

[H.A.S.C. No. 111-3]

**PRIORITIES OF THE DEPARTMENT OF
DEFENSE IN THE NEW ADMINISTRATION**

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES
ONE HUNDRED ELEVENTH CONGRESS

FIRST SESSION

HEARING HELD
JANUARY 27, 2009



U.S. GOVERNMENT PRINTING OFFICE

51-663

WASHINGTON : 2010

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PRIORITIES OF THE DEPARTMENT OF DEFENSE IN THE NEW ADMINISTRATION

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, Tuesday, January 27, 2009.

The committee met, pursuant to call, at 1:35 p.m., in room 2118, Rayburn House Office Building, Hon. Ike Skelton (chairman of the committee) presiding.

OPENING STATEMENT OF HON. IKE SKELTON, A REPRESENTATIVE FROM MISSOURI, CHAIRMAN, COMMITTEE ON ARMED SERVICES

The CHAIRMAN. Good afternoon and welcome. And before we begin our committee hearing, I wish to thank Solomon Ortiz, Congressman Ortiz from Texas, for chairing the hearing last week. I found myself very much under the weather and unable to do it, so we thank him for doing that for us. This afternoon, our committee is pleased to welcome the Secretary of Defense, Robert Gates, for a hearing entitled The Priorities of the Department of Defense in the New Administration. Let me take a moment and thank the Secretary directly for his continued service to our Nation as he stays on into the new Administration. That is remarkable, and we appreciate you doing so.

The Department and the country continue to benefit from your leadership, and we appreciate all that you do for us. So thank you, Mr. Secretary, for staying on and being the Secretary of Defense. About this time of the year, we begin to anticipate the arrival of the Administration's budget request for the upcoming fiscal year. Shortly thereafter, the committee begins to have the posture hearings. And that process is going to be delayed this year because the incoming Obama Administration naturally wants a chance to review and perhaps modify the Department's proposals before they send them over here to Congress. So this is a useful opportunity for Secretary Gates to share his thoughts on the direction in the Department, how it is headed, and what he sees as the significant security challenges facing our country.

I hope, Mr. Secretary, though you will give us some indication of when we can expect this year's budget submission, because that would be very helpful to us, and legislate proposals so that we can begin to plan for the defense authorization markup.

Mr. Secretary, as you know, I have had a long interest and been focused on the need for a grand strategy for the United States. I think the transition to a new Administration provides the opportunity for us to reconsider our strategic framework and embark upon a holistic robust process that produces the kind of grand

strategy this country needs. Your piece, Mr. Secretary, in the recent edition of *Foreign Affairs* is brilliant, and I put a copy in front of every member here today. It is exactly the sort of thing the Administration must consider at this point in time and build into a full national security strategy.

[The information referred to is retained in the committee files and can be viewed upon request.]

The CHAIRMAN. President Obama's desire to retain you indicates that he values your counsel, and I am glad you will be there as he leads this team through the development of a new national security strategy in the near future. The stakes are too high for us to play the strategy game haphazardly. I would like to hear your thoughts on how we might improve this process. Let me say a few words about some of the recent announcements by President Obama. I have long championed the return to focus on the war in Afghanistan and am pleased to hear the President embrace this idea so fully in his first week. This is a critical moment in Afghanistan for American national security interests.

We need a clear definition there of the end state we are trying to achieve in the short-term and the long-term and a coordinated strategy that gets us there. More forces and combat support capability can make a great difference, particularly in the troubled south of that country. But I would like to understand more, Mr. Secretary, how the Department intends to balance the needs for combat enablers, the aerial vehicles (AVs), transfer local security forces, medevac assets and other capabilities between Afghanistan and Iraq.

Our combat forces will not be fully affected, particularly in Afghanistan's difficult terrain without enablers such as those. In addition, it can't be stated so strongly that we won't win in Afghanistan with military force alone. I think you point that out. Additional combat brigades in Afghanistan cannot be fully effective unless we provide for diplomatic development, governance and economic resources with it.

Mr. Secretary, I would like to hear your view of how we proceed in Afghanistan, what the end state is, I repeat that, what the end state is, how the Administration's review will approach the question about the strategy and the difficulties the force encounter in making additional resources available for General McKiernan. The Department will face many other challenges. The breadth of your written testimony demonstrates just how many. You have to come to terms with the wars of today and the unforeseen challenges of tomorrow. We need to provide the possibility of force-on-force conflicts and simultaneously provide for insurgencies and guerrilla warfare. And we must do this at a time with great fiscal strain for this Nation. Hard choices will be needed.

As I have said to other senior defense leaders, lately we face two problems in getting it all done. One is time and the other is money. And I hope you will lay out for this committee how the new Administration is thinking about strategy and tradeoffs, both in this budget and in the upcoming Quadrennial Defense Review. This Congress must understand the capabilities. We need to face current and future threats and the risks associated with our choices. Finally, let me say a few words about President Obama's actions last

week to close the detention facilities at the U.S. naval station in Guantanamo Bay, Cuba, otherwise to chart a drastically different course for our country regarding detainee matters.

In a few strokes of the pen, the President single-handedly repaired much of the damage done to our country's international reputation because of the controversial detainee policies of the previous Administration. I am concerned, however, that there are precious few good answers to the complex questions that are central to the detainee policy, including how to prosecute known terrorists with a full force of the law so their convictions stick and justice is served, what to do with the other hardcore detainees so that they do not return to the battlefield, and where to place them now and in the future.

I ask you to keep us fully informed as you work through the task forces that will recommend answers to these questions. Mr. Secretary, we are absolutely pleased you are here and we look forward to your thoughts, your comments. But first, my friend Mr. McHugh.

**STATEMENT OF HON. JOHN M. MCHUGH, A REPRESENTATIVE
FROM NEW YORK, RANKING MEMBER, COMMITTEE ON
ARMED SERVICES**

Mr. MCHUGH. Thank you very much, Mr. Chairman. And let me echo your words of appreciation and compliments to our mutual good friend Solomon Ortiz for his able handling of the hearing in which you were regrettably unable to attend. But let me say, Mr. Chairman, this committee is, for the moment, better suited by having you back with us, and we are thrilled that you have recovered from that.

Mr. Secretary, welcome. I can't resist saying in spite of the facts behind it as I look at your physical condition, tough morning in the Senate? For those of you who may not have noticed, the Secretary is wearing a sling on his shoulder. He was out doing the great work of trying to clear snow which we have begun to realize is an important part of operations here in the D.C. District, and it underscores the fact that our great Secretary, through now two Administrations, takes his responsibilities very seriously appearing this morning in the Senate and agreeing with generously and graciously to being with us here on the House side this afternoon, when perhaps he may have other challenges facing him.

And I could not agree more with the comments of our distinguished chairman, Mr. Secretary, when we deeply appreciate your leadership the contributions and sacrifices both you and your family have made and have agreed to continue to make is unparalleled. And I certainly, and I know I speak for all my colleagues, look forward to working with you and your staff and helping to face the challenges that lie before us, both immediate and on the horizons, and continue the tradition of bipartisanship consultation, cooperation and collaboration that really has been the hallmark of this committee.

So Mr. Secretary, thank you for being here. Just a few thoughts. We do have some votes coming up. Let me agree again with the Chairman. I am a subscriber to Foreign Affairs Magazine. I read very carefully, in fact, I have read twice, your, I agree, Mr. Chairman, brilliant article as to the challenges that we are looking at

with respect to the Pentagon's national defense strategy and your interest in trying to achieve a balance.

As we go forward here today, I would say as a kind of preface, I agree, we have got to be prepared to meet the full spectrum of warfare from conventional combat operations to counterinsurgency to space and cyberspace in so doing ensure and continue to ensure our military edge. I agree our military can't do everything. And I would say that, regrettably in recent years, we have asked them to do more than proper, we have asked them to take on responsibilities that should rest elsewhere, and we have to begin to emphasize that our partner nations, as well as partner agencies, need to do their share. The piracy off the coast of Somalia is a great example of where unilateral U.S. military response simply is both insufficient and inappropriate.

Let me also say while I hope you will comment a bit more about this very informative article, that you have the opportunity to talk obviously about Iraq and Afghanistan. At the onset of this new year, our military forces begin operating under a new paradigm in Iraq with the security situation on the ground vastly improved, due in large measure because of the success of the surge. There is a picture for the way forward. And I would suggest as well the new Status of Forces Agreement that you had somewhat of a hand in, Mr. Secretary, lays out what I believe is a very logical plan for the response for reduction of U.S. forces in Iraq.

But in Afghanistan, I seem to believe that it is a much different situation, a much different operating environment. It is a poor nation, a nation with a history of continuous violence. The insurgency is a web of Taliban, al Qaeda and narco-criminals. The enemies tactics are growing in sophistication and lethality. And here in Washington, we wait for the results of multiple strategic reviews and we focus on the pending deployment of additional U.S. forces. And we make calls that land on largely deaf ears of our, at least some of our North Atlantic Treaty Organization (NATO) allies to do more and restrict less. And we are not here to have a hearing on Afghanistan, but we need to talk about what the path ahead may look like, how the visions between Iraq and Afghanistan may differ in what victory in both of those theaters may look like.

And thirdly, Mr. Secretary, picking up on the comments of the distinguished chairman, the President's three Executive Orders last week did make a decisive step, did indeed send a certain message. But, I would argue, has caused a great deal of uncertainty as to the way ahead with respect to how do we detain and how do we interrogate and how can we ensure that terrorists released or transferred to another country don't reappear on the battlefield or in a position to attack Americans or our allies.

Where do we house terrorists that are deemed too dangerous to release or transfer to another country? And if the judicial procedures that were established under the Military Commissions Act are overturned, will we, at the end of the day, have sufficient evidence and legal processes in place to continue to hold the most dangerous terrorists such as 9/11 mastermind Khalid Sheikh Mohammed?

These are difficult questions. Whether you agree with the President's decisions or not, I would hope we could all agree we have

to understand the ramifications and the path ahead. And these are all things that I look forward to your comments on, Mr. Secretary, but most importantly, with a final word of thanks for your appearance here today.

Mr. Chairman, I would yield back.

The CHAIRMAN. Thank you, Mr. McHugh. I must announce that the Secretary has a hard drop at 5:00 this evening. Secondly, we just received word that there are four votes expected at, we were told, 1:45. And so Mr. Secretary when the votes come, we will do our very best to get back here as soon as we can to take up. The five-minute rule means five minutes. And everyone, of course, is very familiar with that. So with that, Mr. Secretary, the floor is yours and we again appreciate your being with us.

**STATEMENT OF HON. ROBERT M. GATES, SECRETARY OF
DEFENSE**

Secretary GATES. Thank you, Mr. Chairman, Representative McHugh, Members of the Committee. Thank you for an opportunity to provide an overview of the challenges facing the Department of Defense and some of my priorities for the coming year. In doing so, I am very mindful that the new Administration has only been in place essentially for a week and newer changing policies will likely arise in the coming months.

Later this spring, I will present President Obama's defense budget, and at that time will be better equipped to discuss the details of his vision for the Department. Thank you for your kind comments here at the outset of the hearing. I assure you that none of you are any more surprised to see me back than I am. I am humbled by the President's faith in me and deeply honored to continue to lead the United States military. And I want to thank this committee for your confidence in my leadership and your enduring support of our military.

My submitted testimony covers a range of issues; North Korea, Iran and proliferation, Russia and China, wounded warrior care, ground force expansion and stress on the force, National Guard, nuclear stewardship, defending space and cyberspace and wartime procurement. For the next few minutes, though, I would like to focus on Afghanistan, Iraq and defense acquisition. There is little doubt that our greatest military challenge right now is Afghanistan. As you know, the United States has focused more on central Asia in recent months. President Obama has made it clear that the Afghan theater should be our top overseas military priority. There are more than 40 nations, hundreds of non-governmental organizations (NGOs), universities, development banks, the United Nations, the European Union, NATO and more involved in Afghanistan, all working to help a nation beset by crushing poverty, a thriving drug trade fueling corruption, a ruthless and resilient insurgency and violent extremists of many stripes, not the least of which is al Qaeda.

Coordination of these international efforts has been to say the least difficult. Based on our past experience in Afghanistan and applicable lessons from Iraq, there are assessments underway that should provide an integrated way forward to achieve our goals. As in Iraq there is no purely military solution in Afghanistan. But it

is also clear that we have not had enough troops to provide a baseline level of security in some of the most dangerous areas, a vacuum that increasingly has been filled by the Taliban. That is why the United States is considering an increase in our military presence in conjunction with a dramatic increase in the size of the Afghan security forces, and also pressing forward on issues like improving civil military coordination and focusing efforts more on the district level.

While this will undoubtedly be a long and difficult fight, we can attain what I believe should be among our strategic objectives: An Afghan people who do not provide a safe haven for al Qaeda; reject the rule of the Taliban; and support the legitimate government that they elected in which they have a stake. Of course it is impossible to disaggregate Afghanistan and Pakistan given the porous border between them. Pakistan is a friend and partner and it is necessary for us to stay engaged and help wherever we can. I assure you we will all continue to watch the situation in Pakistan very closely. As you know, the Status of Forces Agreement between the United States and Iraq went into effect on January 1st. The agreement calls for U.S. combat troops to be out of Iraqi cities by the end of June and all troops out of Iraq by the year 2011 at the latest. It balances the interests of both countries as we see the emergence of a sovereign Iraq in full control of its territory.

Provincial elections in just a few days are another sign of progress. The Status of Forces Agreement (SOFA) marks an important step forward in the orderly drawdown of the American presence. It is a watershed, a firm indication that American and military involvement in Iraq is winding down. Even so, I would offer a few words of caution. The violence has remained low, there is still the potential for setbacks and there may be hard days ahead for our troops. As our military presence decreases over time, we should still expect to be involved in Iraq on some level for many years to come assuming a sovereign Iraq continues to seek our partnership. The stability of Iraq remains critical to the future of the Middle East, a region that multiple presidents of both political parties have considered vital to the national security of the United States.

As I have focused on the two wars these past two years I ended up punting a number of procurement decisions that I believe would be more appropriately handled by my successor in a new Administration. As luck would have it I am now the receiver of those punts and in this game there are no fair catches. Chief among institutional challenges facing the Department is acquisitions. Broadly speaking, how we acquire goods and services and manage the taxpayers money. There are a host of issues that have led us to where we are starting with long-standing systemic problems. Entrenched attitudes throughout the government are particularly pronounced in the area of acquisition. A risk-averse culture, a litigious process, parochial interests, excessive and changing requirements, budget churn and instability and sometimes adversarial relationships within the Department of Defense and between Defense and other parts of the government.

At the same time, acquisition priorities have changed from Defense Secretary to Defense Secretary, from Administration to Ad-

ministration, and from Congress to Congress, making any sort of long-term procurement strategy on which we can accurately base costs next to impossible. Add to all of this the difficulty in bringing in qualified senior acquisition officials. Over the past 8 years, for example, the Department of Defense has operated with an average percentage of vacancies in the key acquisition positions ranging from 13 percent in the Army to 43 percent in the Air Force. Thus the situation we face today where a small set of expensive weapons programs has had repeated and unacceptable problems with requirements, schedule, cost and performance. The list spans the services. Since the end of World War II there have been nearly 130 studies on these problems to little avail. While there is no silver bullet, I do believe we can make headway, and we have already begun to address these issues. First I believe that the 2010 budget must make hard choices. Any necessary changes should, and I believe must, avoid across-the-board adjustments, which inefficiently extend all programs.

We have begun to purchase systems at more efficient rates for the production lines. I believe we can combine budget stability and order rates that take advantage of economies of scale to lower costs. I will pursue greater quantities of systems that represent the 75 percent solution instead of smaller quantities of 99 percent exquisite systems. While the military's operations have become very joint and impressively so, budget and procurement decisions remain overwhelmingly service centric. To address a given risk, we may have to invest more in the future oriented program of one service and less in that of another service, particularly when both programs were conceived with the same threat in mind. We must freeze requirements on programs that contract award and write contracts that incentivize proper behavior.

I believe that many programs that cost more than anticipated are built on inadequate initial foundations. I believe the Department should seek increased competition, the use of prototypes and competitive prototyping and ensure technology maturity so that our programs are ready for the next phases of development. And finally, we must restore the Defense's acquisition team. I look forward to working with the Congress to establish a necessary consensus on the need to have adequate personnel capacity in all elements of the acquisition process.

This is no small task and will require much work in the months ahead, which brings me to a few final thoughts. I spent the better part of the last two years focused on the wars we are fighting today and making sure that the Pentagon is doing everything possible to ensure that America's fighting men and women are supported in battle and properly cared for when they return home. Efforts to put the bureaucracy on a war footing have, in my view, revealed underlying flaws in institutional priorities, cultural preferences and reward structures of America's defense establishment. A set of institutions largely arranged to plan for future wars to prepare for a short war, but not to wage a protracted war. The challenge we face is how well we can institutionalize the irregular capabilities gained and means to support troops in the theater that have been for the most part developed ad hoc and funded outside the base budget.

