



The Economic Club of New York

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683<sup>rd</sup> Meeting

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General Mark A. Milley  
Chairman, Joint Chiefs of Staff

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In-Person/Hybrid Event

Moderator: David Westin, Anchor  
Bloomberg Wall Street Week  
Bloomberg Balance of Power  
Bloomberg Big Decisions

## Introduction

President Barbara Van Allen

Good evening. If we could all take our seats, we have a large virtual audience also, so I want to be sensitive to the fact that they're out there waiting as well. So good evening and welcome to the 683<sup>rd</sup> meeting of The Economic Club of New York. I'm Barbara Van Allen, President and CEO of the Club, and it's an honor to be here with all of you. It's our milestone year, by the way. We're 115 years old this year as a Club, and we're going to celebrate that on Monday, the 14<sup>th</sup>, and we have an exciting evening planned. So I hope many of you will join us.

As you all, or many of you know, the Club is the nation's leading nonpartisan forum for discussions on social, economic and political issues, and we've had more than 1,000 prominent guest speakers appear before the Club over the last century. A special welcome to members of the ECNY 2022 Class of Fellows – a select group of diverse, rising, next-gen business thought leaders, as well as students from the CUNY Graduate Center, the NYU School of Business, the Gabelli School of Business, Rutgers University, and Duquesne University joining us virtually. As a reminder, we're taking applications now for the 2023 Fellows Class.

I'm really honored to welcome our special guest, General Mark Milley, the 20<sup>th</sup>

Chairman of the Joint Chiefs of Staff, the nation's highest ranking military officer and the principal military advisor to the President, Secretary of Defense, and the National Security Council.

Prior to becoming Chairman in 2019, General Milley served as the 39<sup>th</sup> Chief of Staff in the U.S. Army. He's a native of Massachusetts. He graduated from Princeton University in 1980, where he received his commission from the Army ROTC.

He's had multiple command and staff positions in eight divisions and Special Forces throughout the last 43 years. His Joint assignments also include the Joint Chief Operations Directorate and as a Military Assistant to the Secretary of Defense. In addition to his bachelor's degree in political science from Princeton, General Milley has a master's degree in international relations from Columbia University and one from the U.S. Naval War College in national security and strategic studies.

The format today will be a conversation. We're delighted to have Club Member and Bloomberg Anchor, David Westin, doing the honors of moderating. As a reminder, this conversation is on the record and we do have media, both in the room and online. David, if you're ready, I'm going to pass the time over to the two of you.

Conversation with General Mark A. Milley

DAVID WESTIN: Thank you very much, Barbara. Thank you for convening us all. This is a great opportunity. And thank you, General, it's a great privilege to get to talk to you and thank you for going behind enemy lines here at Yale. (Laughter)

So I want to start with the date. It's the 9<sup>th</sup> of November, which means in two days it'll be the 11<sup>th</sup> day of the 11<sup>th</sup> month. As you know, that was Armistice Day and it turned into Veterans Day here in the United States. Tell us about Veterans Day. How do you honor Veterans Day and how would you like us to?

GENERAL MARK A. MILLEY: Well, thanks, David, for that. And, Barbara, thanks for the introduction, and thanks, David, for the flexibility. I know we were supposed to do this, this afternoon. There's a lot of things going on in the world and I had some sessions in D.C. that I needed to attend. So thanks for doing that.

You know, I wanted to come to New York City for a couple of reasons. One is, there's been about a million or so veterans that are from New York and about a quarter million of them are from this city. And there are very few places in the United States that have contributed more to the defense of our constitution, to the defense of this country, than New York City has. (Applause) And I'm a graduate of Columbia University here, and I

wanted to come here and have an opportunity to say thanks to the people of this great city.

It is not lost on me that this city was attacked on 9-11 and I participated in that war and many, many tours in Iraq and Afghanistan and so did so many others. And we paid a deep, deep sacrifice, but for me the message on this Veterans Day and every Veterans Day is not to forget those that have defended that constitution, that idea that is America. The idea that makes us all free, that makes The Economic Club of New York possible, that makes Harvard, Yale, Princeton, Michigan, wherever you went to school, that makes our life, our daily life possible.

