of those. So things are starting to move forward quickly. Sadly though, I'm not [00:18:00] optimistic we're going to get this done before the end of September. I think nothing meaningful in terms of legislation will happen until after the election, but to quote Winston Churchill, "democracy is the worst form of government, but it's better than all the others."

And this is the world we live in. So, I hope that answered your question, Lucky.

**Heather "Lucky" Penney:** Sledge, there is so much there to unpack, and I wish that we had more time to go into each one of those issues, because I know that they're crucially important, and our audience is interested in all of those.

But General Deptula, let's swing over to you because General Allvin hedged a little bit, actually a lot, when he was in front of the SASC about how many B 21s the Air Force would eventually acquire. Suggesting that new technology could supplant the new bombers by the middle of the 2030s.

And this really sort of puts the B 21 total quantity, um, at risk. Gonzo, from our team, addressed this in a recent op ed, and for our listeners, we'll post that in our show notes, but I would really like to toss this over to you to get your thoughts.

**Lt Gen David Deptula, USAF (Ret.):** First and foremost, Heather, I would remind everyone that [00:19:00] the chief did reaffirm the requirement for a minimum of 100 B 21s.

However, what Senator Rounds was asking about was the overarching size of the buy from a big picture perspective. And frankly, I think it's time we openly acknowledge that the Air Force's requirements, in nearly all of its mission areas are for more aircraft than are currently budgeted. And it's not about the Air Force wanting airplanes.

The need for these aircraft are based on combatant command demands. And the reality we're seeing with overlapping demand in Europe, the Pacific, the Middle East, homeland defense, and more, um, is pretty significant. Let me tell you why. It's because today's bomber force is as small as it's ever been since the founding of our air force.

We've only got about 141 total bombers, [00:20:00] 59 of which are available for missions. When you subtract test training and apply mission capable rates. And of those only 20 are stealthy who can be relied upon to penetrate. By the way, I said the US Air Force is the only ones that have these bombers. These are the only bombers in the free world. Period.

So when you start thinking about the fact that a future theater level campaign will consist of a hundred thousand or more aim points, you can do the math. We cannot afford to handle that volume with standoff weapons alone, or even as a major component. Yeah, there has to be a balance. Standoffs important.

But even those weapons have survival issues. Look at what we and Israel did to the Iranian standoff attack with drones, ballistic, and cruise missiles a few weeks ago. We eliminated it, period, dot. [00:21:00] So let's turn to the notion that technology will someday supplant every weapon system. Sure, that's correct.

But that day is not in 10 years or even 20 or 30. Let's put that thought into context. The B 52 just celebrated the 72nd birthday of its inaugural flight. And guess what, folks? There are a lot of new technologies that came on the scene since 1952, but the B 52 remains the backbone of the Free World's Bomber Force.

So I imagine that we'll still have the B 21 flying around in the last quarter of the 21st century. Particularly if Air Force budgets in the future continue to be as anemic as they are today. Recognizing that the B 21 is doing amazingly well on cost and schedule. It's time to realize that success and plan on buying as many B 21s [00:22:00] as real world requirements dictate.

Speaking candidly, that's a number well over 200 or so. So we should be planning to build the production capacity. To do that as fast as we can.

**John "Slick" Baum:** Well, sir, thanks for that breakdown. And this is why the Mitchell Institute exists. To make sure that we're supporting airmen, you know, especially emphasizing these requirements.

Um, and I know that we're also really doing a lot in space. So Jeff, what about space force developments on the Hill? Anything interesting from these hearings?

**Jeff Rowlison:** Yeah. So we've talked a lot about the posture hearing so far with one remaining as of the date that we're, you know, taping this, but, we've talked about before the three themes of the Space Force FY 25 request.

Avoid operational surprise, deter, attack against US interests, and prevent an adversary from using space to attack. Um, you know, I'd like to focus on a commercial theme is I think we're going to get into that a little later in the conversation, but both the DoD and the Commercial Space [00:23:00] Strategy by the Air Force were released earlier in April.

Um, so we'll focus some of the comments that have been coming up in the posture hearings. You know, towards that noticeable consideration of a commercial integration effort. Now, listeners may recall that the 24 appropriations created a new program element in the Space Force, RDT and E budget called "Commercial Services" and allotted about 50 million towards that effort, 10 million of that was for space-based monitoring over the SOUTHCOM AOR, and 40 million for combat combatant, command directed surveillance, reconnaissance, and tracking services.