This requires that we close the yawning gap between the way the defense establishment supports current operations and the way it prepares for future conventional threats. Our wartime needs must have an institutional home and enthusiastic constituencies in the regular budgeting and procurement process. Our procurement and preparation for consecutively scenarios must in turn be driven more by the actual capabilities of potential adversaries and less by what is technologically feasible given unlimited time and resources.

As I mentioned, President Obama will present his budget later this spring. The one thing we have known for many months is that the spigot of defense spending that opened on 9/11 is closing. With two major campaigns ongoing the economic crisis and resulting budget pressures will force hard choices on the Department of Defense. But for all the difficulties we face, I believe the moment also presents an opportunity. One of those rare chances to match virtue to necessity, to critically and ruthlessly separate appetites from real requirements. Those things that are desirable in a perfect world from those things that are truly needed in light of the threats America faces and the missions we are likely to undertake in the years ahead.

We will not be able to do everything, buy everything. And while we have spoken at length about these issues, I believe now is the time to take action. I promise you that as long as I remain in this post, I will focus on creating a united defense strategy, a unified defense statute that determines our budget priorities. This after all is about more than just dollars. It goes to the heart of our national security. I will need help from the other stakeholders, from industry and from you, the Members of Congress.

It is one thing to speak broadly about the need for budget discipline and acquisition reform, it is quite another to make tough choices about specific weapon systems and defense priorities based solely on national interests and then to stick to those decisions over time. The President and I need your help as all of us together do what is best for America as a whole in making those decisions. I have no illusions at all that this will be solved while I am at the Pentagon. Indeed, even if I am somewhat successful on the institutional side, the benefits of these changes may not be visible for years. My hope, however, is to draw a line and to begin to make systemic progress to put the Department on a glide path for future success.

I look forward to working with each of you to gain your insight and recommendations along the way. Once more, I thank you for all you have done to support the Department of Defense and the men and women wearing our Nation's uniform. Thank you, Mr. Chairman, I look forward to your questions.

[The prepared statement of Secretary Gates can be found in the Appendix on page 39.]

The CHAIRMAN. Mr. Secretary, thank you very much. We appreciate your excellent testimony. And maybe we can squeeze a few questions in before we go over to vote for the four measures. Let me first ask, in your best judgment, when will the budget submission be made to the Congress.

Secretary GATES. My hope is that we will have a fiscal year 2009, the remaining fiscal year 2009 supplemental proposal up here in a

matter of two to three weeks, perhaps a little longer. And as best I can understand, we would be looking toward the fiscal year 2010 budget coming up somewhere near the end of March.

The CHAIRMAN. That is good. Now, along with that is the rules admissions requirement report that we had at our recent legislation. I hope that will be a thorough review. I know sometimes it is very difficult to talk about rules admissions. We had a panel that worked on that issue under the able leadership of Jim Cooper this last year, and I hope that that will accompany it and be a substantial document. One last question Mr. McHugh before you can, one last question. What is the end state, as you see it, in Afghanistan.

Secretary GATES. I believe our goals in Afghanistan have to be more near-term and more modest. I would define success in Afghanistan as a situation in Afghanistan where it is no longer a source of terrorist threat or extremist threat to the United States or our friends or allies. Much has to be done to create that kind of an end state, but I believe that we should be very cautious in having very long-term, very idealistic aspirations in Afghanistan and rather focus on what we think we actually can accomplish within the next three to five years.

The CHAIRMAN. Thank you. Mr. McHugh, would you like to ask a question or two.

Mr. MCHUGH. Mr. Chairman, given the interest of other members to go vote if the Secretary has a few moments extra, perhaps it would be better to get members over, allow them to vote and then come back, if it is agreeable with you.

The CHAIRMAN. That is certainly agreeable. Mr. Secretary, we will take a break and be back as quickly as we can.

Mr. MCHUGH. Thank you, Mr. Chairman. Thank you, Mr. Secretary.

The CHAIRMAN. Thank you, Mr. Secretary.

[Recess.]

The CHAIRMAN. Thank you very much for waiting. We did finish our four votes, and, Mr. Secretary, we are back.

The microphone is with our ranking gentleman, John McHugh.

Mr. MCHUGH. Thank you very much, Mr. Chairman, and let me add to your words of appreciation to the Secretary for being with us.

Mr. Secretary, you talked in your opening comments about the situation in Iraq for what I believe you described as the potential for setbacks. And I think, I hope, we can all agree that is still a very tenuous situation and a very dangerous one.

Outgoing Ambassador Crocker talked about the dangers of precipitous withdrawal. In my opening comments, I talked about the SOFA, talked about the time frame for redeployments that has been embedded in that, and I happen to believe, after talking to General Petraeus and other military leaders, that it is an achievable objective.

Just last week our new President met with the military leaders and talked about the 16-month time frame for withdrawal, and we are looking at an 8-month, roughly, differential. What worries me, Mr. Secretary, is that those kinds of redeployment decisions may be based on not military imperatives, but political imperatives.

I was hoping today you might fill in the blanks a bit about what the directive was to the military leadership as to the 16-month time frame. Are we asking them to look at it as a potential, assessing the downsides of that; or if this was an order that said simply, "I want out in 16 months. How do we do it?" What can you tell us about that in that time frame?

Secretary GATES. What we are preparing for the President are—in response to his request are several options, and beginning with a 16-month completion of the current mission and transition to an advisory and assistance role. We are developing other options as well, and I have tried to do this in a way, with the President's agreement, that ensures that he hears directly from each of the commanders, each of his senior military commanders.

So he will have spoken directly to General Odierno, he will have spoken directly to General McKiernan, to General Petraeus. As I think is public, he is meeting at the Pentagon tomorrow with the Joint Chiefs of Staff, and he obviously will hear from the Chairman and myself.

He has been firm in saying he wants a responsible withdrawal and one that is safe for our troops, and we are laying out, with each of the options we will present to him, our view, each of the commanders' views, of the risks associated with that timeline.

So I think he has entirely properly asked for a range of options, including the 16-month. We will give him that. He has asked for more information on some of our assumptions. He has asked for more analysis in certain areas, but I think this is a very thorough and a very real process. I don't think anybody associated with it in the Department of Defense feels like we are going through the motions, that a decision has already been made. And I think that the President will listen to the commanders, and I think we will come out in a good place on this.

Two thousand and nine is a year that is actually fraught with both opportunity and risk, and they are the opposite sides of the same coin in the respect of really four elections that will be held: the provincial elections this fall—in a few days, the district and subdistrict elections this summer in June, the referendum on the SOFA at the end of July, and then the national elections at the end of the year.

If we make it through those elections, then the prospects, I think, for an enduring domestic peace in Iraq are substantially enhanced. And we will see how these elections go.

Clearly, successful provincial elections in which the Sunnis participate, having boycotted several years ago, would be a big step forward.

So we will measure the risk as we go along. But these are the kinds of issues that we are laying out in front of the President.

Mr. McHUGH. Then I can assume that you have a reasonable level of confidence that this will be a military, not a political-based decision. It is no secret that our new President opposed the surge. In fact, he said in his judgment it would make matters worse, not better. There is no sin in, perhaps, making misjudgments, but I truly worry that we would squander the great progress that our men and women in uniform have made and the brilliant leadership of people like General Petraeus, and I might add also, Mr. Sec-

retary, you. And I would just like to hear you say this will be a military-based decision.

Secretary GATES. The President is the Commander in Chief, but I will tell you, Mr. McHugh, I am completely confident that the President will make a decision based solely on what he believes is in the best interest of the United States.

Mr. MCHUGH. Thank you very much, Mr. Chairman.

I am going to ask one more, if I may.

Last week the President signed three rather controversial Executive Orders with respect to detention, with respect to interrogation and such, and his new press secretary said—and I want to quote—“The President believes that what we did today will enhance the security of the American people, that it lives up to our values as American people.”

Mr. Secretary, I have to be very honest. Without debating the objectives of those orders—and I think there was a pretty widespread agreement that we should do what we can to close Guantanamo across the board. Nevertheless, as a 16-year member, now 17-year member, of this committee, and as a 4-year member of the Intelligence Committee, I am hard pressed to understand how uncertainty breeds security. And for whatever one might think of the objectives of the President’s Executive Orders, it seems to me that the unquestionable result for the moment is we have uncertainty.

And I was wondering if you could help us and help me to better understand, for example, if we are to pick up a high-value target out of Pakistan, out of Afghanistan, or any other place on the globe tomorrow, we would have a reasonable way by which to detain these individuals, by which to interrogate these individuals, and what the path is between now and the time frame by which the President has said that Guantanamo will close.

We can disagree and debate as to the former Administration’s policies in these regards, but they were policies. They did have a way to detain individuals. They did have a process to interrogate them. They did have a process to bring them to trial.

What does the path ahead look like? What if, for example, if tomorrow we pick up Osama bin Laden in a cave somewhere in the Federally Administered Tribal Areas (FATA) or wherever it may be, what does tomorrow bring as a lead-up for a year from now in the closing of that facility in Cuba?

Secretary GATES. I think our folks believe that they have the authorities that they need in Afghanistan, in particular, and in going after al Qaeda to detain high-value targets. The reality is our Special Forces have been detaining al Qaeda and other insurgents for some period of time and observing the Army Field Manual in their interrogation techniques, and I don’t think they have felt that they have been inhibited from getting the information that they could get out of these detainees.

With respect to Guantanamo, my view is—I guess I would make two points: I think if we did not have a deadline—first of all, let me concede your point. There are some very difficult decisions ahead with respect to Guantanamo, but I believe if we did not have a deadline, we would kick that can down the road endlessly. And I think that—my experience in making anything work at the Department of Defense is the only way I can get anything done is by

putting a deadline on it and making people understand that the deadline is meaningful.

And I think the only way we will come to grips with some of the tough decisions that have to be made with respect to Guantanamo is by having a deadline that then forces the rest of us to turn to and figure out solutions to some of these problems.

A number of the detainees at Guantanamo, perhaps 70, are people that we are prepared to return to their home countries or other countries that would take them and put them through some sort of a rehabilitation process. Others will have to be sorted through in terms of whether they might be tried in Article III courts, whether they might be tried under the Uniform Code of Military Justice, or whether they might be still tried under the military commissions or something else. Those are the issues that I think we have to take on.

I think one of the toughest issues that we all are going to have to face is what about whatever the relatively small number is who probably cannot be brought to trial, and yet are quite open about saying that if they are released, they will find ways to kill Americans. And we are going to have to come to grips with that.

But I think the other side of the coin is that the United States is in an ideological struggle with these extremists, and I think that the announcement of the decision to close Guantanamo has been an important strategic communications victory for the United States. And the response of the Europeans, their statements to the effect by some of them that they would, perhaps, be willing to take some of these detainees, the reaction elsewhere in the world, I think, creates opportunities for us.

So I know that having a deadline is a concern to some people, but frankly, as I put it to somebody the other day, without it, we would just keep kicking that can of worms down the road, and I think we need to come to grips with it and deal with it.

Mr. MCHUGH. So if I may to close, Mr. Chairman.

Mr. Secretary, with respect to—let us categorize them as the hard core, the Khalid Sheikh Mohammed and others, it is likely that we will have an alternative road to prosecution that will not include bringing the most dangerous of the dangerous to our own shores and in a place where we don't repeat the, I think, mistakes of after the first World Trade Center bombing, trying people in American civil courts that divulge the kinds of intelligence information that clearly inure to the benefit to those who wish the worst for this country; is that a fair statement?

Secretary GATES. I think that what happens to the hard core who cannot be tried is one of the issues that the Executive Order lays out needs to be addressed and resolved over the course of the next year.

Mr. MCHUGH. Let me say I wish you the best in that. And I don't make any apologies for the fact that many of us are concerned about what that alternative path may take and that I would have been far more comfortable with this decision had we had those decisions in place before ordering the closure.

But I appreciate your perspective on it, and, as always, Mr. Secretary, thank you so much for your leadership and for your willingness to serve. We deeply appreciate that.

With my gratitude, Mr. Chairman, I will yield back.

The CHAIRMAN. Let me recapitulate very, very quickly.

There are five categories of detainees in Guantanamo. Category number one, those that we are willing to turn loose now, and there is a problem in who will accept them, or if they went back to their country of origin, they might well meet with serious trouble, torture or worse.

Category two, three, and four would be those categories for which they may be tried in a court-martial, military court-martial; second, in a Federal court in the United States; third, before the commissions such as the commission that is now in existence.

The fifth category is the one where you have the hard core, those that you know full well will go back and fight Americans and our coalition partners. And what do you do with them? You don't have evidence in hand to actually try them under the first—the previous three trial categories. That is a serious problem. I suppose legally they can be held as prisoners of war as long as there is an ongoing war, which, of course, in my opinion, will be a generational thing or more.

Am I correct in categorizing those five categories?

Secretary GATES. I think that is correct, Mr. Chairman.

The CHAIRMAN. Thank you.

Solomon Ortiz.

Mr. ORTIZ. Thank you, Mr. Chairman.

Mr. Secretary, it is nice to see you again and see that you are recovering.

You know, as Chairman of the Readiness Subcommittee, I am concerned that Congress has not been able to identify the single entity or person in the Department for a whole-picture view of how reset equipment leaving Iraq integrates with what the combatant commanders will need to carry out continuing operations in Afghanistan, while at the same time meeting the equipment requirements of a larger Army and Marine Corps.

I am just wondering what is the Administration doing to address this apparent gap within the Department of Defense regarding the integration of reset planning and involving combatant commander requirements regarding operational planning? Maybe you can give the committee a little overview for now.

Secretary GATES. Mr. Ortiz, I think that principally the responsibility rests with the respective service secretaries. So principally, the Secretary of the Army and also the National Guard Bureau and General McKinley. I think that is where the greatest bulk of the reset equipment is, in the Army and in the National Guard.

And so I would say the principal responsibility rests with the Secretary of the Army.

Mr. ORTIZ. What do you believe the Department of Defense's role is or should be in public diplomacy and strategic communications?

I know there has been a change of trying to get involved with other countries that for many reasons in the past we never engaged, we never talked to. Do you think that is going to be changing now?

Secretary GATES. Well, I think that there are two categories geographically that I would refer to. One is where we are actively engaged in military activities in combat, such as in Iraq and Afghani-

stan, where strategic communications and information operations are an integral part of the military operations and in terms of identifying the al Qaeda threat, the insurgent threat, what we are trying to accomplish with our partners and allies and so on.

There is the strategic communications aspect also in other places where al Qaeda has metastasized, whether it is North Africa and other places like that. But it seems to me that on a global basis and outside the special operations and combat operations arenas, the principal lead in strategic communications ought to lie with the Department of State, and they ought to be the ones who formulate the principal themes of U.S. strategic communications in dealing with the rest of the world.

Mr. ORTIZ. And going back to a quote—maybe I should not repeat, but somebody from the State Department said that they had more band members in the Department of Defense than they did in the State Department. Maybe that needs to be straightened out. I don't know where that statement came from.

Secretary GATES. I have heard that a number of times. I may have even used it a couple of times. I don't know whether or not that is a true statement or not, but I do know one thing: If you took all of the Foreign Service officers in the world, they would not be enough people to staff one carrier strike group.

Mr. ORTIZ. Thank you for your service, Mr. Secretary.

Secretary GATES. Mr. Chairman, I might just, just for the record, correct on your first category of detainees. They would not be people that would be turned loose, but rather people who would be transferred to other governments and where we would have certain expectations in terms of monitoring or rehabilitation programs and so on.

The CHAIRMAN. Thank you for that clarification.

Mr. Thornberry, the gentleman from Texas.

Mr. THORNBERRY. Thank you, Mr. Chairman.

Mr. Secretary, I want to actually continue along the line in some areas you referred to in this new or at least added dimension of warfare. And I want to use as an example an incident that was written about in this current issue of Military Review, not because it is the only incident, but because it has been talked about publicly and I can ask you about it.

Some of our Special Operations folks with some Iraqi Special Operations folks conducted an operation against a Jaysh al-Mahdi (JAM) death squad in Iraq, and our folks were good. There was a shootout. You know, we didn't lose anybody. There were several of the JAM folks who were killed.

But before our folks could get back to base, there already appeared on the Internet photographs and a story line about what happened. And they had removed the weapons from the JAM folks, they had rearranged the bodies so it looked like they were praying when they were shot, and the story line was "Americans broke into a mosque and killed these poor Iraqis while they were praying."

That all happened, was out on the Internet within 45 minutes to an hour, picked up then by wire services and American and Iraqi media, of course, before we had anything to say about it. As a matter of fact, I understand our response didn't come until three days later, and it had to be a Pentagon press conference. This was before

your time, but the issue, which you have talked about in a strategic sense, also gets down to a very operational level with strategic consequences, it seems to me.