That wasn't paid for, for free, that was paid for with the blood of soldiers, sailors, airmen, and Marines that have served this country since 1775 and made us a free nation. So I think we should be thankful for that. We should be always thankful for that. And I wanted to come to one of those cities that contributed to that effort more than most. So that's what I want us to remember.

DAVID WESTIN: Listening to you, I'm mindful of the fact that in the wake of 9-11, we had wars in Afghanistan, in Iraq as well, and well over a million men and women went and served. Many of those people came back with injuries, some of which will never go away in some respect. Do we fully, as a nation, appreciate what we owe them for an

extended period of time. There were other wars where they died on the battlefield. We have medical capability now to keep them alive, which is a wonderful thing, but they may not be fully functional for the rest of their life.

GENERAL MARK A. MILLEY: Well, I think there's no amount of thanks and there's no amount of care that can ever quite match the sacrifice that they made. But I travel around the world, I've been to an awful lot of countries. And I will tell you that the American people are very generous. And our Congress, as an expression of the American people and the amount of money that goes into taking care of our veterans, the amount of care that goes into taking care of our veterans and the amount of money that we invest in our active-duty forces is an enormous amount of money. So the American people are very, very generous. We are held in high regard. I believe that the country as a whole respects our troops in uniform, and I believe that they try their very best to take care of us as best they can.

But, you know, look, you lose a leg, you lose an arm, you lose your eyesight, you lose your life, there's nothing that can replace those wounds. Those are serious. And then beyond the physical wounds of war, the invisible wounds of war. Almost all of us have some form of PTSD. There's so much TBI that's out there. But we're not victims. We're volunteers. We volunteered to serve this country. And we are strong, we are powerful. We're a strong and powerful country. We're a strong and powerful military because we

have people who are willing to stand up to the colors and stand up for this country and stand up for the defense of freedom. We owe them. We owe them a lot. And I believe the American people have been generous enough to take care of that. Always more is better, but I think that the American people also deserve a lot of thanks for what they do for us.

DAVID WESTIN: Yes, and we can't remember it too often, well beyond Veterans Day. So let's go around the world just a little bit here. Ukraine, very much on the agenda, including today with news coming out of Moscow actually where they publicly disclosed they're pulling back – they say – from Kherson. Do we know they are pulling back from Kherson? And what is going on?

GENERAL MARK A. MILLEY: We're getting some initial indicators, David. It's too early to tell with any level of definitive in this, but Shoigu, the Minister of Defense for Russia, he made an announcement that they're pulling out of Kherson. They're pulling south of the Dnieper River. This is an area down in the Southeast of the country. And the initial indicators are that they are, in fact, doing that. There's a considerable amount of Russian forces north of the Dnieper River in that particular area. Probably somewhere in the range of maybe 20,000, 30,000, something like that. It won't take them, you know, a day or two. This is going to take them days and perhaps even weeks to pull those forces south of that river. But the initial indicators are they are, in fact, doing it. He made

the public announcement that they're doing it. I believe they're doing it in order to preserve their force, to reestablish defensive lines south of the river, but that remains to be seen. So right now, though, the early indicators are they're doing what they say they're doing, and we're seeing those early indicators.

DAVID WESTIN: What does that tell us, if anything, about the future course of the war? I mean looking at it from a distance, first they came into the north, tried to take Kyiv. They said, no, we're not going to do that. We're going to go to the east. We're going to really take the offensive there. We're going to seize the east. Now it appears they're falling back increasingly in the east as well as the north. What does it say about the future? What comes next?

GENERAL MARK A. MILLEY: Well, I think, going backwards first, I personally think that Russia made a huge, tremendous strategic mistake, miscalculation here, that Russia is going to pay for enormously for years and years and years to come. And they did something that was illegal. They did something that was against international law. They're a big, large country, and they illegally invaded a country that posed no threat, no military threat to Russia. They weren't attacking Russia. They don't have the capability to attack Russia and they weren't planning to attack Russia.