Now, that line is not present in the FY25 request, but I suspect we'll see some additional congressional action on that end before, and hopefully we'll see the FY26 budget request fully articulate how the Space Force is going to implement some of their commercial strategy aims. Now, in the joint written statement provided to the committees, which they presented [00:24:00] the four posture hearings.

General Saltzman highlighted that the Space Force is a technical service and the Space Force depends on strong industrial base, um, and that the Space Force 25 budget is dedicated to commercial space services, which will help reinforce and energize the space industrial base our nation depends on.

Moreover, the Space Force is continuing to develop its commercial space strategy within the larger DAF and DoD industrial policy framework, and I think you see efforts within the DoD Commercial Strategy and the space force commercial strategy, which are kind of, which is kind of a nested document to start to articulate how they're going to do that.

And then during the HASC hearing, Chairman Rogers relayed that he was glad to see the Space Force released its Commercial Space Strategy and highlighted that since 2013, the committee has been consistent in urging the department to take advantage of commercial space. Back [00:25:00] then it was STATCOM, and now it's evolved into a wider mission area.

Um, Ranking Member Smith also commended the Space Force pivot towards leveraging more and more commercial space capabilities. So you can see Congressional leadership is very invested in seeing how the Space Force is going to actually, you know, leverage commercial capabilities. And then, crucially, the last point the Chairman made on partnering with commercial entities that are great advantage, that is our great advantage in the country.

Whatever the Chinese may be doing with their defense, they do not have the private industry on our level of innovation. Um, and then during the SACD hearing, Senator Shaheen asked some questions on the reliability of commercial services during conflict. There's the perception that commercial sometimes may not be available as we go through the full spectrum of conflict.

And General Saltzman highlighted the contractual and legal terms of satisfying contracts with Space Force. Citing some of the baseline discussions regarding the ongoing [00:26:00] Commercial Augmentation Space Reserve Effort that many of our tracking. And then finally, interestingly, during the SASC hearing, Senator Tuberville, I asked the CSO about the 20 million requested for space access, mobility, and logistics.

There's 16 million requested for on orbit servicing, mobility, and logistics, which the CSO highlighted the need to use that funding to study the military utility of dynamic maneuvering concepts. And of note, the remaining 4 million in that funding, Budget request in the SAML line was requested for rocket cargo point to point delivery. That's an interesting ad as the Air Force has 54 million requested in the budget for their rocket cargo. So I think we'll see some congressional actions on whether that stays in the space force budget side.

**John "Slick" Baum:** Yeah. Jeff, thanks so much for that breakdown, especially with the commercial side of the House is really interesting.

And Charles, I'm sure you have some thoughts to add here as well.

**Charles Galbreath:** Thanks, Slick. And yeah, absolutely. I think Jeff did a great rundown [00:27:00] of the topics that were both at the HASC and SASC hearings. I just wanted to amplify a couple. On the commercial side both the DoD and the Space Force released their commercial strategies recently, and it was interesting to identify not only.

What mission sets were most attuned to commercial providers, but also what steps the Department of Defense and the Space Force could take in preserving those capabilities in the event of a conflict. So, I think both of those documents do a very good job of providing some additional vectors to some efforts that were already well underway.

In the integration of commercial capabilities. So I think we're moving in the right direction. One of the things that jumped out to me though, during the HASC, um, hearing was the beginning of General Saltzman's comments and towards the end. So his opening statements, he talked about the space force being purpose built for great power competition and how it's their responsibility to contest to control the space domain.[00:28:00]

But then at the end, when asked about the impacts of the basically decreasing budget for the space force, what areas are being impacted? It was those very space control capabilities that are required to achieve the contesting and controlling of the space domain that General Saltzman thought were coming on the, on the scene too slow. Or not with enough capacity.

And so basically the decreasing budget for the space force is keeping it from doing exactly what it was created to do, to secure the space domain so that we can use it and our adversaries can't use it against us. I think that was pretty telling. And I'm not sure a lot of people picked up on that because it was at the beginning and the end of the overall hearing.