And so I would like your thoughts on the importance of having a media, press, communications element to every operation we conduct. And especially I am interested in your views about the speed with which we deal with those issues. If we have got to wait for something to go up the chain of command and get approved by this, that, and the other folks, we will never keep up with these folks who regard this element of warfare—in some people's minds they think that is the primary element, and the physical results are second.

I see a quote here from David Kilcullen, who says, information side of al Qaeda's operation is primary. The physical is merely a tool to achieve a propaganda result.

Seems like we are going to be always behind if we don't have decisionmaking at a lower level with the speed that is necessary to respond.

Secretary GATES. First of all, in Iraq, I do think we have evolved the decisionmaking in terms of being able to respond to some of these things to lower levels. But the reality is, you know, we often speak disparagingly about our adversaries, but the reality is when it comes to strategic communications, they are very 21st century, and they are far more agile than we are. They tend to be able to operate inside our decision curve, and this is a big problem for us.

I will tell you, I think it is an even bigger problem for us in Afghanistan. And one of the problems there is when there are—let us take the usual case where the Taliban have used civilians as shields or mingled among them, and civilians are killed in the course of a coalition operation. That information is all out on the Internet and very widely distributed. And our approach in the past has been—well, it has actually been very American: Well, let's go figure out what the facts are, and then we will decide what to do.

And the guidance that—what I told President Karzai the last time I saw him early this winter, and what my guidance to General McKiernan was, we have got to reverse the way we do this. The instant we believe there may have been civilian casualties, we have to be out there; and instead of arguing how many there were or whether there were any, we need to say, if there were innocent civilian casualties, then we deeply regret this, and we will make appropriate amends; then go investigate it, then find out the facts; and if we need to do something for some additional people, then fine, and if we have overpaid somebody or paid somebody we shouldn't, that is the price of strategic communications, in my view. But we need to be out there faster than the Taliban in characterizing these incidents.

So as I say, I think the problem actually is worse in Afghanistan certainly now than it is in Iraq now. And it is something that I know General McKiernan and others are really working hard on to increase our agility.

The CHAIRMAN. Mr. Taylor.

Mr. TAYLOR. Secretary Gates, first I want to thank you for taking this job and thank you for staying in the job. I think you have done a great job.

I applaud your words towards acquisition reform, and so I would like to bring to you a specific instance.

Last year Congress authorized and appropriated about \$960 million towards Landing Platform Dock (LPD) number 26. We have a Nation where steel mills are shutting down. We all know the price of steel has really tanked in the past few months. We have gone from paying probably way too much to a very reasonable price. Of the \$963 million that Congress authorized and appropriated, I am told only \$10 million has been put under contract.

I would ask you to encourage your acquisition folks to take advantage of these low prices, and I would also point out to you that if there is something in the Code that is keeping our Nation from taking advantage of low steel prices, low aluminum prices, low copper prices, commodities that just a year ago were sky high, they are very reasonable now, things we are going to need for the next generation of Littoral Combat Ships (LCS's), carriers, amphibious assault ships, I would certainly welcome your recommendations and your help to find ways where we can get some bargains for the taxpayer.

Second thing I would ask you to do, we have both been around this town for a while. The beginning with any effort is always very expensive, whether it is a fighter or a mine-resistant vehicle. At the tail end of that run, we always get our best bargains. I am frustrated that the Army that says that we train as we fight, well into this conflict and several years after we started a major acquisition of mine resistant ambush protected vehicles (MRAPs) that you were very, very helpful on, still has almost none of them at our major training installations; that for a great many soldiers who are going into Iraq and Afghanistan, the first time they see an MRAP is either in Kuwait or when it is delivered to their base in Afghanistan and Iraq. And I am afraid that we are needlessly losing troopers to noncombat accidents that could be avoided with the proper training.

Given the fact that we have manufacturers that are the tail end of that rung that I think would be willing to make us some decent prices on these vehicles, I would again ask you and your acquisition folks to—let us find a way that we can take advantage of the situation, get these vehicles to the training situations where they are needed, and do it in a way that not only is the best for the troopers, but at the best value for the taxpayer.

And if you have time to comment on any of those, I welcome your remarks.

Secretary GATES. I think it is really important—now that we have got a lot of MRAPs in the theater, it is really important to get them to our training facilities. I would say the same thing once we reach a certain level of capability in terms of intelligence reconnaissance and surveillance platforms; we need to get some of those to places like Twentynine Palms and Fort Polk and places like that so that the first time a battalion commander actually trains with a real Predator or a real Reaper or something like that is not when he is in theater, having just basically done a simulator before that.

So I think getting these kinds of capabilities which, frankly, I have been pushing to the theater as fast as possible. Now that we have reached really critical mass on the numbers, particularly on

MRAPs, I think getting them to the training facilities is important because you have put your finger on a real problem. These are amazing vehicles, but they are hard to drive, and we have suffered needless casualties among our troopers because of that.

Mr. TAYLOR. How about on the LPD-26? I realize I am catching you cold, but this is money that has been authorized, appropriated. I realize there is some reluctance within the Navy to say, well, you know, you haven't funded the whole ship. In my book, \$960 million is one heck of a down payment and a heck of a statement by Congress saying that we are going to build this ship. And it really gets frustrating that given the fact that steel mills are shutting in our country, that someone isn't taking advantage of these prices and getting this moving.

Secretary GATES. I will look into it. I am not aware of the specifics. I don't think there is a problem in the law.

I don't want to step off into a debate about the F-22, but one of the things we have used the advanced procurement money for that the Congress authorized was to buy the titanium for a full buy for lot ten of the F-22s, because if the new Administration decides not to buy the F-22s, there are a lot of other airframes we can use that titanium for.

Mr. TAYLOR. Lastly, what do you anticipate your shipbuilding will be? Because again, I think you have done a great job, but I have sat in here for many years. Say they wanted a 313-ship Navy, but only asking asked for 7 ships a year. The real life of that ship, 30 years. That only gets you to a 210-ship fleet. So I would hope that this Administration is going to take the steps to actually get us to a 313-ship Navy.

Secretary GATES. Mr. Taylor, I will have to wait and see what the top-line number for the defense budget for fiscal year 2010 is before I can really answer that question.

The CHAIRMAN. Mr. Akin from Missouri.

Mr. AKIN. Thank you, Mr. Secretary, and Mr. Chairman as well.

I just had a quick question. It is along the lines of some of the specifics that we get involved in.

One of them on sea power. We have got a bunch of aircraft carriers, but if they don't have any planes to go on top of them, they are not quite as effective. I guess we are running out of F-18s. We have got the Joint Strike Fighter coming along, but it still isn't there. Does it make sense to pick up some F-18s in a multiyear so that we don't end up with three aircraft carriers with no planes on the decks? And have you thought about that question or that problem?

Secretary GATES. I will have to check and get back to you for the record, but my impression is that the Navy is interested in looking into doing that.

[The information referred to was not available at the time of printing.]

Mr. AKIN. Thank you, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas Mr. Reyes.

Mr. REYES. Thank you, Mr. Chairman.

Let me add my thanks to you, Mr. Secretary, for your past service and agreeing to stay on.

In your Foreign Affairs article you state that we must not be so preoccupied with preparing for future conventional and strategic conflicts that we neglect to provide all of the capabilities necessary to fight and win conflicts such as those that we are involved in today.

How do you envision institutionalizing a counterinsurgency focus within the Department, and as a subset of that question, can you elaborate on the closeness with which DOD is working with our intel agencies and where you see that going? And also, the last part is what do you need from us in Congress to ensure that you have all of the necessary parts of support from us to make that happen?

Secretary GATES. First of all, Mr. Reyes, I would say that I think there are two approaches to institutionalizing what we have learned in Iraq and Afghanistan so that we don't forget again as we did after Vietnam.

The first of these is putting the kind of leadership in place that gets it and is prepared to fight for it. And I am enough of an old Kremlinologist that I believe in putting the right people in the right places. So I think General Casey is providing good leadership in this regard in the Army, but also the placement of General Corelli as his deputy, as the Vice Chief, General Dempsey as the Commander of Training and Doctrine Command for the Army, General Petraeus at U.S. Central Command (CENTCOM), General Odierno in Baghdad. An Army officer can outlast one or two people he doesn't disagree with. It is a lot harder to outlast five or six.

So, first of all, I think institutionalization comes with having leadership that believes in the importance of what we are doing.

Second with respect to institutionalization is figuring out the way to build institutional capability within the Department of Defense in which to fight and wage current wars. Right now, as I indicated in my opening statement, one of the lessons learned is the Department of Defense is very good at preparing plans for wars, it is very good at preparing and perhaps waging short wars, but it has very little capability to wage long wars. So all of the really significant achievements that we have had in terms of trying to protect our soldiers—whether it is MRAPs or additional intelligence, surveillance, and reconnaissance (ISR) capability or even the counter-improvised explosive device (IED) organizations—all had to be done outside the regular bureaucracy of the Department of Defense through special task forces or organizations created by the Secretary.

So we have to figure out a way how can we inside the Department, inside the bureaucracy, have parallel capabilities of people and institutions that are committed to waging the wars we are in as well as planning for wars we might be in in the future.

With respect to fusion of intelligence and the military, I will just share with you the first time I was in Baghdad with the Iraq Study Group in September of 2006, I spent about an hour or so with our Chief of Station, and I said, so how is the cooperation with the military? And he rather candidly said, oh, sir, you can't believe how much better it is than when you were Director.

The truth of the matter is there has been a revolution in the cooperation between the military and intelligence in Iraq and now in Afghanistan and a fusion for operational activities between intel-

ligence and the military that I think is unique in the history of warfare. And frankly, this is another thing that I think needs to be institutionalized so we don't forget about it.

Finally, in terms of what we need that you all might provide, I think that to this point, the Congress has been very generous. When we have come up here with a need, whether it is MRAPs or ISR or money for caring for our wounded warriors, you all have provided what we have asked, and often more. As we prepare the final part of the 2009 supplemental and the final budget, I am sure there will be capabilities and needs that we will identify that we will be coming back to you for.

The CHAIRMAN. The gentleman from Virginia, Randy Forbes.

Mr. FORBES. Thank you, Mr. Chairman. And, Mr. Secretary, thank you for being here.

I want to echo what the Chairman said in appreciating your article in Foreign Affairs, especially when you talked about setting priorities. I know many members of this committee that I have spoken with have a difficult time sometimes understanding how the Pentagon sets its priorities, and especially with the Navy, how it sets those priorities, what calculus is used and what those priorities are.

Specifically, I am concerned that many of those officials have said that the 313-ship Navy is really an aspiration and sort of some changes in the way business is done. It can't realistically—we can't get there. Admiral McCullough, as you know, recently has said that the service could not afford to buy the ships and aircraft it needs. We know three major priorities: a backlog of shipyard maintenance, 100 percent need that we have; we know shortage of naval aviation aircraft, 100 percent need; and we know serious trouble in the Navy shipbuilding budget, 100 percent need.

The question I have for you is as to the decision to move a carrier from Norfolk to Mayport, Admiral Robert Thomas, the Director of Navy Strategy and Policy Decision, who wrote the strategic disbursement analysis that was used as the primary basis of making that recommendation, has specifically stated that no one—not you, not the Secretary of the Navy—no one asked him to quantify the probability of risk that something would happen that would justify having to move that carrier down there.

And my question is don't you feel that it is a critical aspect of making those kinds of decisions when we are setting our priorities today to at least ask the question about the probability of risk that we are trying to avoid? And if we are not asking those kinds of questions, how do we have much confidence that we are making the proper allocations when we have such limited resources?

Secretary GATES. I think that asking for an evaluation of the risk is certainly legitimate. I do know we have two home ports for aircraft carriers on the west coast. I do worry about everything being concentrated in one—on the east coast, which does receive a lot of hurricanes. We had an aircraft carrier in Mayport until the *John F. Kennedy* was decommissioned.

But I am absolutely confident that this issue—first of all, it is six or seven years in the offing, and I am absolutely confident that this issue and the kinds of questions that you are asking are cer-

tain to be reviewed by a new Navy Secretary, and I will review them as well.

Mr. FORBES. And, Mr. Secretary, I would thank you for that.

But I just again want to point out I think it is imperative that we ask those kinds of questions before we make those decisions. And secondly, when you ask Admiral Thomas—who wrote the plan; again, who should be the person to ask—if you ask him, he would tell you that the risk was so small that it was less than a 10 percent risk.

And they are the kind of questions I think we just need to ask before we are spending upwards of \$1 billion when we have so many other priorities that we have to have. So I just ask you to perhaps ask that question and get it in the calculus.

And with that, I would like to yield to the gentleman from New York.

Mr. MCHUGH. Well, Mr. Secretary, would you like to respond to the gentleman from Virginia before I make a couple of comments?

Secretary GATES. No. Please, go ahead.

Mr. MCHUGH. I want to revisit just very briefly the very lucid description—and I mean that very sincerely—that our Chairman made with respect to the categories of our potential detainees, our detainees in fact.

What concerns me is the uncertainty that has been created here. The *Boumediene* decision extended the right of writs of habeas to all of these prisoners. The added uncertainty, it seems to me, in the absence of being able to find nations that will accept these 50, 60, however many eligible detainees for release, suggests that the possibility of their release by the courts into the United States is dramatically increased.

The other thing I would suggest to you, Mr. Chairman, and respectfully, Mr. Secretary, the fact of the matter is our legal authorities, as I understand them, are clearly defined with respect to holding people taken on the battlefield in Iraq and Afghanistan.

I mentioned the possibility of picking up Osama bin Laden in Pakistan for a very purposeful reason, and that is, I would suggest our legal authorities in Pakistan are far less certain, and I think, again, that uncertainty suggests that we need to have a policy in place. And a plan without a policy doesn't meet that objective. And uncertainty as we have right now is not tantamount to increased security.

So you may wish to comment on that, but I think the underscoring of the message is we have to begin to establish these policies, agreed with or not, that the Bush Administration had in place so that we can be assured that bad people won't be released in the United States. And equally important, when we take high-value targets, dangerous people, off the what we would consider battlefield—being Iraq, Afghanistan, be it in Djibouti, being it in Pakistan—to keep America safe, and I would hope you would agree with that.

Secretary GATES. And the comment I would make, Mr. McHugh, is I can't imagine a situation in which detainees at Guantanamo who were considered a danger to the people of the United States would simply be released here.

Mr. MCHUGH. I would say I respect that, Mr. Secretary, and also note that according to DOD's statistics, we have in excess of 10 percent who were deemed safe and returned to the battlefield. So there is no certainty.

The CHAIRMAN. To make it clear, in my description none of them would be allowed to be released here in America. That is according to the information I have.

Before I go on to Dr. Snyder, let me make a comment about the size and ships. There seems to be in more recent, Mr. Secretary, challenges that have not been there before which calls for substantial navies—not just for America, but for our friends and allies—the specter of the piracy in different parts of the world, particularly along the Horn of Africa. And that seems to call for keeping the high level of ships that have been proposed and ordered by this committee put intact.

Dr. Snyder.

Dr. SNYDER. Thank you, Mr. Chairman.

Thank you, Mr. Secretary, for being here. I appreciate your service.

I recall last year we had a very good discussion here with you and Secretary Rice. And if Chairman Skelton invites you and Secretary Clinton to come and continue that discussion about inter-agency issues, I hope you will take advantage of that, because I think those are very important long-term issues.

I have several questions I want to ask, and I am going to err on the side of brevity if you will err on the side of brevity in your answers.

First of all, the issue, whether we are talking about the 16-month withdrawal or Iraqi forces moving into certain areas and replacing U.S. forces in Iraq, the issue of who protects our Provincial Reconstruction Teams (PRTs) is a present one.

Do you think that issue has been adequately solved, or is that an ongoing discussion in how to protect our PRTs in those areas where U.S. troops are no longer the lead force?

Secretary GATES. The plans that General Odierno has developed in conjunction with Ambassador Crocker foresees that as we consolidate our forces, we also consolidate our PRTs in the civilian side of the presence in Iraq so that the two would be stationed together, and our forces would be in a position to continue to protect the civilian element, including the PRTs.

Dr. SNYDER. We had the issue come up last year that President Bush attached a signing statement to the defense bill. Mr. Skelton received assurances from Secretary England at that time that the Department of Defense would comply with everything that was in the defense bill. It was their intent to do so.

Would it be fair to say that it is your intent to follow the defense bill as it was written, that we don't have to worry about sections of it being ignored?

Secretary GATES. Certainly not from my standpoint, sir.

Dr. SNYDER. And you are in this unique position, Secretary Gates, as you have often been in your life.

The issue has come up about the term "burrowing," political appointees towards the end of an Administration—and it has happened in both Republican and Democratic Administrations—finding

positions in the permanent civil service when they began as political appointees.