So there was absolutely no logic or rationale from a defensive standpoint to attack



Ukraine and yet they did. And they attacked them with a very large force, probably 170,000, 180,000 troops, raided multiple field armies. And their intent was to overturn the Zelenskyy government, capture or kill the government very, very quickly, within days to get to the Dnieper River probably within six or eight weeks, make some big announcement by the May Day Parade that they had achieved some sort of victory and then to secure the Black Sea and the Sea of Azov, access to that, and probably capture Odessa and maybe some other areas to the south. And they failed, they failed strategically to achieve those objectives.

So probably about the middle of March, maybe beginning of April, they changed their war aim. They wanted to consolidate their forces and then attack and seize all of the Donbass, the Donetsk and Luhansk Oblast as they're called. And then they wanted to consolidate and expand that a little bit into Zaporizhzhia and then Kherson. So they attacked to do that. But they also failed to operationally secure all of that. So they failed twice now, both strategically and operationally.

So he, Putin, has lost a tremendous amount of military capability. They have put a lot on the table here, a lot of ground forces. They've consumed a lot of ammunition. They have suffered a tremendous amount of battlefield loss. And the reason they've done that is because the Ukrainian people have fought as a people. They have fought an incredibly strong and effective tactical and operational battle. They have fought a distributed

defense. Their military has fought well. Their people have held together. Leadership from Zelenskyy on down to the lowest sergeants have held the line. So war is interaction. And I think the Russians have grossly underestimated the Ukrainian people and they overestimated their own capabilities.

Now, the current situation and going forward, I think the Russians are pulling back to try to consolidate and dress their lines, make themselves into a better defensive position, and to try to get to the winter and then let things slow down and settle out for the winter and have essentially a stagnant frontline trace in order perhaps to refit maybe, to refit and re-fight, to get ready for maybe next spring.

But there's also an opportunity here, a window of opportunity for negotiation. There has been a tremendous amount of suffering, human suffering. We're looking at maybe 15, 20, 30 million refugees, probably 40,000 Ukrainian innocent people, civilians have been killed as collateral damage. We're looking at well over 100,000 Russian soldiers killed and wounded, the same thing probably on the Ukrainian side. A lot of human suffering, energy resources are being attacked. In fact, civilians are being attacked, which is a war crime in and of itself.

So there's a lot of human misery and it needs to stop. And there's one guy that can stop it and his name is Vladimir Putin. And he needs to stop it and they need to get to a

negotiating table. He needs to stop the war. Zelenskyy came out this morning and said pull out of the Ukrainian territory, the Ukrainian-occupied territory, cease attacking the Ukrainian people, and then they'll start negotiating whatever ends they're going to negotiate. Until that happens, the United States is going to continue to support Ukraine in its fight for freedom.

So what does the future hold? It's probably going to be static over the winter. There'll be fighting, but it'll be relatively static, and then there'll be a window of opportunity for negotiations. If negotiations happen, great. If they don't, they'll likely continue fighting into the spring.

DAVID WESTIN: There have been reports, as you know, that the United States is at least approaching Mr. Zelenskyy and the Ukrainians to talk about diplomacy. I'm not asking you to reveal anything confidential on this. You wouldn't do that. But as a student of warfare, as you look at the battlefield as it were, is this the right time to do that? Or what else needs to happen before you can really get to the bargaining tables?

GENERAL MARK A. MILLEY: Well, I think you have to have something to negotiate about. That's one key thing. But I think also there has to be a mutual recognition that military victory is probably in the true sense of the word, is maybe not achievable through military means. And therefore, you need to turn to other means.

If you look back, we'll use World War I as an example, you know, the war starts through a series of really, really bad decisions and by August they crossed the Rubicon and then all of a sudden they find themselves in this massive European war. And they think it's going to be this rapid war of movement with the von Schlieffen Plan and the Plan 17 and so on and forth. And so the war unfolds and the war bogs down into this static war of trench lines that goes from the English Channel to the Alps.