So very interesting times,

**Heather "Lucky" Penney:** Charles, I think what you bring up regarding the decreased budgets for both the space force and the Air Force uh, having an adverse impact on his ability to to fulfill their core missions, of which the entire DoD relies upon, if you don't have an Air and a [00:29:00] Space Force, you cannot have a joint force.

And if we don't have the budgets necessary to modernize, build, and procure, then that puts at risk our entire military capabilities. So thank you for bringing that up. Lazer, what are we missing? I'd love to hear some of your thoughts and insights regarding hill developments.

**Anthony "Lazer" Lazarski:** Well, first of all covered very well on the hillside.

We talked about hearings and the hearings are almost over. There's another readiness hearing. There is an air land, air force modernization hearing come up There's still some hearings left, but it's not just the hearings tend to be a little theater. Um, but the one on ones in the personal offices with the members, and then also with the professional staff and personal staff, you know, as said earlier, this isn't over until after the election.

So, as they're going forward, as they're building these bills, we need to stay engaged with the hill [00:30:00] and its leadership at the Air Force, but it's also in the districts. And in the states, I mean, we have staff deals and co deals that go out to our different installations and making sure.

That we explain and show them what is actually going on. So this is a time for our air and space sports leaders, our airmen, our guardians to meet with the members, meet with the Hill staff and tell them what's going on and we need to be consistent. We need to be precise and we need to back it up by facts, threats versus capabilities, worst case, best case.

You know, it's looking at the risk that we are accepting with the budgets that we are giving. We, you know, all the leaders have to sit there and say, okay, this is the best budget ever. However, here's what we're accepting for risk. And that's what needs to be done. And the engagement with the staff, with the PSM's that are building these bills are critical.

**John "Slick" Baum:** So Defense News released an article last week asking if the Air Force is getting too small. And Heather, you were a major interview for that story. So , what's your [00:31:00] answer to this question?

**Heather "Lucky" Penney:** Yeah. Thanks Slick. So this article by Steve Losey and Defense News, it's based off the budget documents show the Air Force is dipping below 5, 000 aircraft in 2025, and it might shrink even further throughout the decade.

So I don't really care how they're trying to spend this. The Air Force is having to divest to invest. They have to focus on getting those capabilities that will meet the pacing threat of China. And to do that, they're getting rid of aircraft. We're not recapitalizing at the same rate that we're divesting them.

But the problem is that COCOM demand is not going down. And that means that a smaller force is just going to spin faster. So here's three main impacts, right? It's on the planes, it's on the people, and it's on the mission. It's on the planes because as I said, COCOMs have a demand for major weapon systems and with less aircraft, that means they're going to have to deploy more frequently and fly a lot harder.

And unlike, you know, people, we [00:32:00] talk a lot about the age of airplanes, but you measure aircraft age, not just in chronological years, but also in stress in flights. And so we are decreasing their flying hours remaining on their life and we are stressing all, every single component faster than they were designed to.

So they're going to age out more quickly than we had originally planned. And same for people too. They are getting spun just as hard, if not harder than the aircraft. This is, I believe a contributing factor, if not a root cause of one of the exit rates that the Air Force is saying, but also is a force gets smaller we have fewer and fewer expertise and experienced people. And this isn't just the pilots. It's the maintainers. It's the logisticians, is the intel officers. Every single AFSC qualification that goes into combat operations. We are decreasing those people and those personnel, which means growing on the other side is going to be even more problematic.

And finally, mission. I don't care [00:33:00] how exquisite a capability is. If you don't have enough of them, there are no silver bullets in peer conflict. So this is going to be a major problem for the Air Force in terms of retaining a credible force. And if you don't have an Air Force, you cannot have a joint force.

Every other service depends on the Department of the Air Force to be able to execute their mission. And if we don't have the scale, the scope, the capacity and the capability then we are really weakening the entire force. And here's another piece of that, the industrial base. Now I know when you take a look at stock prices it seems like the primes are doing pretty well and they are but when you take a look at the industrial base as a whole, it is already thin and brittle. Now I know that the Department of the Air Force is investing heavily in the operational imperatives and looking at the capabilities that'll be necessary for in 2035, but you know what?

