

THE ECONOMIC CLUB

O F W A S H I N G T O N, D. C.

**Excerpts from the Signature Event featuring Wes Bush, Chairman,
CEO and President, Northrop Grumman Corporation**

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“We gave Americans an opportunity to keep more of what they earn and let them decide the best way to save and spend and invest their money. To get our economy moving again this Administration has followed a clear principle: we put our trust in the hard work and good sense of the American people. And so that's why we cut the taxes. We cut taxes on families by lowering the rates, we cut taxes on the child credit, we reduced the marriage penalty. We cut taxes on dividends and capital gains to encourage investment. We cut taxes on small business owners who often pay their business taxes at the individual income tax rate. We created incentives for small businesses to invest in new equipment, expand and create jobs. And to help our families and our farmers and entrepreneurs pass on the results of a lifetime of hard work to their loved ones, we put the death tax on the road to extinction.” ~ *The Honorable George W. Bush, President of the United States*

“The biggest challenge I see over the long term is talent. Our enterprise runs on the brilliance of the people who work in it, both in terms of folks in our company and in terms of folks in the Defense Department and the other elements of the national security enterprises, and it is a tough battle for talent out there today. I think there is sometimes a misperception that because the economy has been a little bit tough for a few years, that it's easy to hire people that you need. When it comes to getting the best, they have a lot of opportunities, particularly when it comes to getting the best out of American universities, which I think continue to be among the very best educational enterprises on the globe. ... We're not graduating, as a nation, enough STEM-qualified graduates to support the demands that we have today. ... we've got to get more through our pipeline. ... the opportunity we have as a country to continue to stay ahead relies fundamentally on our ability to keep higher education – we need to work on K-through-12 as well – we've got to keep higher education at the forefront.” ~ *Wes Bush, Chairman, Chief Executive Officer, and President, Northrop Grumman Corporation*

“... I haven't met anyone, either in Congress or, clearly, in the national security environment, who would say that today the threat profile to our country and to our allies is less than it was just a few years ago, and yet we are struggling to deal with a deficit environment. ... The entirety of the budget cutting that's occurred has been on the back of the discretionary budget, which is a minority of the total spending ... in the United States. ... Our industry ... really believe[s] that the nation needs to have an alignment between strategy and investment, and that we're not aligned yet today.” ~ *Wes Bush, Chairman, Chief Executive Officer, and President, Northrop Grumman Corporation*

“... our industry is becoming more of a global security industry. There is a lot of partnering that is going on between companies based in the U.S. and companies based in our allied nations. We are working to expand our footprint internationally. And I think, very appropriately, many of the internationally based defense enterprises are working to expand their footprint here. So I think of our industry as a global security industry, not just a domestic security industry.” ~ *Wes Bush, Chairman, Chief Executive Officer, and President, Northrop Grumman Corporation*

“... we're very involved in cybersecurity. It's one of the cornerstone technologies in our company. It's something that we'd been involved in long before the term 'cybersecurity' became

a popular term. ... [I] am very concerned about this particular area, in several dimensions. First, it is an area where, when you look around the globe, the status of the threat profile is pretty advanced. ... We have to be very vigilant about this, and I'm pleased to see that again in this year's President's budget proposal to Congress there is a large investment on the national security side for cyber defense and cyber protection. My biggest concern, though ... is [that] we really aren't yet to a place where we're thinking about the broader society impacts of cyber and business stepping up to really deal with that level of issue and that level of threat. ... One of the things that I think is in front of us as a country is to get over this hurdle on legislation so that we can do the things we need to do to be more effective in securing the cyber infrastructure of the country." ~ *Wes Bush, Chairman, Chief Executive Officer, and President, Northrop Grumman Corporation*

"I see [national security as] having two fundamental underpinnings. First and foremost, we have the best-trained service men and women around the world. That is the core of the underpinning of our national security strategy. But secondly, we equip those men and women with the very best technology. And our strategy fundamentally relies on technological superiority. So I look at what we're doing with unmanned and some of the other things that are going on in the technology arena really as a way of supporting our service men and women. ... There needs to be constantly the right mix, the right balance, of human talent and technology for us to really execute our strategy, a strategy that served us well." ~ *Wes Bush, Chairman, Chief Executive Officer, and President, Northrop Grumman Corporation*

"In our company, we have about 65,000 employees, and a little more than half of them are degreed scientists, engineers, mathematicians. So this is a very technologically sophisticated enterprise. And the lifeblood of an enterprise such as this is that technology flow ... we are constantly innovating what's next, and we're also constantly careful to protect what's next, because if we're going to have technological superiority, we're not just going to open the cupboard and let everybody see what's there." ~ *Wes Bush, Chairman, Chief Executive Officer, and President, Northrop Grumman Corporation*