So by Christmas 1914, January 1915, you've got a war that is not winnable anymore militarily. And the powers that be at the time, the people that would have been my age, they're in their 60s and 70s, at that age, and they're in positions of power, many of them knew that the war could not be won militarily. But they were looking at sunk cost, which, this is an Economic Club, everyone knows what sunk cost is. And they were looking at, look, we lost a million casualties so far from August to December so we have to fight to victory. We have to keep going. We have to keep going and fight all the way to the win.

And yet, there were others who said we should negotiate because this is, cut your losses, you know, 7% loss in your start, you've got right, so you cut your loss. But the side that said fight on to win, they're the ones who won the argument so the war goes on for 1915, '16, '17, '18. So that one million people that were killed from August to December turned into 20 million killed by 1918. Five empires crushed. And you set the condition for the greatest war, World War II, in history. You set the conditions for the rise

of Nazism and Fascism and all the rest of it. So things can get worse. So when there's an opportunity to negotiate, when peace can be achieved, seize it, seize the moment.

DAVID WESTIN: One more on Ukraine. Vladimir Putin had said some things that have been interpreted as threatening the use of nuclear weapons. It talked about tactical, I think it's low-yield basically nuclear weapons. How seriously do you and U.S. military take that threat? And what could we do to prepare for that possibility?

GENERAL MARK A. MILLEY: We take any discussion of nuclear weapons extremely seriously. We watch it very, very closely. And we look at strategic nuclear weapons, what they're talking about when they use that term, those are intercontinental ballistic missiles, large megaton type weapons. When you talk about low-yield or non-strategic or tactical nuclear weapons, you're talking about things that are in the one to two-kiloton. Hiroshima and Nagasaki is sort of the rule of thumb that people use and those are in the 10 to 15 kiloton. So a one kiloton weapon will destroy by blast and fire out to maybe 500 meters and then there'll be radiation that goes out considerably further than that. Any break of the threshold of the nuclear taboo that's been in place since 1945 is a very, very serious moment, whether it's tactical, strategic or anything else.

So we watch that extraordinarily closely. And all of our intelligence, we have 17 intelligence agencies in the United States, all with different capabilities, a lot of money

goes into that and we collect in a lot of different ways. And we think – we're never sure 100%, but we think we have reasonably good visibility. So we see the rhetoric which is declaratory policy. We've seen rhetoric before that's very disturbing. It's irresponsible. It shouldn't be used, but it is. And it's clearly threatening and it's clearly sending a signal.

On the other side, we're not seeing physical acts yet. And we may not see 100% of everything, but we're not seeing physical acts of indicators of the imminent use of any nuclear weapon at this time. But that's not a guarantee. It's not even a prediction. It's just a statement of fact of what we're seeing so far, and we may not be seeing everything. When you're talking about low-yield nuclear weapons, you're talking about relatively small pieces of equipment so you may or may not be able to visually see that or hear and talk about it and so on and so forth. But we do watch it. It's very serious. It would be an enormous step if someone were to do that. And how do we prepare for it and the consequences and what responses would come from that? We'll see where we go in the future. I'm not going to make any comments on that.

DAVID WESTIN: So we have a ground war in Europe, the likes of which I don't think we've seen since World War II actually, what we're watching right now. At the same time, many people think that in the longer term strategically, China is the bigger rivalry – I'll call it rivalry. What do you think China is learning from what they're watching in Ukraine and our response to Ukraine?

GENERAL MARK A. MILLEY: Well, first of all, we think, we, the United States military think that China is the, what we call the pacing tread in our national defense strategy. And what we, the United States, want to keep it at is competition. So we want to keep it an economic competition and we're willing to compete economically, you know, level playing field and all that.

But China has an objective, a national dream – if you will – and they're very public about it. And they want to be, China wants to be the military superior to the United States by mid-century as a minimum. And they want to be the regional military superior to the United States by probably about the mid-30s, something like that. President Xi has challenged, in his Party Congress speeches of the past and most recently, to create and build a Chinese military that is equal or superior to the United States regionally, meaning in Asia by 2027. So it was the mid-30s. He advanced the date to 2027. Now why he wants to have that military, you'd have to ask him. But he has said that he wants to have that military prepared for combat by 2027. To say that, to have the military prepared for combat and to make a policy decision to do combat are two different things. So people shouldn't conflate what I just said. But what he said is he wants the military to be prepared for that, right? So that's regionally, that's in Asia. Then globally by mid-century.