Nobody really grows and makes profit off of research and development. And this especially impacts a sub tier [00:34:00] suppliers. That's you know, long lead items manufacturing materials, the subcomponents. These are the mom and pop shops. That our nation depends upon. And if we haven't learned anything from what happened in Ukraine, and when we had tried to surge the production of munitions, this is going to have a major impact, you cannot surge the production of major weapons systems.

So if we are not recapitalizing at a rate that we're divesting the aircraft, then we are really weakening ourselves for when the time really comes.

**John "Slick" Baum:** Yeah. I could not agree more, Heather. Like you said, it's not just about the pilots, but you know, they're, they are a great barometer to the fact that they called this guy up sent a letter and said, would you come back to active duty and fly fighter jets, which of course, very compelling, but you know, that the, what the Air Force is in a particular spot.

And so General Duptula, I'm sure you've got some thoughts on this as well.

**Lt Gen David Deptula, USAF (Ret.):** Um, well, Slick, you've heard me say this before, and I'll continue to say it over and over again, because unfortunately, too many [00:35:00] people in our nation are not aware that our existing Air Force is too small and too old to meet current missions, much less the additional challenges of the future.

Today, the Air Force is the smallest, the oldest, and the least ready it's ever been in its history. The world is on fire, which means airmen are going to be called to fly into harm's way, but they've not been provided what it'll take to fight and win. In fact, current plans are to continue to reduce the size of the Air Force over the next five years, making it even older and smaller.

The Air Force is in a four structure nosedive, and the question is, when will it recover? Without a plan to do so puts the U. S. military on an extraordinarily dangerous path for the future. One that will not allow us to succeed in meeting the demands of our National Defense [00:36:00] Strategy. And that means risking a loss the next time we have to go to war or fight our next major regional contingency.

**John "Slick" Baum:** Well, thank you, sir. Sledge, Lazer, I want to bring you in for some thoughts. I mean, you know, Congress put the Air Force in a no win situation with the budget caps. You know, and leaders have directly stated this. They can't sustain today's force by aircraft coming out the production lines today or restock munitions and innovate new technologies.

Plus cover personnel costs with budgets that are frankly, continuing to decline. And, you know, we're in this place because we've starved the Air Force for three decades in a row. And the service can't take a 4th decade of subpar funding. So do you see any light bulbs going off in front of these members?

**Anthony "Lazer" Lazarski:** There are some light bulbs going off, but not enough. And at this time, I'm not going to see any changes to the FY 25 defense budget, Sledge talked about this earlier. Um, because those decisions are going to be [00:37:00] pushed off until after the election. The good news is several defense hawk members to include Senate Appropriations Chair, John Tester.

Vice Chair Susan Collins, and then the new House Appropriations Committee Chair, Tom Cole Chairman Mike Rogers, and then ranking members SASC Roger Wicker have all said defense top line number fails to keep pace with inflation. And the growing global threat, and they are all open to increases in defense spending, but that is not going to happen.

I mean, now, and Sledge said this also, the authorizers may mark up higher, but we're not going to see the approach bills until after the election to after we know who's got who's in the White House, who's in the Senate, who's got control of the Senate and the House. Now, and I talked about this earlier.

Okay, our leaders have to support the President's budget, but I think they can do so. Again, getting to what Heather said about explaining, "hey, listen, this is what we can do. We're going to execute our mission. [00:38:00] But here are the, here's the risk. And here's the increased risk. If you continue to cut for structure and assets and push off modernization."

Sledge said it and Heather said that we live in a fiscally constrained environment. Therefore, we will accept more and more risk unless we can turn that around. The, you know, the one interesting thing is, Congress is arguing over 27 percent of the federal spending discretionary funding, and they don't touch the other 73%, which is non discretionary. Entitlement program, Social Security, Medicare. And the US will spend 870 billion dollars in interest just on our debt. Which is essentially our defense budget. So we, again, we've got to get the message out. It is resonating, but we don't want to sound like a broken record, but we do need to make sure that we get the message out on what the impacts and what the risk is to the nation, not just to the Air [00:39:00] Force.

**Todd "Sledge" Harmer:** If I could just piggyback on what Lazer said there, um, I think the Secretary and the two chiefs did a masterful job of outlining that they are complying with the Fiscal Responsibility Act restrictions, but they've identified the risk. And I mean, they're, that's kind of a tight rope. They have to walk.