You are in a position to let us know—I am going to do this as a question for the record—if you think that has been a problem in the Department of Defense where political appointees, who really should be replaced by other political appointees, have managed to interject themselves into the permanent workforce. Would you respond to that for the record, please?

Secretary GATES. Sure.

[The information referred to can be found in the Appendix on page 55.]

Dr. SNYDER. The issue in Afghanistan, one very specific issue as we talk about what is going on now and additional U.S. forces coming in, is what do we do with the poppy crop. And I know that one of the suggestions that is being discussed is spraying poppies. And I am one of those who has great concerns if it is U.S. personnel and U.S. equipment that were to be involved in the spraying of the poppy crop. I think that has a lot of ramifications for our relationship with the Afghan people. Bad things can happen.

What are your thoughts right now about the possibility of U.S. troops being the people that would actually try to destroy a crop of poppies?

Secretary GATES. I think certainly as any kind of a coherent strategy or being done on an organized basis, U.S. troops are not involved in destroying the crops. What they have been authorized to do, and where both the NATO defense ministers last December and I, in a change of rules of engagement a few weeks ago—what we have done is at the request of the Afghan Government, where we have evidence that a specific drug lord or a lab is being used by the Taliban or supports the Taliban directly, we have the authority to go after the drug lord and the lab, but not the crops.

I would tell you my personal opinion. Crop eradication without having crop substitution in advance recruits Taliban. You can't go in and destroy a man's crop and give him nothing to replace it with or no cash with which to live until the next crop season and not expect him and his sons to work for the Taliban.

Our allies are opposed to spraying. President Karzai is opposed to spraying. My view is the likelihood of any significant spraying program is pretty remote at this point.

Dr. SNYDER. I would think that a loyal Aggie could figure out a way of something to do with a set commodity to price for wheat or something to solve that problem. I appreciate your comments.

The last thing I wanted to ask you about more as a comment is the issue that you talked about at length in your report about acquisition reform. And it seems like we have the same problem on the congressional side. It gets punted down the road. We all talk about it. Maybe one of the issues that we need to think about is maybe we all need to be doing it together more from the beginning. You all try to do things. We all talk about it. But maybe it is—we are going to have to have more of a commitment to try to work along together, at least informally, because it seems like we have got a lot of work to do and a lot of money that needs to be saved.

I appreciate your comments. Thank you, Mr. Secretary, on your service.

The CHAIRMAN. I thank the gentleman.

I am told there are two votes with a possibility of three, but let us keep going for several minutes.

Mr. Miller from Florida.

Mr. MILLER. Mr. Secretary, we are in the process now of debating an \$800 billion-plus stimulus bill. Can you give any rationale why the Department of Defense did not take advantage, more advantage, of the opportunity in that package for military construction dollars? It looks woefully small in comparison to some of the things that you probably could have asked for. Was there a reason why DOD did not do that?

Secretary GATES. The guidelines we were given were that the projects needed to be those where the work could actually begin, the money be spent, within six months or so. As we looked at it, we did come up with a pretty robust list that included additional work on military hospitals and situations where a lot of the preliminary work had already been done or construction was under way and could be accelerated: barracks, clinics, and child care centers. So we actually did provide a multibillion-dollar list to the White House.

I would tell you—and I have had many conversations with Chairman Edwards of the Military Construction (MILCON) committee—I am very interested, over time, in making a substantial new investment in our military hospitals here in the United States, and particularly on large, consolidated military posts. I think that as we focus on wounded warriors and so on, we also need to focus on the soldiers, sailors, marines, and airmen who are stationed state-side in these large bases and sometimes the difficulty they have in getting access to high-quality health care. And I think that this is an area where we can make a contribution in a number of different ways.

But most of those are long-term kinds of projects, and the environmental impact statements and other things that are required make them long-lead-time issues.

Mr. MILLER. I was specifically talking about some of the BRAC issues. We have a 2011 deadline for implementation, and it looks like some of the Base Realignment and Closure (BRAC) moves may be forced into a position where they may have to be phased in, may have to ask for some extension of times, and just looks like we may have missed a window to have completed a lot of these construction projects prior to that 2011.

And one other question. You talked about punting and now being the receiver. You talked a little bit about the tanker program earlier, and you said, you know, basically once the procurement folks are confirmed and back in place. What kind of time frame do you think we are talking about once they are in place of getting this project up and running again?

Secretary GATES. I would hope that we could get this process going by early spring.

Mr. MILLER. And do you have any idea how long the RFP process is going to take?

Secretary GATES. I think what we have had in mind as a planning number is probably sometime, I hope, soon after the first of next year.

Mr. MILLER. There are several programs like the F-22 to the DDG-1000, future combat systems, and missile defense that all have been talked about being on the chopping block. You are going to be asked to help prioritize some of these projects and programs. Can you let us in on what your thought process there is going to be in regards to—you talked about the spigot being turned off, but how are you going to determine what programs are scaled back or eliminated?

Secretary GATES. I haven't gotten into the specific programs yet, but in meeting with the senior defense leadership, the philosophical approach that I have outlined to them that I believe, as I have said in the Foreign Affairs article, that the most likely kind of conflict we will face in the years to come will be a spectrum of conflict from complex hybrid kinds of conflict down to a guy with an AK-47 or basic counterinsurgency.

Some of our adversaries are now in a position to buy from near peers the kind of high-end technology that we might not have expected to encounter unless we were in a conflict with one of those near peers; for example, some of the air defense systems.

So the broad philosophical approach that I have outlined is I want us to look for systems that have the maximum possible flexibility across the broadest possible range of conflict. In other words, I want stuff that is usable in a number of different kinds of environments, including potentially high-end as well as low-end. And I also want to be willing to go for low-end technology; for example, some of the intelligence, surveillance, and reconnaissance platforms we are putting into Afghanistan.

But that broad philosophical approach is the underpinning to whatever analysis I will carry out.

The CHAIRMAN. Before calling on Mr. Smith, at some point for the record, Mr. Secretary, would you give us some examples of the type of systems of which you speak on the high end that can be used in the more broad sense?

[The information referred to can be found in the Appendix on page 55.]

The CHAIRMAN. Mr. Smith.

Mr. SMITH. Thank you, Mr. Chairman.

Thank you, Mr. Secretary. I appreciate you being here, and I really appreciate your continuing on as Secretary of Defense, no small task. And it is very important to have the continuity that we have, and I really appreciate your service and your decision.

Just two things that I want to touch on. You had mentioned, in answer to a question by Representative Reyes, the fusion between the Intelligence Community and the DOD in Iraq and also in Afghanistan, and I completely agree. The system that has been set up there has been working amazingly well and I think is an excellent model for interagency cooperation. I give particular credit to General McChrystal for having a lot to do with pulling that together. But I know others were involved, and I would simply suggest that that would be a great model for some other areas where we need interagency cooperations. Specifically, as I understand it, strategic communications was raised earlier. There are so many different players involved in that in our government. Finding a way to get them to work together more carefully could improve that.

And I am also very interested in the economic development piece of counterinsurgency; again, many different agencies involved. Some in the State Department and in the development world are concerned the degree to which the Department of Defense is getting involved in that. I think it is fine, but we have to try to pull all of those pieces together. And I would say that is an excellent model to work off of.

The one question I have is on Afghanistan, and specifically NATO's role and how we can work towards more cooperation and coordination. I think you would agree that there has been a lot of disparate opinions, admissions in terms of our European allies, and that we could get more out of the resources that are being implemented, and we could do more to get everybody on the same page. And I just wanted to hear a little from you about how we are going to get our allies and us closer to working better together on the Afghanistan challenge.

Secretary GATES. I think that our allies can help us in three ways. First is obviously additional military forces, preferably without caveats, national caveats. There is some indication from the public statements and other things that we have heard that some of our allies, in fact, are prepared to be responsive to a request from our new President for additional help. Frankly, I don't think the numbers will be huge, but I think they are prepared to do some more.

The second area in which they can really help us is in civilian trainers, both for the police and the army, but also on the whole civil sector of society, the rule of law, and so on, governance and so on.

And then the third area is kind of a financial contribution in helping to cover the cost of the rapid and accelerating expansion of the Afghan National Army and Police.

Mr. SMITH. Do you sense a willingness to do that? Do you think that there is an opening here with a new Administration on our side to try to get some of that cooperation? Because I know you have been very pointed in asking for that help, and I appreciate that. It hasn't yet come. Do you think there is a reason that we can have more success now?

Secretary GATES. I think that having—that with the advent of a new President, I think there are some new opportunities.

Mr. SMITH. I also wanted to follow up on Dr. Snyder's question on the poppy eradication. And I support your answer.

During the couple of trips that I have made over there, however, there are some within our government that would give a slightly different answer that would seem to be more supportive of eradication. Now, I have also spoken with General Jones about this. He gave the exact same answer that you gave.

I just want to make sure that you are confident that everybody, including the Ambassador, is on the same page about how we proceed with that very important issue.

Secretary GATES. Well, the Drug Enforcement Agency and those that it is working with do have a different mission, and their mission is to bring about a significant reduction in the narcotics growth. Now, I am not sure, frankly, where DEA stands now on the eradication issue.

The reality that we face is that 98 percent of the poppies in Afghanistan are grown in 7 provinces, and they happen to be in the ones where security is the worst. So the nature of the problem has changed, I think. And one of the things that has been interesting is in some of the provinces where there was poppy growth, even though it wasn't a huge problem, good governance has led to the eradication of the poppy crop in those provinces. And that is why there has been this concentration, particularly in Regional Command (RC)-South.

Mr. SMITH. Right. And that is, obviously, I think, a much better approach to moving them off of the dependency on poppy is to give them an alternative, as you said.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much.

Mr. Secretary, we will rush and vote courageously twice and come back as soon as we can so we can meet your deadline of five o'clock.

[Recess.]

The CHAIRMAN. We will have a hard stop at 5 o'clock. The Secretary will be leaving then, so let's proceed. Five minutes.

Mr. Bartlett, you were—wait a minute. Who is next? Mr. Wilson, instead of Mr. Bartlett, five minutes.

Mr. WILSON. Thank you, Mr. Chairman.

And thank you, Mr. Secretary, for your past service, for your current service. In particular, as a 31-year veteran of the Army National Guard, 4 sons serving in the military, 3 in the National Guard, 2 have served in Iraq, I have a great interest in the National Guard, and I am very proud of what the National Guard is doing and has done. I have never been prouder. My former unit, the 218th Brigade, served for a year and completed last year training Afghan police and army units. So I know the extraordinary capabilities of our National Guard and their dedication and their appreciation of serving.

But as we look ahead with the new Administration, can you give us a view as to whether the National Guard and the Reserves will be used as an operational force, as they have for the past six years, or will they revert back to the historical role as a strategic reserve?

Secretary GATES. Sir, I think that they will continue to serve as an operational reserve. We need them. They have, in particular, skill sets that we are very short of in the regular force. However, I think that our obligation to them is to continue with our programs that will get us back to the one year deployed, five years dwell-time at home.

I think that my sense from talking to guardsmen is that they have welcomed, for the most part, the opportunity to serve and feel good about the contribution that they have made. So I foresee keeping them as an operational reserve.

One other aspect of keeping them as an operational reserve is that, for the first time, as we backfill and re-equip the Guard, we are equipping them with the same materiel, the same equipment that we are giving the active force. So, instead of receiving sort of secondhand clothes, secondhand equipment, if you will, they are going to receive the same level of technology, the same kind of equipment that the active force has. And I think that, in its own

right, will probably contribute to morale on the part of the National Guard, because they will see themselves as an integral element of the entire national security team.

Mr. WILSON. And on my visits, nine times to Iraq, seven times to Afghanistan, I agree with you, and then in visiting with Guard members upon return, they are very, very grateful and proud of their service.

And, indeed, with the increase of operational tempo and the blurring of the lines, the distinction between Guard Reserve and active, do you believe that there should be a relook at the compensation package, which is different between the Guard Reserve and active-duty forces?

Secretary GATES. I certainly am willing to take a look at that. This is the first time that somebody has raised the compensation issue with me, so perhaps we can get some particulars from you in terms of their concerns so we can look at it.

Mr. WILSON. And part of the compensation, Mr. Secretary, would be the retirement and how it is applicable to age 60. And then we did make, I think, a significant first step of providing for less than age 60 for persons who have been deployed for a period of time. And so I look forward to working with you on that.

Additionally, the circumstance in Afghanistan, you have recently changed the rules of engagement relative to the narco-terrorist drug lords. What has prompted that change? And then what has been the response by our NATO allies?

Secretary GATES. Actually, the change in the rules of engagement started with our NATO allies and a request by General McKiernan for the authority to be able to—and General Craddock—for the authority for NATO forces to be able to go after some of these drug lords and these labs that are providing the funding for the Taliban.

The NATO defense ministers, in December, agreed unanimously to a request from the Afghan Government for help along these lines when we could show that there was a link between the drug lord or the lab and the Taliban. So when it came time, as those NATO rules of engagement (ROEs) were being put in place, some of our own people thought that our U.S. rules of engagement were not as forthcoming as what NATO had approved, and so there was a need to go back and clean that up so that the U.S.-only forces had the same authorities as the NATO forces.

Mr. WILSON. Thank you.

The CHAIRMAN. I thank the gentleman from New Jersey, Mr. Andrews.

Mr. ANDREWS. Thank you, Mr. Chairman.

Thank you, Mr. Secretary, for your patience today and for your exemplary service to our country.

In today's statement, you say that—I am quoting—"There is little doubt that our greatest military challenge right now is Afghanistan."

And in your Foreign Affairs article, I think you are probably referring to Afghanistan, although it is a broader reference, when you write, "Where possible, what the military calls 'kinetic operations' should be subordinated to measures aimed at promoting better governance, economic programs that spur development, and efforts to

address the grievances among the disconnected from whom terrorists recruit. It will take the patient accumulation of quiet successes over a long time to discredit and defeat extremist movements and their ideologies." I think that is extremely well-said.

What tools do you think this committee could provide you with in the bill that we do each year that would help you win those quiet victories that accumulate over time? Within our jurisdiction, governing the conduct of the Department that you lead, what tools do you presently lack, and how would we provide them to you?

Secretary GATES. There are perhaps, sir, some specific areas where we could use additional help. But, to tell you the truth, the real deficiency that the whole-of-government approach that I described in that article requires are principally in other departments, principally in the Department of State, United States Agency for International Development (USAID), but also creating an expeditionary capability in the Department of Agriculture, in Commerce, in Treasury. And these are the places that have the expertise that bring those quiet victories that I was talking about.

We also don't have a way—I have talked about the difficulty of coordinating all the different civilian organizations and various organizations that are active in Afghanistan. One huge opportunity that I think we haven't figured out how to use to the maximum extent possible, something that I feel strongly about, is the number of universities we have that are at work in Afghanistan, in agriculture and various other places. A lot of our land grant universities have people there. But how do we harness that with the U.S. Government efforts and USAID and so on?

So I think it is more on the civilian side of the U.S. Government where we lack the capacity to bring all of the tools of national power to bear. This committee and your counterparts in the Senate have really given the Department of Defense, I think, most of what we need.

Mr. ANDREWS. Mr. Secretary, if you weren't burdened by the burdens of jurisdiction—and with no disrespect intended to those who have run these other departments and agencies—what changes in the PRT structure would you make to make them more effective in the field, in Afghanistan in particular?

Secretary GATES. Well, principally, it would be the addition of civilian expertise. Particularly in Afghanistan, a considerable percentage of the PRTs are actually staffed by people from the Department of Defense; often many of them from the National Guard.

Mr. ANDREWS. Right. I recall a visit to Khost province in Afghanistan about a year ago, where I believe we had two people that we met that were not DOD employees or military personnel. They are doing a very good job, but it was almost by accident because there were some agricultural skill sets that the soldiers had that, again, I think purely more by accident than anything else.

Secretary GATES. But I will tell you that our PRT leaders, the brigade commanders who work with the PRTs will tell you that even a handful of civilians pay huge dividends. Their expertise, with the kinds of things that they do every day, they are a huge value added.

Mr. ANDREWS. Well, we would certainly, to the extent that we can, encourage you and Secretary Clinton and Secretary Vilsack

and others to work together and do that, because I think that your remarks are so insightful and so welcome. And we thank you for delivering them.

The CHAIRMAN. It may be of interest—I know the Secretary knows this—that National Guard troops, particularly from Missouri, are helping a great deal in the area of agriculture. And I spent Thanksgiving with them, and there is a staff sergeant, part of the National Guard, that is a full professor at the University of Missouri School of Agriculture as one of the assistants that are helping the Afghan folks learn more about growing things.

Secretary GATES. Maybe we should do this on a league basis. We could have a Big 12 PRT and a Big 10 PRT.

Mr. ANDREWS. Will there be an Ivy League PRT?