China believes, and it's their day in the sun, they want to be a, they want what in history

or political science or international politics, they'd be called a revisionist power. And they want to revise the rules of the road. So the rules that the world runs by today, international rules, the economic rules, all the rules that we run by were fundamentally written by Americans at the end of World War II. And they've been in place for eight decades. And one part of the world didn't like that and that became the Soviet Union, the Warsaw Pact, and the Soviet Block. That all fell apart in the 90s, you know, '89, '90, '91. And then the world turned to the rules that were written by the Americans. And that's generally the rules that have enriched China.

So China doesn't want to overturn the rules. They're not revolutionary anymore. They used to be, but they're not anymore. So they don't want to overturn the rules. They want to revise the rules. They want to revise the rules so that it favors them and so that it makes them the economic dominant global power. It makes them the military power. It makes them the diplomatic power. It makes them number one. Right? And there's a problem with that.

So the United States has been number one since the late 1890s economically. We've been the most powerful military since World War II. We're the most powerful military today and many people may doubt that but there is no doubt. The Chinese have no doubt about that. We're going to stay number one over the next decade and we're going to stay number one for the next 50 years and 100 years. And no one should ever doubt



that. And as long as we stay number one militarily, as long as we stay powerful, as long as we stay very strong, and our opponents and adversaries know that, and they know that we have the political will to use it, then that should equal deterrents and you'll prevent the war that you don't want to happen anyway. So we're fine with competition. No problem. But if China wants conflict, then that would be a really bad choice for China and they would best avoid that.

So what lessons are they learning? The lesson that comes out of Ukraine for China is that war on paper and real war are two different things. And what they have seen was a tremendous strategic miscalculation. And I think President Xi has taken a step back, and I'm just, you know, thinking this myself now, that he's taken a step back. He's evaluating the situation. All militaries and all countries are learning lessons from Ukraine. And he's realizing that an invasion of a country the size of Ukraine with the capability of Ukraine by Russia is a very, very difficult choice.

Now, does China have plans to invade other countries? Maybe they do, maybe they don't. A lot of people talk about Taiwan. Taiwan is a very difficult country. It's a large island. It's a very complex piece of terrain, a lot of mountains, got a large city, Taipei, three million people. It has a military that is, you know, it's got certain capabilities with the anti-ship cruise missiles and air defense artillery and so on and so forth. They have to cross the Straits of Taiwan that are about the distance between France and England.

So it would be like Normandy.

And to do an amphibious operation combined with airborne paratroopers and air assault helicopters troops, to do that, to plan, coordinate, synchronize and supervise the execution of that against a real enemy who is really shooting back and really sinking ships and really shooting planes down and people really die, that's really difficult. It's really hard. And I think they're coming to realize that and they're probably evaluating the situation and recalculating what they might do.

DAVID WESTIN: Our strategic view on Taiwan seems to have been to prepare them for the possibility of an invasion to make sure they could resist that. But invasion is not the only option open to China. What about blockade? Do we have the strategic vision to prepare Taiwan to resist a blockade? So maybe China doesn't need to invade Taiwan.

GENERAL MARK A. MILLEY: No, that's exactly right. Invasion is not the only option at all. There's economic coercion. There's diplomatic coercion. There's blockade. There's all kinds of special operations and covert actions that can take place. There's all kinds of intimidation that can take place. So there's a wide variety of tools that China could use to do things against Taiwan that they may choose to do.

We are committed, through the Taiwan Relations Act, and President Biden has said on

many occasions recently that the United States will continue to support Taiwan, and we will. So we'll support them militarily. We're going to help them. We're going to help train them and equip them and make sure from a military standpoint that they are prepared adequately militarily. The other things are things that are outside the realm of the military.