I think they've done a brilliant job doing that. And Slick, I really like the way you phrase this question. Congress put the Air Force in a no win situation. I mean, the executive branch requests, but it's up to Congress to constitutionally provide for the common defense. Um, and to answer your question. So I think a lot of this lies at the feet of Congress, but I think to answer your question, if there were a 12 step program to solve this problem, we may be at step one where we're identifying the problem.

I think people realize, but you know, as Lazer said, we've got a national debt problem. Deficit spending every year. Something has to give, so there's a lot of tension there. Um, but this is going to take courage on the part [00:40:00] of Congress. To step up and say we have to go after mandatory spending. We have to prioritize the national security of the country.

Um, and we need to make sure that we maintain our long term economic power. And you do that by having either surplus or at least balanced budgets.

**Heather "Lucky" Penney:** Gentlemen. Thank you so much for those perspectives. Very wise words. I need to pivot the conversation, though, back to space. So, Charles, an article came out a few weeks ago talking about changes in the International Traffic and Arms Regulations, or ITAR for insiders regarding space technologies.

What does that mean and why does it matter?

**Charles Galbreath:** Thanks, Heather. So it was at the Space Symposium, Chirag Parikh, who's the Executive Secretary for the National Space Council, announced that the State Department and Commerce Department would consider what technologies needed to move from that ITAR list over to the commercial control list.

And while that sounds like a bureaucratic triviality, it's really actually pretty compelling, [00:41:00] um, because items that are on the commercial list are much easier to sell to our partners and allies than items on the ITAR list. So this could create some potential huge implications for our US industrial base, as well as the capacity and capability of our allies and partners going forward. And this could have some significant ramifications for what type of capabilities our partners are going to be able to have. And how we can integrate those into a coalition operation in the future.

So I'll be very interested to see how this unfolds over the summer. They talked about having something announced in the June time frame, and probably it'll carry on over into the summer as well. But there could be some significant changes to ITAR that really we haven't seen since the early 2010s. So over a decade since we've taken a good look.

At what technologies can be put on the commercial list and certainly technology has advanced considerably in the past decade.

**Heather "Lucky" Penney:** Absolutely. Technology is, not the pure domain of the United [00:42:00] States of America. And the more that we can knit our partners and allies together, it's really important. So it's exciting to see the potential for these ITAR reforms for space coming at a time, especially when the Space Force is beginning to expand its roles and missions and really maturing as a service. Now, there were also some news about Russia pushing back on limiting the use of nuclear weapons in space.

So what's up with that?

**Charles Galbreath:** That's a great question and really, it does make you wonder. So From a geopolitical international situation. They're doing some posture, right? There was the release that russia was Developing a new ASAT weapon system, and a lot of people speculated that it could be a nuclear weapon in space or nuclear powered weapon in space.

But this is a reminder, the 1967 Outer Space Treaty, to which Russia is a signatory, prohibits the placement of weapons of mass destruction in orbit around celestial bodies. So [00:43:00] all this vote in the UN was to basically reaffirm that stance. The fact that Russia wasn't willing to reaffirm that stance, I think, sends a huge signal.

It signifies that we can't count on them to adhere to the policies that they've agreed to in the past, the international norms that they've agreed to, and they're going to continue to be belligerent and potentially hostile going forward. What was also interesting about this is China chose to abstain from the vote.

And just within a couple of days, Secretary Blinken was meeting with President Xi, talking about the future potential cooperation with the United States and China and how they hope that they could have some peaceful cooperation in the future. Well, here was an opportunity for China to step up and say, you know what, we agree that space should be kept free from weapons of mass destruction and vote in the affirmative to reaffirm their commitment, because they're also signatories to the outer space treaty, but they chose to abstain.

Instead, that, that seems [00:44:00] to seems to indicate that they are aligning more with the Russian belief of you know, "we're going to keep all of our options open to us as we go forward in this uncertain time," because you know, their rhetoric is, the United States is the one that's being hostile, but of course, they're the... they, Russia and China, are the ones fielding weapon systems at an incredible rate to attack our space capabilities.

So, again, interesting times that we're living in, where two major powers in space are either being silent on nuclear weapons or saying they won't continue to reaffirm opposition to nuclear weapons in space.