The CHAIRMAN. Just so Missouri wins.

Mr. Franks, please.

Mr. FRANKS. Well, thank you, Mr. Chairman.

And thank you, Secretary Gates, for being here. I think you have a very challenging job transitioning from one Administration and one commander in chief to another because of the divergent views between different Administrations and Presidents. And I want you to know I admire that. I think you were a tremendous leader in the previous Administration, and I thought you were very effective at advocating for the European missile defense site.

So I guess I have to ask you, what advice will you give the new President on the European site? And what, in your opinion, are the implications for our strategic partnerships in Poland and the Czech Republic and even Russian perceptions if we delay or abandon this initiative?

Secretary GATES. Well, I think the place to start is by acknowledging that the NATO heads of government unanimously, last April in Bucharest, endorsed the idea of the importance of missile defense for Europe, and, in particular, a layered defense. So I think we need to start with the reality of what our NATO allies have supported and what they have indicated they would do.

As I indicated in my testimony this morning before the Senate, I think that, in parallel with that, there are perhaps now some new opportunities in terms of trying to persuade the Russians to participate with us in this program. That would clearly please the Europeans, please our NATO allies. And, frankly, I think the Russians, in my conversations with President Putin and in other conversations that we have had with their military, I think there is actually, if you put the politics aside, there is actually some interest in this.

So my hope would be that we could—we need to remember where the alliance is, but I think there are also some opportunities in terms of reassuring the Russians with respect to the sites in Europe but, at the same time, perhaps getting them to partner with us. They have indicated interest in things like a joint data center in Moscow, joint use of radars.

I think part of their problem is that they have a different perspective on how soon the Iranians can have a missile of enough range to reach Russia and most of western Europe. And, frankly, I think their intelligence is just bad, because I think our view is that they could have a missile with that kind of range in two or

three years. The Russians talk in terms of 10 or 15 years, and I just think that is wrong.

Mr. FRANKS. Well, I think that is a critically important distinction, because the big thing about the European site is it potentially has the ability to devalue an Iranian nuclear program if it is brought on line soon enough. And I think that is of critical consideration to the world.

In your testimony, you stated, "One of the greatest dangers that we face in the toxic mix of rogue nations is terrorist groups and nuclear, chemical, or biologic weapons. And North Korea and Iran represent uniquely vexing challenges in this regard." And, of course, I couldn't agree with you more.

For nearly two decades, Western strategy on the Iran nuclear issue has emphasized the denial of supply. And you mention other potential nonmilitary ways that you suggest a new Administration should attempt to blunt Iran's power.

So my question is this: What we have not done in the last decade—what do we plan to do in the next two or three years to turn this around? In other words, what have we not done that we should have done? And what do we plan to do in the next two or three years to turn it around?

And if we find, two years from now, that Iran has just gained more time and more fully developed their capability, perhaps even to the point where they have become a nuclear power, which I think is a profound threat to the human family, what will we do then, Secretary Gates?

Secretary GATES. Well, first of all, I think that there are still opportunities available to us. What we really require is for the Iranian Government to determine of its own accord that pursuing nuclear weapons are not in their own national security interest.

One way to do that is to make it an extremely costly program for them. I think that the sanctions that we have put in place, both internationally and unilaterally and in bilateral partnership with some of our partner nations, have had a real impact in Iran. And I will tell you that that impact has been magnified dramatically by the drop in the price of oil from \$140 a barrel to \$40 a barrel. It has just magnified the impact of those sanctions, and they have serious internal economic problems.

But I think we also need to talk about, what are the consequences for Iran's security if they spark a nuclear arms race in the Middle East? What if other countries surrounding them decide that they also must have nuclear weapons? I think, under those circumstances, is Iran's security advanced by having nuclear weapons or is it degraded? And I think we have a compelling case that we can make.

Mr. FRANKS. Thank you, Mr. Chairman.

Thank you, Secretary Gates. I hope we don't underestimate their resolve.

The CHAIRMAN. Thanks for the gentleman.

The gentleman from Washington, Mr. Larsen.

Mr. LARSEN. Thank you, Mr. Chairman.

Secretary Gates, I want to ask some questions about China, to change the pace a little bit and think a little bit more long-term. Because, as recently as last week, the chief People's Liberation

Army (PLA) spokesperson cited a time of difficulties in the U.S.-China military relationship, primarily caused by the Chinese opinion of U.S. arm sales to Taiwan.

Short of reversing U.S. arms sales to Taiwan, which I don't think anybody—very few people from Congress would support, what steps can U.S. and China take to demonstrate a desire for continued military-to-military exchanges and that mil-to-mil relationship, which seems to be cut short a little bit by the Chinese response?

Secretary GATES. I think that we have some real opportunities. We just opened a direct hotline between myself and my Chinese counterpart about six months ago that we agreed to when I was in China a little over a year ago.

I think that we have had a number of military officers visit China. We have started a strategic dialogue for the first time, talking about strategic intentions and, kind of, where we are headed. This was something that I had proposed when I visited there, as well. Reflecting back on the value and importance of the dialogue we had with the Soviet Union during the Strategic Arms Limitation (SALT) talks, if we had a better understanding of how each other thinks about these strategic issues, then maybe we can avoid mistakes and miscalculations.

So those things are going forward. And I think here is another place where a new Administration here, a fresh start, perhaps creates opportunities to reopen the aperture, if you will, on military-to-military contacts. They have made their point about the arm sales to Taiwan. They warned me about it when we went there. They knew that it was going to happen. And it is just a matter of getting past that and onto the longer-term interest of both states.

Mr. LARSEN. I think both opinions are reflected in the PLA's white paper, a criticism of it, but also a discussion about their military-to-military relationship with the U.S.

On that point, one issue you discussed was cybersecurity and the cyber infrastructure. And, not to point fingers, but it seems to me that the damage to relations between two countries—say, U.S. and China—seems to be greater than the damage caused by any cyber attacks against U.S. cyber infrastructure.

That seems to be my view. I don't know if that is your view, as well. And if you could talk about the DOD's attitude to these intrusions. And then, for the record, if you can get back to us about concrete efforts we are doing to address that.

Secretary GATES. I would say, though, that in the context of the range of weapon systems and capabilities that we have been talking about here today and my view of them and, sort of, questions about high tech, my view is one of the highest priorities that we need to focus on going forward and we will be working with the committee on is the need to strengthen our cyber capabilities, and particularly our defensive capabilities.

Mr. LARSEN. Increasingly, we are seeing PLA forces involved in military operations other than war, such as the peacekeeping operations under the U.N. auspices and the recent deployment of Chinese naval assets to the waters off Somalia.

Does the DOD have an assessment about this particular direction of the PLA? And do you see a day when U.S. and PLA forces might be serving side by side in some of these kinds of operations?

Secretary GATES. I think that is conceivable. I think that the engagement of China in U.N. peacekeeping operations and the kind of multinational anti-piracy activities off the coast of Africa, this is constructive engagement in the international community. And I think we should do what we can to encourage it.

Mr. LARSEN. Finally, you mentioned the time line. This is a separate issue, the KCX tanker. You mentioned a time line about a request for proposal (RFP) in perhaps early spring and then maybe a decision by early next year.

Late last year, you responded to a letter from Members of Congress about your views regarding a split-buy or dual-buy concept for the KCX, saying that—I don't recall if your letter specifically said you were against it, but basically the tone of your letter was a split-buy would be more expensive, it would be problematic to implement.

Do you envision that your view will change with the new Administration, or will that be consistent with this Administration as well, no split-buy on the KCX?

Secretary GATES. This is not an issue that I have had the opportunity to discuss with the new Administration. I will tell you that I think that the idea of a split-buy is an absolutely terrible idea and a very bad mistake for the U.S. taxpayer, not to mention for the U.S. Air Force.

Mr. LARSEN. Could you be more clear for the committee, please?

Thank you, Mr. Secretary.

The CHAIRMAN. The gentleman from Virginia is recognized for two minutes and, Secretary Gates, you are gone.

Go ahead.

Mr. WITTMAN. Thank you, Mr. Chairman.

Secretary Gates, thank you for being with us today. And congratulations on your reappointment. We are glad to have you on board.

I wanted to refer back to your Foreign Affairs article, where you stated that we mustn't be so preoccupied with preparing for future conventional and strategic conflicts that we neglect all the capabilities necessary to fight and win conflicts such as those the United States are in today.

And I was wondering, how do you envision institutionalizing a counterinsurgency focus within the Department of Defense? And what do you think you need from Congress to ensure the United States has all the necessary military and soft power in order to achieve these objectives?

Secretary GATES. Well, I think two ways. First of all, by appointing the right people to positions where they can institutionalize the thinking about counterinsurgency and low-end or irregular warfare, if you will.

But, second, I think there is strong institutional and bureaucratic support in the services and elsewhere for the long-term conventional and strategic capabilities. We need to figure out how to build within the structure of the services, and the Department of Defense in general, the structural capacity to be able to wage war on a current basis where we settle for 75 percent solutions in a matter of months or weeks rather than the long lead time.

So I think it is both personnel and it is structure.

The CHAIRMAN. Chairman McHugh has a word.

Mr. MCHUGH. Well, Mr. Chairman, as I understand it, the Secretary has to leave us now.

And I just wanted to express my and, on behalf of our side, our deep appreciation. If they gave Purple Hearts to civilian members, you would receive one for your stamina here today through two sessions in both houses.

And, if I may, Mr. Chairman, I would just ask that those good members who stuck with us through this and have obviously important issues they would like to raise with the Secretary have the opportunity to submit questions for the record.

The CHAIRMAN. Certainly. That goes without saying.

Mr. Secretary, thank you. We appreciate it. And we hope you have a speedy recovery.

Secretary GATES. Thank you, Mr. Chairman.

[Whereupon, at 5:00 p.m., the committee was adjourned.]

A P P E N D I X

JANUARY 27, 2009

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

JANUARY 27, 2009

**SECRETARY OF DEFENSE ROBERT M. GATES
SUBMITTED STATEMENT
HOUSE ARMED SERVICES COMMITTEE
TUESDAY, JANUARY 27, 2009, 1:30 P.M.**

Mr. Chairman, Representative McHugh, members of the committee:

Thank you for the opportunity to provide an overview of challenges facing the Department of Defense and some of my priorities for the coming year. In doing so, I am mindful that the new administration has only been in place for a few days and new or changing policies will likely arise in coming months. Later this spring, I will present President Obama's defense budget, and, at that time, will be better equipped to discuss the details of his vision for the Department.

On a personal note, I want to thank many of you for your very kind farewell remarks at my last hearing. I assure you that you are no more surprised to see me back than I am. In the months ahead, I may need to re-read some of those kind comments to remind myself of the warm atmosphere up here as I was departing. Seriously, I am humbled by President Obama's faith in me, and deeply honored to continue leading the United States military. I thank the committee for your confidence in my leadership and your enduring, steadfast support of the military.

I'd like to start by discussing our current operations before moving on to my ongoing institutional initiatives.

Afghanistan and Pakistan

There is little doubt that our greatest military challenge right now is Afghanistan. As you know, the United States has focused more on Central Asia in recent months. President Obama has made it clear that the Afghanistan theater should be our top overseas military priority. The ideology we face was incubated there when Afghanistan became a failed state, and the extremists have largely returned their attention to that region in the wake of their reversals in Iraq. As we have seen from attacks across the globe – on 9/11 and afterwards – the danger reaches far beyond the borders of Afghanistan or Pakistan.

There are more than forty nations, hundreds of NGOs, universities, development banks, the United Nations, the European Union, NATO, and more, involved in Afghanistan – all working to help a nation beset by crushing poverty, a thriving drug trade fueling corruption, a ruthless and resilient insurgency, and violent extremists of many stripes, not the least of which is Al Qaeda. Coordination of these international efforts has been less than stellar, and too often the whole of these activities has added up to less than the sum of the parts – a concern I'm sure many of you share.

Based on our past experience in Afghanistan – and applicable lessons from Iraq – there are assessments underway that should provide an integrated way forward to achieve our goals.

As in Iraq, there is no purely military solution in Afghanistan. But it is also clear that we have not had enough troops to provide a baseline level of security in some of the most dangerous areas – a vacuum that increasingly has been filled by the Taliban. That is why the U.S. is considering an increase in our military presence, in conjunction with a dramatic increase in the size of the Afghan security forces. Because of the multi-faceted nature of the fight – and because of persistent ISAF shortfalls for training teams – all combat forces, whether international or American, will have a high level of counterinsurgency training, which was not always the case.

In the coming year, I also expect to see more coherence as efforts to improve civil-military coordination gain traction – allowing us to coordinate Provincial Reconstruction Teams in a more holistic fashion, both locally and regionally. And there will be an increased focus on efforts at the district level, where the impact of both our military and rebuilding efforts will be felt more concretely by the Afghan people, who will ultimately be responsible for the future of their nation.

While this will undoubtedly be a long and difficult fight, we can attain what I believe should be among our strategic objectives: an Afghan people who do not provide a safe haven for Al Qaeda, reject the rule of the Taliban, and support the legitimate government that they elected and in which they have a stake.

Of course, it is impossible to disaggregate Afghanistan and Pakistan, given the porous border between them. I do believe that the Pakistani government is aware of the existential nature of the threat emanating from the FATA. The U.S. military knows firsthand how difficult it is to wage counterinsurgency with a force designed for large-scale, mechanized warfare – a fact complicated by Pakistan's recent tensions with India. Pakistan is a friend and partner, and it is necessary for us to stay engaged – and help wherever we can. I can assure you that I am watching Pakistan closely, and that we are working with State, Treasury, and all parts of the government to fashion a comprehensive approach to the challenges there.

Iraq after SOFA

As you know, the Status of Forces agreement between the U.S. and Iraq went into effect on January 1st. The agreement calls for U.S. combat troops to be out of Iraqi cities by the end of June, and all troops out of Iraq by the end of 2011, at the latest. It balances the interests of both countries as we see the emergence of a sovereign Iraq in full control of its territory. Provincial elections in just a few days are another sign of progress.

The SOFA marks an important step forward in the orderly drawdown of the American presence. It is a watershed – a firm indication that American military involvement is winding down. Even so, I would offer a few words of caution. Though violence has remained low, there is still the potential for setbacks – and there may be hard days ahead for our troops.

As our military presence decreases over time, we should still expect to be involved in Iraq on some level for many years to come – assuming a sovereign Iraq continues to seek our partnership. The stability of Iraq remains critical to the future of the Middle East, a region that multiple presidents of both political parties have considered vital to the national security of the United States.

North Korea, Iran, and Proliferation

Beyond these operations, one of the greatest dangers we continue to face is the toxic mix of rogue nations, terrorist groups, and nuclear, chemical, or biological weapons. North Korea and Iran present uniquely vexing challenges in this regard. North Korea has produced enough plutonium for several atomic bombs; Iran is developing the capabilities needed to support a nuclear weapons program. North Korea's conventional capability continues to degrade as it becomes more antiquated and starved – in some cases literally – for resources and support. Both countries have ballistic missile programs of increasing range and a record of proliferation.

The regional and nuclear ambitions of Iran continue to pose enormous challenges to the U.S. Yet I believe there are non-military ways to blunt Iran's power to threaten its neighbors and sow instability throughout the Middle East. The lower price of oil deprives Iran of revenues and, in turn, makes U.N. economic sanctions bite harder. In addition, there is the growing self-sufficiency and sovereignty of Iraq, whose leaders – including Iraqi Shia – have shown they do not intend for the new, post-Saddam Iraq to become a satrapy of its neighbor to the east. This situation provides new opportunities for diplomatic and economic pressure to be more effective than in the past.

On North Korea, the Six-Party Talks have been critical in producing some forward momentum – especially with respect to North Korea's plutonium production – although I don't think anyone can claim to be completely satisfied with the results so far. These talks do offer a way to curtail and hopefully eliminate its capacity to produce more plutonium or to enrich uranium, and reduce the likelihood of proliferation. Our goal remains denuclearization, but it is still to be seen whether North Korea is willing to give up its nuclear ambitions entirely.

Russia and China

Even as the Department of Defense improves America's ability to meet unconventional threats, the United States must still contend with the challenges posed by the military forces of other countries – from the actively hostile, to rising powers at strategic crossroads. The security challenges faced by other nation-states is real, but significantly different than during the last century.

The Russian invasion of Georgia last year was a reminder that the Russian military is a force to be reckoned with in Eastern Europe and the Caucasus. We should not, however, confuse Russia's attempt to dominate its "near abroad" with an ideologically driven campaign to dominate the globe – as was the case during the Cold War. The country's conventional military,

although much improved since its nadir in the late 1990s, remains a shadow of its Soviet predecessor. Saddled with demographic and budget pressures, the Russians have concentrated on improving their strategic and nuclear forces, but recently have begun to devote more attention to their conventional capabilities.