Specifically for blockade, though, you know, a naval blockade of Taiwan would be a very difficult challenge, but it's not a challenge that couldn't be overcome. And the United States Navy is the United States Navy and despite, you know, we always need to improve and I'm the first one to say that we always need to improve and we can always get better, but there is no equal to the United States Navy on the high seas. There just isn't. There may be people who think they are, but they're not even in the same league.

DAVID WESTIN: General, one more on China, you say and it's a very important distinction, having the capability to do something is not the same as deciding to do it. At the same time, it may influence the optionality, as we say, if you know you can do it. I think there is a perception, at least I have a perception, I think others do, that if you measure the capability of China versus the United States and you draw a line, those lines are starting to converge, that they are closer together today than they were 10 years ago, 20 years ago, 30 years ago. So if you continue to draw those lines, where do

they intersect?

GENERAL MARK A. MILLEY: Well, hopefully they don't. And we, the United States, have to, I mean it's a two-way street here. So we, the United States, have to make strategic choices where they don't intersect. We always have to make sure that we are the number one militarily capable power. And one of the things we're going to have to do, as a nation, and all countries can see this today, we are in some fundamental change, historic change literally. You see it in the business world every single day and the same is true in the military. We are in the most fundamental and profound change in what I call the character of war in human history.

So when I say, there's two terms I use, the character of war and the nature of war. The nature of war is Clausewitz. And what he's talking about there is fear and you're in the realm of chance and war is politics. You're trying to impose your will, your political will on your opponent by the use of violent means.

DAVID WESTIN: Fog of war.

GENERAL MARK A. MILLEY: Fog of war. The trinity between the government, the people, and the military, that's the nature of war. That's probably not going to change. As long as human beings are around, that's probably not going to change. But the

character of war is the doctrine, the tactics, the techniques, the procedures, the weapons, where you fight, how you fight, your leader development, your leadership challenges that you have. Those things change all the time. They may change for social reasons. They may change for political reasons. They may change for technological reasons.

Historically, technology has been one of the great drivers of the change in character of war. And we today, and we're in the middle of it, it's been going on for probably maybe 30, 40 years, something like that, really since, I was commissioned in 1980, probably towards the end of the Vietnam War with the introduction of precision munitions, which were very rudimentary at the time through today, we've seen two developments that fundamentally changed the character of war. One is our ability to see and sense the environment. And we can do that today like at no time in human history. So I'm wearing a Fitbit. I got a little GPS watch. We've got microphones. We've got all kinds of electronics in this room. I guarantee the Russians know exactly where I'm at.

DAVID WESTIN: I was going to say...

GENERAL MARK A. MILLEY: I'm in this seat. You're in that seat. They could hit me but not you. So it's that precise, right? So they can see and sense the environment and we can see it. Now we can do that much, we, the United States, can do that much better

than anybody. But your advanced countries can see and sense the environment with an enormous level of granularity that's unbelievable. And even in the commercial sector, you can just go on Google Maps and you can get maps today that were only available to the most advanced militaries as late as five years ago. So your ability to sense and see is there, right?

The other thing is your ability to shoot. So we can shoot with precision at range anywhere on the globe from anywhere. So what you can see, you can hit, and that is unprecedented in human history. But add to that, that's just two things. Add to that things like robotics. Robotics are coming at the commercial world, in civil society, very, very rapidly. And in many ways it's changing the nature of man to work so to speak. So go to an Amazon factory and they're all automated, go to any factory, they're all automated. Robotics are coming on everywhere. You can have Budweiser trucks delivering beer up and down the highways of California now, there's no drivers in them. They're going from Point A to Point B and they've got little checkpoints in there and it's all being driven by space-based GPS and all this other stuff. So robotics are happening.