**Heather "Lucky" Penney:** Well Charles, I would say that the silence is deafening regarding the message that they're trying to send there.

**Charles Galbreath:** Absolutely.

**Heather "Lucky" Penney:** Speaking of interesting times, what about the Space Force's plan for members of the Air Guard who are space professionals? And so what's in play? And you and I have had a lot of conversations about this. Uh, What do you think about it?

**Charles Galbreath:** Yeah, so it's calmed down, I think in recent days, right?

But a few weeks ago, [00:45:00] there were some really contentious language being spouted around and almost apocalyptic rhetoric about how this would destroy the Air Guard as we know it. So what's at play here is there's really three options. There are about 500 or so, military members in the air guard that are performing space operations missions.

These are counter space capabilities. These are space intelligence, and in some cases, space operations. We could keep them in the Air Guard. But then that creates this confusion about you know, we have an independent service now for space. Why isn't there a space guard? Which then is the 2nd option.

Let's create a Space Guard specifically for these again, 500 or so people so that they can be under a parallel organization to their counterparts in the Air Guard. But there's a 3rd option, and that came about as a result of the Space Force Personnel Management Act. Which basically does away with active duty, you know, quote, unquote and creates a possibility to have full time and part time members.

This is the approach [00:46:00] the Space Force is leveraging. For the reserve component and the Space Force would like the same thing for the Guard. The DoD is actually doing a study right now and the results of which should be coming out any week now to look at these options. At the end of the day, we've got to make a decision about what to do with these 500 or so members and the mission they perform.

We've got to make sure that whatever we decide, it provides the most combat credible force that can be integrated into the joint operations as quickly as possible in the most effective and efficient, cost effective way possible. So, it'll be interesting to see how this evolves as well. But you know, those cries that this is the end of the Air Guard, as we know it, I think are really an over exaggeration of what's at play here.

Again, about 500 members, maybe a little more. Well, certainly less than 600 that we're looking at bringing into the Space Force to integrate into the one [00:47:00] service.

**Heather "Lucky" Penney:** Yeah. I'm not sure that we're really hearing that this is the end of the Air Guard as we know it. And I think we can also agree that the space mission is only going to grow. So 500 people might continue to grow, but Jeff, I'm really curious.

You've got to have some perspectives here too.

**Jeff Rowlison:** Yeah. I think the, at the end of the day the most important thing that's going to come out of this discussion is the resourcing to accomplish this mission. And so like Sledge was saying earlier, right, the force optimization plan has to mature to include the resourcing for these personnel.

And this provides both mission clarity and personnel clarity and how we're going to scale as a Space Force. So I think that's, that is going to be one of the tests as we go through the markup cycle to see how the congressional leaders really look at this. Whether they're putting money towards it and then how we can execute it smartly to take care of one, take care of the professionals doing this mission and then to continue with a four structure discussion that makes sense.

**Heather "Lucky" Penney:** Absolutely, and the devil's going to be in the [00:48:00] details. So I think this is probably a conversation that we need to keep in mind, but before we land on real firm opinions there, we need to understand exactly how the Space Force is planning to execute it, how the personnel policies will be implemented, what part time actually means, what DOTMA and ROTMA will end up doing.

So there's a lot of stuff here that is churning under the water there.

**Jeff Rowlison:** I think this gets pretty emotional pretty fast. And we just got to hit, the space force has to have the latitude to execute a personnel plan in accordance with its force optimization structure.

**Heather "Lucky" Penney:** We've also had some other big announcements this week.

The Air Force downselected to general atomics and Anduril for the first iteration of CCA or collaborative combat aircraft development and production. General Deptula, what are your thoughts on that?

**Lt Gen David Deptula, USAF (Ret.):** Well, first, um, I'd like to offer my congratulations to both the companies. We understand that the Air Force wanted to down select to three firms, but once again, budget caps limited that to two.

[00:49:00] Um, bottom line here Heather, is Mitchell Institute's been a major supporter and fan of this notion of collaborative combat aircraft for quite some time. Mainly because the Air Force needs to get mass. It needs to restore the capacity deficit that, um, is facing it, as I mentioned earlier. And this is a really promising vector in that regard.

That said, to get to mass, um, these aircraft need to be developed at a reasonable price so they can be bought at scale. Now the companies that were picked, pretty interesting. General Atomics has a multi decade track record, production capacity, and expertise, and they are aggressive on self funding development efforts.