As we know, China is modernizing across the whole of its armed forces. The areas of greatest concern are Chinese investments and growing capabilities in cyber-and anti-satellite warfare, anti-air and anti-ship weaponry, submarines, and ballistic missiles. Modernization in these areas could threaten America's primary means of projecting power and helping allies in the Pacific: our bases, air and sea assets, and the networks that support them.

We have seen some improvement in the U.S.-Chinese security relationship recently. Last year, I inaugurated a direct telephone link with the Chinese defense ministry. Military to military exchanges continue, and we have begun a strategic dialogue to help us understand each other's intentions and avoid potentially dangerous miscalculations.

As I've said before, the U.S. military must be able to dissuade, deter, and, if necessary, respond to challenges across the spectrum – including the armed forces of other nations. On account of Iraq and Afghanistan, we would be hard pressed at this time to launch another major ground operation. But elsewhere in the world, the United States has ample and untapped combat power in our naval and air forces, with the capacity to defeat any adversary that committed an act of aggression – whether in the Persian Gulf, on the Korean Peninsula, or in the Taiwan Strait. The risk from these types of scenarios cannot be ignored, but it is a manageable one in the short- to mid-term.

Wounded Warrior Care

Apart from the wars in Afghanistan and Iraq, my highest priority as Secretary of Defense is improving the outpatient care and transition experience for troops that have been wounded in combat.

Since February of 2007, when we learned about the substandard out-patient facilities at Walter Reed, the Department has implemented a number of measures to improve health care for our wounded, ill, and injured servicemembers. We have acted on some 530 recommendations put forth by several major commissions and the National Defense Authorization Act of 2008. Notable progress includes:

- Working closely with the Department of Veterans Affairs to better share electronic health data and track patients' long-term recovery process;
- Dedicating new facilities, with the help of private partners, such as the national intrepid centers in Bethesda, Maryland, and San Antonio, Texas; and
- Improving overall case management through programs such as the Army's "Warrior Transition Units" that shepherd injured soldiers back to their units or help them transition to veteran status.

More than 3,200 permanent cadre are now dedicated to soldiers assigned to warrior transition units, and they have cared for more than 21,000 men and women thus far. I have personally visited these units at Fort Bliss, Texas, and Fort Campbell, Kentucky.

Post-traumatic stress, traumatic brain injury, and associated ailments are, and will continue to be, the signature military medical challenge facing the Department for years to come. We have made some strides to reduce the stigma associated with the scars of war, both seen and unseen. For instance, last February, the Army Inspector General identified a disturbing trend: Troops were hesitant to get help for mental health because they were worried about the impact on their security clearance, and perhaps their career. To resolve this problem, we worked with our interagency partners to change "Question 21" on the government security clearance application so that, as a general matter, it excludes counseling related to service in combat, including post-traumatic stress. Put simply, mental health treatment, in and of itself, will not be a reason to revoke or deny a security clearance.

We have invested more than \$300 million in research for Traumatic Brain Injury (TBI) prevention, diagnosis, treatment, and recovery. The Department created a comprehensive TBI registry and thus now has a single point of responsibility to track incidents and recovery. In the last year, we've added more than 220 new mental-health providers to treatment facilities across the country.

The Services are doing more to address mental health needs. The Marine Corps is, for instance, embedding Operational Stress Control and Readiness (OSCAR) teams in front-line units to better channel medical attention to those who need help quickly. All the services have 24-hour "hot lines" available to troops. Health-care providers are being trained to better identify the first signs of psychological trauma.

We are addressing PTSD and related injuries on a number of fronts and have made much progress. But not every servicemember returning from Iraq and Afghanistan is getting the treatment he or she needs. I believe we have yet to muster and coordinate the various legal, policy, medical, and budget resources across the Department to address these types of injuries.

Considerable work remains as we institutionalize what has been successful and recalibrate what still falls short. The Disability Evaluation System is a useful example. In November of 2007, a pilot program was launched to streamline the Disability Evaluation System (DES) by providing a VA rating to be used by both DoD and VA. Approximately 900 servicemembers are currently enrolled in the pilot program, and it has enabled us to reduce the time required to determine their disability rating and, more importantly, to alleviate some frustration caused by a needlessly complex process.

Overall, I remain concerned that our wounded warriors are still subjected to a system that is designed to serve the general military beneficiary population – the overwhelming majority of whom have not been injured in combat. Earlier this month, we implemented a policy that allows the secretaries of the services to expedite troops through the DES who have combat-related illnesses or injuries that are catastrophic. Nonetheless, we must give serious consideration to

how we can better address the unique circumstances facing our servicemembers with combat-related ailments.

As long as I am secretary of defense, I will continue to work to improve treatment and care for every single wounded warrior.

Ground Force Expansion and Stress on the Force

In an effort to meet our nation's commitments and relieve stress on our force and their troops' families, the Department continues to expand the end-strength of the Army and Marine Corps – growth that began in 2007 and will continue for several years.

The Army exceeded both recruiting and retention goals for FY 2008, and is on path to achieve its goal of an active duty end-strength of 547,400 by the end of this fiscal year. It will continue to increase the number of active Army Brigade Combat Teams (BCTs) with a goal of moving from 40 to 42 BCTs this year and towards an end goal of 48 BCTs.

Despite having fallen 5 percent short of its retention goal, the Marine Corps is on track to meet its end-strength goal of 202,000 by the end of this fiscal year.

In all, the Army and Marine Corps are undergoing the largest increase to their active ranks in some four decades. The expectation is that, with a larger total force, individual troops and units will, over time, deploy less frequently with longer dwell times at home. The goal for the Army is two years off for every year of deployment. The expected reduction of American troops in Iraq could be offset by proposed increases in Afghanistan, so it may take some time before we reach that goal. The Services are carefully managing their growth to ensure that it is consistent with the high standards expected from an all-volunteer force.

National Guard

As a result of the demands of Iraq and Afghanistan, the role of the National Guard in America's defense has transformed from being a strategic reserve to being part of the pool of forces available for deployments.

In view of the National Guard's growing operations and homeland security responsibilities, and to elevate the Guard in deliberations over policy and budget, I am pleased to say that the chief of the National Guard Bureau is now a full general. Another senior Guard officer recently became Northcom's deputy commander, also a historic first that I hope will pave the way for a Guard officer to one day head that command.

One of the challenges we face is to see that, to the extent possible, the Guard's critical domestic responsibilities do not suffer as a result of its operational missions. The demand for Guard support of civil authorities here at home remains high: For example, the "man-days" that Guardsmen have spent fighting fires, performing rescue and recovery, and other duties increased by almost 60 percent in 2008 as compared to 2007.

With the support of the Congress, the Department has substantially increased support for America's reserve component – the Guard and Reserves – which for decades had been considered a low priority for equipment, training, and readiness. Today, the standard is that the Guard and Reserves receive the same equipment as the active force. For FY 2009, the base budget request included \$6.9 billion to continue to replace and repair the National Guard's equipment.

The panel created by Congress four years ago, the Punaro commission, has been a useful spur to the Department's efforts to ensure that both reserve components are better trained, manned, and equipped for this new era. We have taken, or are taking, action on more than 80 percent of the commission's recommendations.

For example, the panel suggested a combined pay and personnel system to fix problems stemming from the shift from the reserve pay system to the active duty pay system. The Department is now launching that integrated system.

Since taking this post I have tried to ease, to the extent possible, the stress on our reserve components by implementing mobilization policies that are more predictable and conducive to unit cohesion. We have provided greater predictability as to when a Guard member will be deployed by establishing a minimum standard of 90 days advance notice prior to mobilization. In practice, on average, the notification time is about 270 days.

There is no longer a 24-month lifetime limit on deployment, but each mobilization of National Guard and Reserve troops is now capped at 12 months. The goal is five years of dwell time for one year deployed. We have made progress towards this goal but are not there yet. For example, the ratio of dwell time to mobilization for the Army National Guard this fiscal year is just over 3 to 1.

Reliance upon the reserve component for overseas deployment has declined over time. For example, the percentage of Army soldiers serving in Iraq and Afghanistan who are Guardsmen or Reservists is about half what it was in summer 2005.

Nuclear Stewardship

I continue to believe that as long as other nations have nuclear weapons, the U.S. must maintain an arsenal of some level. The stewardship of that arsenal is perhaps the military's most sensitive mission – with no margin for error.

That there should be any question in that regard is why recent lapses in the handling of nuclear weapons and material were so grave. They were evidence of an erosion in training, expertise, resources, and accountability in this critical mission. And they brought severe consequences, starting at the unit level and reaching up to the top leadership of the Air Force.

Nonetheless, despite the shortcomings of the past, I do believe the U.S. nuclear deterrent remains safe, secure, and reliable. The Air Force has taken significant steps to improve its nuclear stewardship by:

- Streamlining the inspection process for nuclear material to ensure that it is all handled properly;
- Standing up a new headquarters office – Strategic Deterrence and Nuclear Integration – that concentrates on policy oversight and staff integration for nuclear programs. The office's leader reports directly to the Air Force chief of staff;
- Creating a Global Strike Command, which has brought all of the Air Force's nuclear-capable bombers and ICBMs under one entity; and
- Reassigning the supply chain for nuclear programs to the complete control of the Nuclear Weapons Center at Kirtland Air Force Base, which is being overhauled and expanded.

A task force headed by former Energy and Defense Secretary James Schlesinger has now reported. It has identified many trends, both recent and long-term, that may warrant corrective action. Among its recommendations:

- A new assistant secretary of defense for deterrence to oversee nuclear management; and
- Develop and maintain a strategic roadmap to modernize and sustain our nuclear forces.

I will be evaluating all of the Schlesinger Commission recommendations along with the new service secretaries and defense team.

Defending Space and Cyberspace

The full spectrum of U.S. military capabilities on land, sea, and air now depend on digital communications and the satellites and data networks that support them. Our communications, navigation, weather, missile warning, surveillance, and reconnaissance systems rely on unfettered access to space. At the same time, more nations – about 60 in all – are active in space, and there are more than 800 satellites in orbit. The importance of space defense was highlighted during my first year in this job when the Chinese successfully tested an anti-satellite weapon.

In an effort to maintain our technological edge and protect access to this critical domain, we will continue to invest in joint space-based capabilities such as infrared systems and global positioning systems. Air Force Space Command has nearly 40,000 personnel dedicated to monitoring space assets and is training professionals in this career field.

With cheap technology and minimal investment, current and potential adversaries operating in cyberspace can inflict serious damage to DoD's vast information grid – a system that encompasses more than 15,000 local, regional, and wide-area networks, and approximately 7 million IT devices. DoD systems are constantly scanned and probed by outside entities, but we

have developed a robust network defense strategy. We will continue to defend our systems against network attacks, intrusions, and other incidents.

It is noteworthy that Russia's relatively crude ground offensive into Georgia was preceded by a sophisticated cyber attack. The massive cyber attack suffered by Estonia in 2007, which I discussed with our partners during a recent visit there, illustrates how quickly malicious hackers can bring even a technologically-sophisticated government to a standstill. To learn from this experience and share technological know-how, the U.S. government is co-sponsoring the NATO Cooperative Cyber Defense Center of Excellence.

Wartime Procurement

When we are at war, I believe the overriding priority of the Defense Department and military services should be to do everything possible to provide troops in the field everything they need to be successful. To place our defense bureaucracies on a war footing with a wartime sense of urgency, I have accelerated procurement of a number of capabilities, notably:

- Intelligence, surveillance, and reconnaissance – specifically, Unmanned Aerial Systems (UASs); and
- Mine Resistant Ambush Protected Vehicles – or MRAPs.

UASs have become one of the most critical capabilities in our military. They give troops the tremendous advantage of seeing full-motion, real-time, streaming video over a target – such as an insurgent planting an IED. Last April, I launched a Department-wide taskforce to speed additional UASs to theater and to ensure we were getting maximum use out of the assets already there. Since then, the Air Force has:

- Increased Predator air patrols by nearly 30 percent;
- Opened a second school to train personnel on UASs;
- Created a career track for UASs; and
- For the first time, allowed non-rated officers to operate UASs.

We've also seen how relatively low cost, off-the-shelf technology can have a huge impact on the battlefield. The Army's Task Force Odin resulted in a dramatic increase in the amount of full-motion video available to commanders in Iraq. We are in the process of trying to replicate those successes in Afghanistan. As part of the effort to increase ISR, we are fielding more than 50 turboprop aircraft outfitted with sensors.

In Iraq, the majority of our combat deaths and injuries have been a result of road-side bombs, IEDs, and explosively formed penetrators. The casualty rate from an attack on an MRAP is less than one-third that of Humvees, and less than half that of an Abrams tank. In May 2007, I directed the Department to make MRAPs our top acquisition priority, and, with extraordinary help from the Congress, the Department has sent more than 12,000 MRAPs to theater. The Army is currently developing a lighter version of the MRAP better suited for the difficult terrain of Afghanistan.

The MRAP and ISR experiences raise a broader concern about wartime acquisition. In the past, modernization programs have sought a 99 percent solution over a period of years, rather than a 75 percent solution over a period of weeks or months. Rather than forming ad hoc groups to field capabilities like UASs and MRAPs, we must figure out how to institutionalize procurement of urgently-needed resources in wartime.

One option is to continue to spin out components of large-scale, long-term modernization projects in real time for early field testing and use in ongoing operations, then fold the results into longer-term product development. We are doing so in Afghanistan and Iraq with Small Unmanned Ground Vehicles, a component the Army's Future Combat Systems used to clear caves, search bunkers, or cross minefields. Such field testing ensures that a program like FCS – whose total cost could exceed \$200 billion if completely built out – will continue to demonstrate its value for both conventional and unconventional scenarios.

Defense Acquisition

As I focused on the wars these past two years, I ended up punting a number of procurement decisions that I believed would be more appropriately handled by my successor and a new administration. Well, as luck would have it, I am now the receiver of those punts – and in this game there are no fair catches.

Chief among institutional challenges facing the Department is acquisitions – broadly speaking, how we acquire goods and services and manage the taxpayers' money. The Congress, and this committee in particular, have rightly been focused on this issue for some time. The economic crisis makes the problem even more acute. Allow me to share a few general thoughts.

There are a host of issues that have led us to where we are, starting with long-standing systemic problems:

- Entrenched attitudes throughout the government are particularly pronounced in the area of acquisition: a risk-averse culture, a litigious process, parochial interests, excessive and changing requirements, budget churn and instability, and sometimes adversarial relationships within the Department of Defense and between DoD and other parts of the government.
- At the same time, acquisition priorities have changed from defense secretary to defense secretary, administration to administration, and congress to congress – making any sort of long-term procurement strategy on which we can accurately base costs next to impossible.
- Add to all of this the difficulty in bringing in qualified senior acquisition officials. Over the past eight years, for example, the Department of Defense has operated with an average percentage of vacancies in the key acquisition positions ranging from 13 percent in the Army to 43 percent in the Air Force.

Thus the situation we face today, where a small set of expensive weapons programs has had repeated – and unacceptable – problems with requirements, schedule, cost, and performance.

While the number of overturned procurements as a result of protests remains low in absolute numbers – 13 out of more than three and a half million contract actions in FY 2008 – highly publicized issues persist in a few of the largest programs. The same is true of cost overruns, where five programs account for more than half of total cost growth. The list of big-ticket weapons systems that have experienced contract or program performance problems spans the services: the Air Force tanker, CSAR-X, VH-71, Osprey, Future Combat Systems, Armed Reconnaissance Helicopter, Littoral Combat Ship, Joint Strike Fighter, and so on.

Since the end of World War II, there have been nearly 130 studies on these problems – to little avail. I mention all this because I do not believe there is a silver bullet, and I do not think the system can be reformed in a short period of time – especially since the kinds of problems we face date all the way back to our first Secretary of War, whose navy took three times longer to build than was originally planned at more than double the cost.

That said, I do believe we can make headway, and I have already begun addressing these issues:

- First, I believe that the FY 2010 budget must make hard choices. Any necessary changes should avoid across-the-board adjustments, which inefficiently extend all programs.
- We have begun to purchase systems at more efficient rates for the production lines. I believe we can combine budget stability and order rates that take advantage of economies of scale to lower costs.
- I will pursue greater quantities of systems that represent the “75 percent” solution instead of smaller quantities of “99 percent,” exquisite systems.
- While the military’s operations have become very joint – and impressively so – budget and procurement decisions remain overwhelmingly service-centric. To address a given risk, we may have to invest more in the future-oriented program of one service and less in that of another service – particularly when both programs were conceived with the same threat in mind.
- We must freeze requirements on programs at contract award and write contracts that incentivize proper behavior.
- I feel that many programs that cost more than anticipated are built on an inadequate initial foundation. I believe the Department should seek increased competition, use of prototypes, and ensure technology maturity so that our programs are ready for the next phases of development.
- Finally, we must restore the Department’s acquisition team. I look forward to working with the Congress to establish a necessary consensus on the need to have adequate personnel capacity in all elements of the acquisition process. On that note, I thank you for continuing to give us the funding, authorities, and support to sustain our growth plan for the defense acquisition workforce.