So imagine now the application of robotics to the military, and we already do that. What people call drones; those are all just robots. And they're either manually controlled by a pilot on the ground or they're automatic and we put them on GPS. But think about trucks, think about the delivery of fuel. Think about enormous truck convoys that had no

drivers in them or maybe just a lead truck had a driver and all the other trucks had no drivers in them. They're all robotic. Imagine tanks being robotic. Imagine armored infantry fighting vehicles being robotic. Imagine a pilotless Air Force. Imagine an Air Force that had a man-machine teaming where maybe the lead plane had a human in it and maybe the wing man and the other three or four guys in the squadron or the wing had no pilots in them. Imagine a sailorless Navy or no submariners on the submarine.

We're experimenting with all this sort of stuff right now. So are the Russians. So are the Chinese. This is happening at speed. It's happening at scale. It's happening in volumes. And then add into that, artificial intelligence. So add into that, one of the key things in warfare is decision making and the ability to process massive amounts of information and to do that at speeds faster than your enemy. You want to get their firstest with the mostest.

So Napoleon was famous for waking up at like 2 in the morning, writing his operations orders at 2 in the morning, delivering them to his field marshals. The field marshals would get on their horses, run out, get the troops, and they're all on the move before the British are finished drinking their tea. And he's always in front of them, he's always moving faster than your opponent, right? So getting inside your opponent's decision cycle has always been key.

So artificial intelligence and the ability to crunch numbers with the explosion of information technology and to crunch data, accurate, precise data, and to make better decisions relative to the opponent in order to apply military combat power could be decisive. And then there's about 20 or 30 or 40 other technologies that we, in the Pentagon, are tracking closely. All of these are converging in time and space in the next 10, 15 years, maybe 20 at the most. And what that's going to mean is a fundamental change. So if you were a soldier at the time of Christ in the Roman Army, you could actually recognize and be familiar with combat tactics in the year 1000 when knights are running around Europe or whatever. But you wouldn't have a clue to what you were looking at in the year 2000.

So I would argue that time is being compressed in the curve of technological developments since the Industrial Revolution. We're on a vertical curve and the speed at which these things are coming at us, the military that adapts the fastest and the quickest, and you don't have to be perfect, and you're not going to get it right. We have to admit we're not going to get it right. You just have to, in warfare, you just have to get it less wrong than your enemy. You've only got to put one more goal in the net. And you've got to look where the puck is going, not where the puck is. And so where the puck's going is where I'm talking about right now. And we had better get there before they do because we're the good guys and they aren't necessarily the good guys.



So we are strong now. We are the number one. In order to stay number one, it's going to be enormously expensive to invest in that kind of military, to transform our military, and to do that. And if we don't, we're going to find ourselves on the losing side of a future war.

DAVID WESTIN: It sounds essential for us to have the national defense we want, but let me turn around, if I could. You talk about being decisive. Who is making the decision? Because when it gets fast enough, artificial intelligence, we believe in civilian control of the military, the world you describe, I'm not even sure the military has control of the military because the AI is taking over and they're doing it faster than anybody can even make a decision, yes, we're going to go to war, yes, we're going to take out that target, yes, we're going to launch that nuclear weapon.

GENERAL MARK A. MILLEY: Yes, well, we're not there yet. So we are in control of the military. (Laughter) Make no doubt about that. And in this country, civilians control the military. Make no doubt about that. You can take that to the bank. Now that's 100% guaranteed. But, you know, the last time that the world has seen such a fundamental change that I'm talking about, is between World Wars I and II, where we introduced the airplane. We introduced mechanization with wheeled and tracked vehicles. And we introduced the ability to link the two of them with wireless communication, with the radio. And then there were other technologies as well, but those were the three big ones.

And those technologies were available to every country. They were available to the British, the Germans, the French, the Russians, the Japanese, the Americans, everybody. And everybody put them together in different ways. They combined them in different ways and made different doctrines and trained their leaders differently. But only the Germans, only the Germans put them together in a way that we call Blitzkrieg, which they didn't call Blitzkrieg. But they put those technologies together and they \_\_\_ them onto a German way of war that allowed them to overrun Europe in 18 months. They overran all of Europe.