We saw them lead turning this with their gambit concept. So the Department of the Air Force gets the combination of experience, but still agile and fiscally committed. Anduril is clearly the new [00:50:00] entrant and has a very promising set of ideas and conditions as well. So if the Air Force wants a bigger set of vendors this was an opportunity to net that goal.

Um, the next iterations may include new vendors so we'll see if folks like Kratos and some of the traditional primes can make that next cut. But the bottom line is, we support keeping as many involved in this program as possible.

**Heather "Lucky" Penney:** Sir, just like you said, mass matters. And really the collaborative combat aircraft CCAs are there to augment manned platforms.

So really it's about capacity. It's about numbers. So while we don't know how many the Air Force will buy, we know that we need volume. We need to buy lots of these CCAs and mission modularity will be an important piece of being able to integrate new capabilities at a reasonable cost for these platforms. Additionally, they're gonna need to have [00:51:00] dependable links, dependable command and control. So it's not just about the CCA airframe, it's about how they integrate into the broader operations. Which makes me think about survivability, right?

Survivability for mission effect will also be key. Last year when Mark Gunzinger led a war game to examine how these aircraft might be used in combat. Many of the teams in our war game used a treatable CCA to shift the advantage to us and coalition forces. They use a CCA to detonate adversary tactics, stimulate the adversary to deplete their weapons magazine, and to get the adversary off their game. To do this, the CCA had to be credible, but they also had to be affordably attributable. Which meant that we had to, they had to be cheap enough that we didn't mind losing them, but they also had to be survivable enough and effective enough that the adversary had to honor their presence in the battle space.

Um, and we also wanted the CCA to be able to their desired mission effect. But again, like I mentioned, the [00:52:00] designs that players use most for those low cost ones so that they could provide the numbers needed to change the risk profile for manned aircraft, which changed the mission success rate, the PK of the broader coalition forces.

Now, I need to say that this is different, the CCA in this game were different than how we envision, um, collaborative combat aircraft in a family of systems like for NGAD or B 21. Those aircraft will be, they'll need to go the distance and be survivable to come back. It's important to also look at what we're seeing happen with drones and other unmanned aircraft in battle space that we see today.

Now, we're getting some interesting lessons learned from Ukraine and from, um, the Iranian attack on Israel, right? Everyone is all about drones watching the Ukrainian conflict, but I would argue that really what we're seeing there is potentially both opportunity as well as cautionary tales when it comes to Ukraine. Because if their [00:53:00] drones can't survive to achieve mission effect then they really aren't a worthwhile investing in. And what we saw with iran when they attacked Israel with ballistic missiles, cruise missiles, and UAVs US and Israeli forces were able to shoot down very nearly every one of them.

We don't want to be on the losing side of that loss ratio. So again, CCA need to be low cost they, but they also still need to be capable So that they can achieve the desired mission effect. Drones, CCA, unmanned aircraft are simply another tool. They are not again a silver bullet. In the end we will still need to have manned assets. F 35, B 21, F 22, NGAD, because that the way we envision these CCAs, it's always been as a partnership.

**John "Slick" Baum:** I do want to get to this last question because we are getting tight on time, but Mike, there's been some major changes in the Chinese military's org chart. So do you mind walking us through these developments and you've been writing about this a lot and it's pretty incredible to have the [00:54:00] insights from your part.

**John Michael "Mike" Dahm:** Yeah, so, uh, thanks, Slick. I wrote an article that appeared in the 26th April edition of a journal called China Brief. Uh, It's put out by the Jamestown Foundation and the article is about the breakup of China's Strategic Support Force. And I titled the article, A Disturbance in the Force, a not so thinly veiled reference to the uh, force in Star Wars.

Because in the middle of April, I could feel hundreds of thousands of Chinese military personnel crying out in pain as they were notified that the strategic support force would be reorganized. And let's face it, we've all been through reorganizations of military units and whether you're in the U. S. or China, the only thing you can count on in a reorganization is lots of administrative pain.

So, this is a little complicated, but the strategic support force was this unique Chinese service that was equivalent on paper anyway to the PLA Army, the Navy, the Air Force, and the PLA Rocket Force. And the [00:55:00] Strategic Support Force was created in 2015 to control all of China's military space and information related capabilities, both offensive and defensive.