Conclusion

As we look ahead to the important work that we have in front of us, I would leave you with the following thoughts.

I have spent the better part of the last two years focused on the wars we are fighting today, and making sure that the Pentagon is doing everything possible to ensure that America's fighting men and women are supported in battle and properly cared for when they return home.

Efforts to put the bureaucracy on a war footing have, in my view, revealed underlying flaws in the institutional priorities, cultural preferences, and reward structures of America's defense establishment – a set of institutions largely arranged to plan for future wars, to prepare for a short war, but not to wage a protracted war. The challenge we face is how well we can institutionalize the irregular capabilities gained and means to support troops in theater that have been, for the most part, developed ad hoc and funded outside the base budget.

This requires that we close the yawning gap between the way the defense establishment supports current operations and the way it prepares for future conventional threats. Our wartime needs must have a home and enthusiastic constituencies in the regular budgeting and procurement process. Our procurement and preparation for conventional scenarios must, in turn, be driven more by the actual capabilities of potential adversaries, and less by what is technologically feasible given unlimited time and resources.

The choices we make will manifest themselves in how we train, whom we promote, and, of course, how we spend. As I mentioned, President Obama will present his budget later this spring. One thing we have known for many months is that the spigot of defense funding opened by 9/11 is closing. With two major campaigns ongoing, the economic crisis and resulting budget pressures will force hard choices on this department.

But for all the difficulties we face, I believe this moment also presents an opportunity – one of those rare chances to match virtue to necessity. To critically and ruthlessly separate appetites from real requirements – those things that are desirable in a perfect world from those things that are truly needed in light of the threats America faces and the missions we are likely to undertake in the years ahead.

As I've said before, we will not be able to "do everything, buy everything." And, while we have all spoken at length about these issues, I believe now is the time to take action. I promise you that as long as I remain in this post I will focus on creating a unified defense strategy that determines our budget priorities. This is, after all, about more than just dollars: It goes to the heart of our national security.

I will need help from the other stakeholders – from industry, and from you, the members of Congress. It is one thing to speak broadly about the need for budget discipline and acquisition reform. It is quite another to make tough choices about specific weapons systems and defense priorities based solely on national interests. And then to stick to those decisions over time. The

President and I need your help as all of us together do what is best for America as a whole in making those decisions.

I have no illusions that all of this will be solved while I am at the Pentagon. Indeed, even if I am somewhat successful on the institutional side, the benefits of these changes may not be visible for years. My hope, however, is to draw a line and make systemic progress – to put the Department on a glide path for future success.

I look forward to working with each of you to gain your insight and recommendations along the way. Once more, I thank you for all you've done to support the Department of Defense and the men and women wearing our nation's uniform.

I look forward to your questions.

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**WITNESS RESPONSES TO QUESTIONS ASKED DURING
THE HEARING**

JANUARY 27, 2009

RESPONSE TO QUESTION SUBMITTED BY MR. SKELTON

Secretary GATES. There are “high end” airborne, ground, naval, and space assets supporting operations in the CENTCOM AOR and in other regional operations. These systems have included strategic bombers supporting riflemen on horseback, M-1 tanks routing Iraqi insurgents, billion-dollar ships tracking pirates, the Future Combat System spinning out capabilities to troops in Iraq and Afghanistan, and overhead reconnaissance systems helping to portray the battlespace. These systems provide vital support to current and future warfighters and are flexible enough to address threats across the conflict spectrum although their capabilities generally exceed what is needed for irregular warfare. When there is an urgent capacity shortfall, the department must be prepared to quickly fill the gap with specialized, often relatively low-tech equipment that is suited for stability and counterinsurgency missions. [See page 24.]

RESPONSE TO QUESTION SUBMITTED BY DR. SNYDER

Secretary GATES. We are confident that DoD personnel actions remain free of political influence or other improprieties, and we will ensure that “burrowing-in” is not a problem in DoD. We adhere to Merit System Principles, remain free of Prohibited Personnel Practices, and comply with all relevant civil service laws, rules, and regulations regarding the appointment and assignment of personnel during the Presidential Election Period. To that end, on May 19, 2008, the Department issued guidance to the DoD Components and Defense agencies governing appointments made during the designated Presidential Election Period. This guidance supplements the Office of Personnel Management memorandum dated March 17, 2008, “Appointments and Awards During the 2008 Presidential Election Period.” Additionally, throughout the transition period, we will continue to routinely review personnel actions to ensure that OPM and DoD guidance are followed. [See page 22.]

QUESTIONS SUBMITTED BY MEMBERS POST HEARING

JANUARY 27, 2009

QUESTIONS SUBMITTED BY MR. MCKEON

Mr. MCKEON. Mr. Secretary, you have mentioned on numerous occasions the importance of more effective use of our “soft power” assets. What changes are being made under the new Administration to improve interagency coordination and encourage more effective utilization of soft power within the Department of Defense?

Secretary GATES. A strong interagency coordination structure has been set up under President Obama’s leadership through the National Security Council structure. There are several ongoing reviews of Administration policy that will affect how the U.S. Government uses all assets in achieving national security goals. The Department of Defense will adjust its efforts based on the outcome of these reviews. Further, the Quadrennial Defense Review will examine the Defense capabilities for security and stability operations, as well as further changes that can be made to improve DoD’s interagency coordination processes.

QUESTIONS SUBMITTED BY MR. REYES

Mr. REYES. How would you assess the capability of the Mexican government, including its military, to combat the current threat, and do they have sufficient tools to sustain a long-term campaign against criminal and drug trafficking organizations?

Secretary GATES. As a State Department official recently noted, “The governance of Mexico has never been in question or doubt,” but Mexico today faces deep and serious security challenges posed by powerful transnational criminal organizations. The Mexican government has taken major steps to confront these challenges, including using its armed forces in operations against the drug cartels, professionalizing its police forces, instituting anti-corruption initiatives, and establishing long-term judicial reforms. Organized crime and the drug cartels want to weaken the state so that it will be unable to interfere with their activities. Much of the violence is perpetrated by cartels fighting each other, and many of the murders result from criminals settling scores among themselves.

The Government of Mexico has clearly demonstrated over the past two years its willingness to take strong and decisive action, committing lives and treasure while revamping its law enforcement and justice sector institutions for this task.

The Mexican government’s determination to tackle this problem head-on is unprecedented. Over the last two years, the Calderon administration has demonstrated its intention to surmount the serious challenges posed by these transnational criminal organizations. The Calderon administration has taken major steps to confront the narcotraffickers and to enhance the capacity of the state to address crime and corruption. These steps have included removing high-ranking Mexican government officials linked to the crime syndicates and corruption, deploying the military in large numbers in operations against organized crime, professionalizing Mexico’s police forces and prosecutors, extraditing top drug bosses wanted by U.S. authorities, and instituting long-term reforms to improve the efficiency and effectiveness of Mexican judicial institutions.

We strongly support President Calderon and are committed to sharing the burden of reducing this threat to our common security and prosperity. Many U.S. departments and agencies, including DoD, are working with their Mexican counterparts to improve their capabilities to counter the criminal and drug trafficking organizations.

We appreciate Congress’ support for the Merida Initiative and bilateral security cooperation with Mexico.

QUESTIONS SUBMITTED BY MR. WILSON

Mr. WILSON. You indicated that it was your belief that the National Guard and Reserves would continue to be used as an operational force instead of their more traditional role as a strategic force. Do you believe that the Department, Congress and the Administration should reevaluate the way the National Guard and Reserves

are compensated? Specifically, I am asking if early retirement should be looked at further, as well as the benefits that they receive.

Secretary GATES. To comply with law, Department of Defense Instruction 1215.07, Service Credit for Reserve Retirement, dated November 7, 2008, implemented policy to allow members of the Ready Reserve to reduce the age of retirement from age 60, by three months for each aggregate of 90 days on which the member served on Active Duty after January 28, 2008.

At this time, we feel that it would be premature to make changes to this policy just as it is being implemented, without the empirical data or known impacts that this early retirement will have on the Services' actuary accounts. As with the implementation of any new program, we anticipate a comprehensive review in the future, to make any modifications as appropriate.

QUESTIONS SUBMITTED BY MR. LOBIONDO

Mr. LOBIONDO. I would also like to bring to your attention GAO Report entitled, "Homeland Defense: Actions Needed to Improve Management of Air Sovereignty Alert Operations to Protect U.S. Airspace," which I have attached for your review and comment.

[The information referred to is retained in the committee files and can be viewed upon request.]

Secretary GATES. When reading this report, it is important to understand that the GAO, in conducting its research, focused only on the day-to-day readiness of alert operations, a narrow aspect of the overall air sovereignty mission known as Operation Noble Eagle. Operation Noble Eagle is a coordinated, flexible joint operation that can readily draw upon the full capabilities of the U.S. Armed Forces to expand air defense alerts and operations to meet the challenges of increases in the threat to the United States or shortfalls in resources such as the grounding of the U.S. Air Force's F-15 fleet in 2007.

That said, the Department is pursuing improvements to the U.S. Air Force fighter force supporting the air sovereignty mission of the United States. The challenges surrounding this high-priority effort are complex, involving options ranging from basing for a new fighter aircraft—the F-35—to modernization of the U.S. Air Force fighter aircraft inventory, but I am confident that solutions are near at hand.

Mr. LOBIONDO. Would you be supportive of an interim buy of 4.5 generation fighters (i.e. new blocks of existing F-15s or F-16s) with upgraded capabilities? Or at the least, supportive of a Service Life Extension Plan (SLEP) to keep the ASA mission in place and viable?

Secretary GATES. As long as Air Sovereignty Alert (ASA) remains a NORAD contingency mission requirement, the Department of Defense, as the major force provider, is committed to providing resources to ensure its successful completion.

An interim buy of 4.5 generation fighters would not, however, be in either DoD or the taxpayer's best interests. For approximately the same cost of accomplishing a Service Life Extension Program (SLEP) on the current F-16 Block 50/52 fleet of 236 aircraft (extending the aircraft from an 8000-hour to a 10,000-hour service life—including Active Electronically Scanned Array (AESA) radar upgrade), DoD would only be able to procure roughly 40 new F-16s. If the Department chose to procure new F-15s, the number would be approximately 20. Moreover, the small number of "new" legacy aircraft would require a logistical tail that would last until around 2040, approximately 20 years past the retirement of the current fleet of F-16s. Most importantly, every dollar spent on new 4th generation legacy aircraft would most likely be taken from the procurement of new 5th generation F-35s.

If it is determined at some time in the future that programmed resources are not available to accomplish the ASA mission, DoD would entertain a SLEP of current aircraft as a stop gap measure only. We recommend maintaining an accelerated procurement ramp of F-35s to continue to modernize our entire fleet and recapitalize our aging aircraft.

QUESTIONS SUBMITTED BY MS. TAUSCHER

Ms. TAUSCHER. Many reports indicate that the high operational tempo during operations in Iraq and Afghanistan has worn-out the equipment at a much higher rate than expected and will require a period of re-set to "return to standard." Concurrently, this same high operational tempo combined with frequent deployments has placed similar strains on our military personnel. I have long-held my belief that the most valuable asset and true key to our military successes have been and always be the men and women who volunteer to serve this nation. Furthermore, I would

also include the families that support them. In 2007, I introduced H.R. 3159 to establish the minimum dwell time between deployments. As you stated in *Foreign Affairs* magazine, "U.S.' ability to deal with future threats rests on its performance in the ongoing conflicts of today." Taking care of our service men and women is the only viable way to do both, to provide the most capable force that is trained, rested, and focused on the current mission while preparing for future missions. I intend to re-introduce this bill in this session of Congress.

What are your goals for the minimum time between deployments that will sustain the current mission while allowing for preparation and "re-set" for future missions?

Secretary GATES. The Department has established goals that sustain the current mission while allowing for force preparation and "re-set." Although the Department strives to increase stability and minimize rotational burdens throughout the Force, the current near term planning goal for the Active force is two years at home station for every year deployed. The long term planning goal for the active force is three years at home for every year deployed. Guard and Reserve planning goals are five years demobilized for every year mobilized.

Ms. TAUSCHER. Mr. Secretary, as you and Admiral Mullen know, President Obama has called for repeal of Don't Ask, Don't Tell, and in the last Congress 149 House Members co-sponsored my legislation to do just that. I was heartened to see last year that then Senator Obama reached out to you and the Chiefs to recognize your role and seek your help for successful implementation. I appreciate that the new Administration has only been in office seven days, but could you share with the Committee what actions you and the Joint Chiefs plan to undertake over the next several months to provide the President with your best advice and guidance on repeal of Don't Ask Don't Tell?

Secretary GATES. We will provide our best advice and counsel if asked. In the meantime, we will continue to comply with the law as written on this issue.

Ms. TAUSCHER. Do you feel that the proposed target end-strengths of 547,400 for the Army and 202,000 for the Marines are large enough?

Secretary GATES. Grow-the-Force initiatives approved by the President's FY10 Budget Request and authorized by Congress fund and accelerate increased Active Army and Marine Corps end-strength targets. Increased end-strengths will reduce stress on service members and their families, while ensuring heightened readiness for a full spectrum of military operation.

Ms. TAUSCHER. How would you weigh this against the potential increase in tension if the U.S. were to pursue the RRW?

Secretary GATES. If we accept that nuclear weapons are still relevant and necessary to ensure our nation's security, a modernization program (like RRW) that advances nuclear weapon safety and security, ensures long-term sustainability of the stockpile, acknowledges the likelihood of not returning to testing, and allows for the possibility of stockpile reductions would not likely increase tensions with Russia. Russia's continued efforts to design and field new weapons as well as maintain a fully functional infrastructure that can manufacture a significant number of warheads each year is clear evidence that it acknowledges the necessity of sustaining its strategic deterrent force. Pursuit of a modernization strategy is necessary to support and advance our commitment to achieve a credible deterrent with the lowest possible number of nuclear weapons consistent with national security needs.

QUESTIONS SUBMITTED BY MR. LANGEVIN

Mr. LANGEVIN. In my time on the Homeland Security Committee, I spent a great deal of effort on the security of the electric grid from cyber attack. In February 2008, the Defense Science Board issued a report called "More Fuel Less Fight," where it concluded that DOD faces several significant energy challenges, namely that military installations are almost completely dependent on a fragile and vulnerable electric grid, which places critical military and homeland defense missions at risk. Has the DOD begun to implement the recommendations of the DSB, and will you provide this Committee with details about how you are reducing the risk to critical missions at fixed installations from loss of power, particularly by cyber attack?

Secretary GATES. Renewable and other assured energy sources are important means by which the Department can meet its mission assurance ends for military operations, particularly in light of our dependence on the commercial grid for electricity. In the near term, the Department has acquired diesel standby power generators for military installations to accommodate mission critical loads necessary to sustain military operations. In the long term, to mitigate the challenge of a fragile electrical grid, the Department is:

- Reducing its energy demand—military installations have reduced their energy consumption by 10 percent since 2003, and the Department has reduced its total energy consumption by 6 percent since 2005;
- Improving its use of renewable energy sources—the Department currently receives 12 percent of its electricity from renewable energy sources and uses alternative fuels for many of its non-tactical ground vehicles. Further, the Department has begun to certify its tactical weapon systems for alternative fuel sources, most notably, the B-52, B-1 and C-17 are certified to fly on a blend of synthetically-derived and conventional jet fuel; and
- Improving the security of energy supplied by conducting comprehensive mission-assurance vulnerability assessments that include energy sector critical infrastructure dependencies.

The Department is currently assessing the vulnerability of the energy distribution system and developing solutions to address this challenge. The Department also is co-chairing with the Department of Homeland Security and the Department of Energy a Task Force on Electrical Grid Vulnerability. This Task Force was chartered by the Office of Science and Technology Policy to examine gaps and seams in Federal efforts to mitigate grid vulnerability issues. This Task Force also is examining both physical and cyber security shortfalls.

Mr. LANGEVIN. I have long been concerned about the tendency of agencies with national and homeland security responsibilities to focus exclusively on strengthening their own programs and initiatives, while losing sight of the larger strategic goals to which their programs are contributing. Secretary Gates, in the article you wrote for Foreign Affairs, you state that “various initiatives are under way that will better integrate and coordinate U.S. military efforts with civilian agencies as well as engage the expertise of the private sector.” Could you elaborate on these initiatives? I have also proposed creating a Quadrennial National Security Review, similar to DoD’s Quadrennial Defense Review, though at an interagency level. Do you think such an effort would help us better coordinate our assets of national power?