And they only transformed about a third of their army. Most of their army was still horse-driven and World War I infantry-like. But they transformed these Panzergrenadier divisions into these combined arms formations where the French did it differently and the British did it differently and it wasn't capable of withstanding the body blows that the Wehrmacht was able to put against them. And in 18 months they overran it.

The challenge for us is, for the United States military, is to be the country that puts it together correctly. All those technologies are available. All countries have those technologies. The challenge for us, the United States, is to put them together. So we're rewriting our Joint Warfighting Concept which will come out here in another couple of months. We're going to turn that into doctrine by next summer. We've got to move at very, very fast speeds here. We are essentially redesigning and overhauling the Marine

Corp, the Army, and the Air Force and the Navy. We've introduced the Space Force. All of these things in combination and the cumulative effect of them will have an effect on any adversary.

And again the idea, the idea isn't to go to war. The idea is to prevent war. We want to prevent great power war. Look, terrorists are going to be around for a long time. That's going to happen. We're going to have to fight terrorists for a long time. Small, limited wars, we're probably not going to put a stop to them. But it's great power war, that's what those rules were written for, we don't want great power war. And in order to prevent great power war, you've got to have deterrents. And in order to have deterrents, you've got to be very powerful. You've got to be strong, stronger than your opponent. You've got to communicate that will to your opponent. You've got to be willing to use it and he's got to know you're willing to use it. And then if you do that, and he's a rational actor, which President Xi is a rational actor or Putin is a rational actor, cost exceeds benefit, they'll choose not to have a war. And then we'll just compete and turn it over to you guys.

DAVID WESTIN: I have an awful lot more to ask, but I can sense Barbara over my right shoulder and I'm about to lose my membership. General, I can't thank you enough. This has been so informative, so helpful. I really appreciate it.

GENERAL MARK A. MILLEY: Thank you. (Applause)

PRESIDENT BARBARA VAN ALLEN: Well, I promised I would keep to the schedule so I've got to commit on that. And thank you both. That was just outstanding. General, thank you for allowing us some of your busy time. I know you have quite a schedule and we're just thrilled you could be here tonight with us.

GENERAL MARK A. MILLEY: Go Red Sox. (Laughter)

DAVID WESTIN: Go Blue.

PRESIDENT BARBARA VAN ALLEN: And just real quickly. We, tomorrow, are at the New York Stock Exchange where we'll host Steve Squeri, the President and CEO of American Express. That will be obviously in person down there. We'll follow up on Monday, November 14, with John Williams and other former Club Chairs in celebrating our 115<sup>th</sup> anniversary. We're also going to announce the winners of the first ECNY Innovation Challenge so that's going to be exciting. Arvind Krishna, the CEO of IBM, will join us November 17<sup>th</sup> for a luncheon, a Signature Luncheon. And then John Williams again, the Fed President and our Chair, will be doing a webinar talking about future and current monetary policy, November 28<sup>th</sup>. Mike Wirth, the CEO of Chevron, joins us December 1<sup>st</sup> for a luncheon. And then I'm going to jump forward, HUD Secretary,

Marcia Fudge, joins us December 7<sup>th</sup> for a luncheon. And then we wrap up the year with Senator Joe Manchin of West Virginia, talking, I'm sure, quite a bit about what happened in the last 24, 48 hours. That will be December 8<sup>th</sup>. So please continue to watch the website. We do keep adding and thank you all for attending this evening. Those virtual, we're going to say goodbye. See you soon. And for those staying for dinner, let's have dinner. Thank you.

GENERAL MARK A. MILLEY: David, can I say one more thing. I want to thank you for all of your support. And tomorrow, you said 115 years, tomorrow is the 247<sup>th</sup> birthday of the United States Marine Corp, November 10<sup>th</sup>. (Applause) I'm very proud of that because my father served in the 4<sup>th</sup> Marine Division in World War II. He passed on. And my mother was in the Navy in World War II and my dad fought at Kwajalein and Iwo Jima. And that great power war, they fought for a better peace. And this has meaning, and that generation didn't sacrifice for nothing. That generation sacrificed for better peace. And our obligation is to make sure that this constitution and this republic is passed on to the next generation in one piece. (Applause)