So this included, you know, satellites, space planes, China's manned space program, counter space capability, cyber offense, cyber defense, signals intelligence, electronic warfare, and even their national communications network. So, so the Strategic Support Force, all by itself, was probably about a quarter of a million personnel, making it larger than most NATO militaries.

So, you know, this was not a boutique organization. So, so what happened on April 19th is the Strategic Support Force staff was basically eliminated, just went away. And what was left were the three component parts of the former force. And those are now called the Aerospace Force responsible for space and counter space. The Cyberspace [00:56:00] Force responsible for cyber and electronic warfare. And the Information Support Force, which is responsible for national level and joint communications and I should point out the Information Support Force was also created on April 19th. It was a smaller organization that was promoted up to be the Information Support Force, but the information support force did not replace the Strategic Support Force, right?

The Strategic Support Force as an information warfare umbrella organization simply, went away. So what the PLA was left with is a somewhat flatter organizational structure, possibly more efficient, we'll have to see. The PLA's version of the Office of the Secretary of Defense, what they call the Central Military Commission, now controls five operational military theaters, four military services, the Army, Navy, Air Force, and Rocket Force. And four, what they're calling are [00:57:00] military "arms" or "branches," right?

The aerospace force, the cyberspace force, the information support force, and the joint logistics support force. So another way to translate the word in Chinese that we're calling arms or branches is "corps" So there are now four PLA military services and four military arms or corps. And while there are certainly differences, there does seem to be some alignment in these PLA cores with the US system, right? The Joint Logistic Support Force looks a lot like U. S. Transportation Command. The Aerospace Force looks a lot like the U. S. Space Force. The Cyberspace Force, that looks a lot like Cyber Command and the National Security Agency, although I'd hasten to point out that the PLA Cyberspace Force also includes electronic warfare.

But now there's this new Information Support Force, that fourth branch. That's a little bit different. The [00:58:00] Information Support Force is responsible for national and joint communications. So, you know, ensuring that the data gets to where it needs to go, but also defending PLA networks. So, it might be like the DOD Chief Information Officer or DISA, the Defense Information Systems Agency.

But I think the bottom line is the PLA's information support force is probably China's answer to what they see in US joint all domain command and control or JADC2. The Chinese military has identified network competition as a critical factor in modern warfare. Networks need to be able to ingest huge amounts of information, make decisions faster and better, and move information around the battle space.

All while being attacked. So as US JADC2 seems to still be struggling to get all the US military services singing off the same sheet of music when it comes to information networks, the PLA a has created this new military branch, the [00:59:00] information support force to pursue network dominance and network superiority.

So it's still early days. We have yet to see how this whole PLA reorganization will play out. But, we'll be standing by here at the Mitchell Institute to explain things as they develop.

**Heather "Lucky" Penney:** And for our listeners out there, we've got the link in our show notes go ahead and uh, find JDAM on LinkedIn, Mike Dahm. I'll tell you this article went viral when he published it.

**John "Slick" Baum:** Yeah, really incredible. And we obviously have the best experts in the field and that's going to be what I miss most. And I have to say, thank you everybody for your time today. General Deptula, Mike, Jeff, Charles Lazer and Sledge. It's been awesome catching up and really appreciate your partnership over the last four years.

Have to give a big shout out to Shane for all that you do behind the scenes to make the podcast, the success that it is and Heather, I am looking forward to hearing you lead the charge from here on out. So you've got the lead on the left.

**Lt Gen David Deptula, USAF (Ret.):** Okay. Well, look, thanks again, Slick, and all the best for the future.

**Jeff Rowlison:** Thanks again. Thanks for [01:00:00] having me.

**John Michael "Mike" Dahm:** Thanks, Slick. Happy trails.

**Anthony "Lazer" Lazarski:** Well, take care, Slick.

**Todd "Sledge" Harmer:** See you next time and good luck, Slick.

**Heather "Lucky" Penney:** And Slick, truly, our thanks goes to you. Fly safe.

With that, I'd like to extend a big thank you to our guests for joining today's discussion. I'd also like to extend a big thank you to all of our listeners for your continued support and for tuning into today's show.

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