Secretary GATES. From policy-makers in Washington, DC to those serving in the field, the interagency process in recent years has greatly improved coordination. Based on a December meeting I had with former USAID Administrator Henrietta Fore, the Department of State, DoD, and USAID have established a civil-military coordination group to align our planning, programming, and budgeting more effectively. For many of our military-to-military cooperation programs, we coordinate with both the relevant Ambassador and with the Secretary of State. Often, we not only coordinate but jointly develop our projects. For many of these programs, we have sought “dual key” authorities, where final approval authority resides with both the Secretary of Defense and Secretary of State. At our Geographic Combatant Commands, civilian officials from the Departments of Homeland Security, Treasury, State, and others are helping us shape operations. In the field, Service members conducting military operations from such countries as the Philippines and Colombia to countries on the Horn of Africa liaise daily with U.S. Embassy country teams.

For whole-of-government approaches to stability and reconstruction operations associated with imminent, ongoing, and post-conflict environments, DoD also continues to support the Department of State’s efforts developed under NSPD-44 and now authorized under the National Defense Authorization Act for 2009, Title XVI. The NSC-approved Interagency Management System and the Civilian Stabilization Initiative, which includes the multi-agency Civilian Response Corps, provides the tools to improve civilian-military integration in these types of environments.

The Department of Defense also frequently consults with outside experts who contribute insights and experiences from the private sector, academia, and elsewhere. The independent insights from foreign area experts in academia are particularly valuable, which is why the Department launched the Minerva Initiative last year to cultivate and solicit academic social science expertise in areas that will inform policymaking. Additionally, the Joint Staff and Military Departments have brought onto their staffs cultural anthropologists and sociologists.

We are looking very closely at additional ways to integrate interagency strategy development and planning. The President has made improving the use of all elements of national power a priority, and may consider chartering a review along the lines of a “Quadrennial National Security Review,” conducted by departments and agencies across the U.S. Government, as part of these efforts. To be effective, such reviews will also require aligning budget and planning processes across U.S. Government departments and agencies, and receptivity in Congress to working across traditional jurisdictions to enact authorizations and appropriations along the lines of these new models.

QUESTIONS SUBMITTED BY MRS. MCMORRIS RODGERS

Mrs. MCMORRIS RODGERS. In Secretary Gates' opening remarks, he mentions a combined pay and personnel system for Active Duty and Reserves. Can you clarify what is meant by combined pay and personnel system for Active Duty and Reserves? What is DOD doing to implement that system?

Secretary GATES. The Department of Defense (DoD) is modernizing its business capabilities in support of the management of military personnel and pay, including integration of the Active, Reserve and National Guard personnel and pay, under the Defense Integrated Military Human Resources System (DIMHRS).

Based on an assessment of the program and the challenges of such a complex effort, the Deputy Secretary of Defense directed a revised acquisition approach in January that leverages the extensive effort to date and provides flexibility for the military Departments implementing the solution. The Business Transformation Agency will complete the development of the DIMHRS "core" enterprise requirements, which will be primarily restricted to those common data and process elements that are required to achieve timely and accurate military pay.

Upon completion, the "core" will be transitioned to the individual military departments. The Army and Air Force will then build-out and deploy their own required personnel and pay capabilities using this "core" to the maximum extent practical. The Navy will assess the DIMHRS "core" as part of the Analysis of Alternatives required for their integrated pay/personnel solution. Concurrently, an enterprise-level information warehouse will be established under the leadership of the Deputy Chief Management Officer to support the information needs of the Office of the Secretary of Defense (OSD) and the Combatant Commands. This course of action will satisfy the OSD and Combatant Command information requirements and provide the Services with the flexibility to implement the solution consistent with their needs. In accordance with 10 USC 2445c, the solution is under review by the Under Secretary of Defense (Acquisition, Technology and Logistics) and pending certification.

Mrs. MCMORRIS RODGERS. The Obama Administration has come out and said that Energy is going to play an important part of our National Security. I see this could be played out in many different ways. What role do you see the military playing in this policy and are we prepared for it?

Secretary GATES. Energy is a strategic resource that has significant security, economic, geo-strategic and environmental implications for the Nation and important operational implications for the Department. Like the Nation, DoD must focus on reducing demand through culture change and increased efficiency. The intensity of day-to-day fuel demand in Iraq and Afghanistan requires large logistics convoys along vulnerable lines of communication that are prime targets for insurgent forces. Protecting these convoys imposes a high burden on our combat forces by diverting combat units from direct engagement to force protection missions. DoD is actively seeking ways to reduce demand at installations, both fixed and tactical, and for weapons systems and are increasing assured alternatives. We have initiated numerous demonstrations and other projects, with anticipated savings from 5 to 25 percent, and technologies that make good business sense, both financially and operationally, are being implemented on a wider scale. These efforts will improve the Department's energy posture by reducing costs and enabling sustained, uninterrupted operations and put fewer Service members in harm's way.

Mrs. MCMORRIS RODGERS. It is no secret that the DOD acquisition process is broken and needs to be fixed. Many who have worked in DOD acquisitions have seen first hand the broken process. The CEO of FEDEX, Fred Smith, has even commented that "in the private sector, you would see a structure that's much more cost-effective rather than trying to prevent error. And those end up with having radically different results." Last year I was surprised when I heard that Boeing did not receive the contract for the \$35B Air Force tanker contract; however, I was more shocked to learn that DOD had not given both Boeing and Airbus the same open and transparent guideline to make an appropriate bid.

What risk are you willing to tolerate in order to alleviate the cost to some very expensive weapon systems?

Secretary GATES. Unlike the private sector, DoD's acquisition process must be completely transparent with taxpayer dollars—it must maximize competition, include socioeconomic program goals, and strictly comply with a myriad of specific statutes, regulations and policies. Certainly, this impacts the risks the Department can afford to take compared to the commercial acquisition sector. Further, our decisions are subject to third-party review in a way that is also not available for private, commercial transactions. However, the Department takes reasonable risks on our acquisition programs where appropriate. Risk assessments and mitigation plans are

a fundamental driver of acquisition strategies that help to balance risks against program goals and cost constraints.

QUESTIONS SUBMITTED BY MS. BORDALLO

Ms. BORDALLO. Also, can we expect President Obama's administration will adhere to the principals of the Alliance Transformation agreement signed several years ago?

Secretary GATES. The Alliance Transformation agreement of 2006 is essential to strengthening U.S. strategic posture in the Pacific while also strengthening the U.S.-Japan Alliance. We remain committed to ensuring the agreement is implemented.

On February 17, 2009, Secretary Clinton and Japan's Foreign Minister Nakasone signed the Guam International Agreement. This agreement formalized a framework for implementing our realignment on Okinawa and Guam that was begun during the previous administration. As Secretary Clinton said at the signing, this agreement reflects the commitment we have to modernize our military posture in the Pacific. It reinforces the core of the U.S.-Japan Alliance—ensuring deterrence and defending Japan against attack. It also enshrines our two nations' shared contributions in carrying out the realignment of our forces and the relocation of Marines from Okinawa to Guam.

Ms. BORDALLO. Will the military realignments in the Pacific, especially those on Guam, remain a priority for the Department?

Secretary GATES. Yes, Global posture changes in the Pacific are a strategic investment in the security of the Asia-Pacific region, and remain a priority for the United States' long-term defense interests.

Ms. BORDALLO. Mr. Secretary, I would like you to comment on reports about the transfer of Iraqi refugees to U.S. bases across the globe for expedited immigration processing. A Center for American Progress report released in early January 2009 recommends that Andersen Air Force Base, among several other locations, be used as a staging point for Iraqi refugees seeking asylum in the U.S. The report cites previous refugee assistance that Andersen played in the past including the Vietnamese refugees and Kurds in Operation Pacific Haven in 1996 through 1997. Although Guam has been able to assist in the past I am concerned about the impact that this proposal, if implemented, could have to the security operations at Andersen as well as the burden on the community.

Can you comment as to whether there are plans by the Department to use Guam as a processing center for Iraqis seeking asylum in the U.S.?

Secretary GATES. The Department of Defense has no plans to use Andersen Air Force Base, Guam, or other DoD facilities, to provide safe havens or processing centers for Iraqis seeking asylum in the U.S. Moreover, DoD has no authority to participate in the resettlement of Iraqis. Authority for admitting Iraqis is vested entirely in the Department of State (DoS) and the Department of Homeland Security (DHS).

QUESTION SUBMITTED BY MR. MURPHY

Mr. MURPHY. Given that 24 nations, including a dozen of our allies fighting alongside us in Afghanistan and nine in Iraq, allow gays and lesbians to serve openly in their armed forces is there any evidence to suggest that lifting our ban on gays and lesbians serving openly in the military would have a detrimental effect on morale and/or unit cohesion?

Secretary GATES. We will continue to comply with the law as written on this issue.

QUESTIONS SUBMITTED BY MR. HUNTER

Mr. HUNTER. As you know, Task Force ODIN was first deployed in Iraq in October 2006 and was designed to aggressively attack those setting IED's. The success of Task Force ODIN has been outstanding with over 3,000 "targets" either captured or killed. I am concerned that as we move troops over to the theater in Afghanistan that a "Task Force ODIN" be replicated as quickly as possible. Already we are hearing reports that a majority of operations in Afghanistan are conducted without ISR support and casualty figures are rising—in fact deaths from IED's have jumped from 75 in 2007 to 161 in 2008. In light of this Mr. Secretary, how quickly will we replicate the capabilities and lessons learned from Task Force ODIN to the oper-

ations in Afghanistan? Are assets being moved currently to Afghanistan? Are you encountering any unique problems in Afghanistan that are hindering the establishment of ODIN-like capabilities? Finally, I understand that Liberty C-12's are being moved into Iraq and I am wondering why these assets would not be sent to Afghanistan?

Secretary GATES. [The information referred to is classified and retained in the committee files.]

QUESTIONS SUBMITTED BY MS. SHEA-PORTER

Ms. SHEA-PORTER. Shortly before the end of his term, President Bush issued National Security Presidential Directive-66 pertaining to Arctic Region Policy. This directive takes into account several developments, among which are "the effects of climate change and increasing human activity in the Arctic region." It's conceivable that this NSPD could be changed as the new administration reviews it, but let's assume for the purpose of this question that the policy stands. What actions will the Department of Defense take to implement NSPD-66 and to respond to the projected effects of climate change in the Arctic region? More broadly, to what extent is the Department of Defense considering the possible national security implications of climate change, in general?

Secretary GATES. The United States has broad and fundamental security interests in the Arctic region. NSPD-66 provides that it is the policy of the United States to meet national security and homeland security needs relevant to the Arctic region. It directs the Secretaries of State, Defense, and Homeland Security, in coordination with heads of other relevant executive departments, to develop greater capabilities and capacity, as necessary, to protect United States air, land, and sea borders.

Increased Arctic access stemming from the effects of climate change, coupled with the promise of resource discovery, portends a greater frequency of human activity throughout the region. The Department will have to address the consequences of increased human activity, and the security and environmental challenges it will bring, including increased competition for use of Arctic resources and sea lanes. The National Defense Authorization Act for FY 2008 requires discussion of climate change in the Quadrennial Defense Review (QDR). The Department is beginning the work of the QDR.

The Department seeks to promote a secure, stable Arctic region characterized by international cooperation and responsible resource exploration. The Department views the U.N. Convention on the Law of the Sea as the framework for this cooperation, and believes it is essential for addressing and managing the effects of climate change in the Arctic. The Department strongly supports U.S. accession to the Convention.

QUESTIONS SUBMITTED BY MR. LOEBSACK

Mr. LOEBSACK. What must we do as a country to rebuild our strategic communication capabilities?

Secretary GATES. Effective strategic communication requires whole of government alignment of policies and actions as well as understanding of the audiences we seek to inform and influence. The Department of State is the U.S. Government (USG) lead for public diplomacy and strategic communication. The Department of Defense works closely with State and other Departments and Agencies to ensure DoD roles, responsibilities, and contributions support a whole-of-government approach to strategic communications. Within DoD, we continue to apply lessons learned from ongoing military campaigns to our departmental strategic communication efforts and in our support of broader U.S. strategic communication planning efforts.

In order to conduct successful strategic communications, the U.S. must ensure that this function is a central element of whole of government planning to address security challenges. In addition, the USG must continue to develop the necessary skills and expertise. Understanding foreign audiences requires regional, cultural, and language knowledge, and an understanding of which types of media will communicate most effectively with each audience. These capabilities exist in varying degrees across the USG, and increased transparency will allow the USG as a whole to better leverage these capabilities in a unified approach. Finally, helping to build the capability of our international partners is vital as they often can build and use communications networks to reach audiences in ways the U.S. cannot.

Mr. LOEBSACK. Where should the central point of coordination, responsibility, and oversight lie?

Secretary GATES. The State Department should retain the overall lead in setting our foreign policy and foreign assistance priorities broadly, including security assistance. DoD retains critical roles in informing, developing, and implementing agreed upon programs in an effective and timely manner; in general, however, DoD's role should be to support, not lead, in the exercise of "soft power." The Department does play a vital role in helping to promote—through the full gamut of planning efforts, exchanges, exercises, operations, and bilateral defense relationships—the conditions that enable the non-military elements of national power to be applied with maximum beneficial effect. Strong and close working relationships among DoD, the State Department, and other U.S. departments and agencies are critical.

Mr. LOEBSACK. How can such efforts be leveraged in Afghanistan, Iraq, and elsewhere?

Secretary GATES. One of the most important lessons is that 21st century conflicts, including those in Iraq and Afghanistan, will occur along the entire spectrum of conflict where traditional and irregular warfare are blurring and merging into new "hybrid" forms of conflict. Furthermore, through recent experiences with disaster response, humanitarian assistance and stability operations, the Department has learned the importance of successful integration of civilian and military organizations in all phases of an operation, from planning through execution. The military must plan and train with their civilian counterparts and be prepared to operate effectively in all phases of conflict and in operations in which DoD is supporting another department or agency. The Department has also learned that the military cannot be prepared only for combat; it must be prepared to undertake critical non-military tasks when civilian agencies cannot operate effectively, due either to the security environment or to the lack of capacity. Indeed, the need for greater capabilities and capacity in civilian agencies has been a recurring lesson for the entire U.S. Government.

QUESTIONS SUBMITTED BY MS. GIFFORDS

Ms. GIFFORDS. Is the topic of an interim buy of F-16s being considered to help fill the gap? If not, why not?

Secretary GATES. The Department's plan is to replace the aging F-16 legacy fleet with the F-35 Joint Strike Fighter. As of the FY 2009 President's Budget, Low Rate Initial Production (LRIP) deliveries of the Air Force's Conventional Take-off and Landing (CTOL) variant are planned to begin in 2010, with Initial Operational Capability (IOC) planned for 2013. The Department will continue to monitor F-35 development and production progress, and we will adjust our current plans, as necessary, to meet overall tactical aircraft force structure requirements.

Ms. GIFFORDS. Will the Department support efforts to re-engine the A-10 fleet?

Secretary GATES. There is a validated requirement for a performance upgrade on the A-10's TF34-100A engines, but not to re-engine the A-10. Beginning in 2008, numerous sustainment issues have arisen that have caused the Air Force to consider the possibility of re-engining the A-10. However, this effort is still in the very early stages of investigation. The risks and benefits of A-10 engine performance upgrade and A-10 re-engining will be weighed against other priorities in Department budget deliberations.

Ms. GIFFORDS. While it is clear that the JSF is one eventual solution, it remains years away from being fielded. With the ongoing engine and software issues, should we expect that program to continuing sliding to the right?

Secretary GATES. The Joint Strike Fighter (JSF) will replace legacy strike fighter aircraft for the Air Force, Navy, and Marine Corps and provide the bulk of Tactical Aircraft force structure for the Department, as well as many of our allied air forces. The Department continues to monitor the development, test, and production phases of the JSF and anticipates that most, if not all, of the remaining test aircraft will be delivered in 2009. The first 2 Low Rate Initial Production (LRIP) lot one aircraft, as well as 10 of the 12 LRIP lot two aircraft, will be delivered in 2010. Negotiations for LRIP lot three are underway, for aircraft that will begin to be delivered in 2011 (14 U.S. and 3 international aircraft). The Department acknowledges that there is schedule risk in the JSF program but believes that the current approved schedule is achievable. The Department does not anticipate delays but will continue working with the contractor to actively mitigate risk should unanticipated schedule delays occur.

The JSF program has experienced some engine issues as the propulsion phase of the program continues to mature. However, the engine contractor identified the root causes of the engine issues and has implemented and tested those changes required to correct the issues. More than half (12 million lines) of the total program software

lines of code are complete, and recent quality is showing consistently positive results. Later software blocks are smaller in size than their predecessors and build upon previously delivered capability. The program will continue to monitor software as a risk area as we transition from the labs to our flying test bed and flight test aircraft. The Department is fully committed to the success of the JSF program, and will continue to review program progress as it nears completion of development, begins testing in earnest, and continues with production of this important 5th generation strike fighter aircraft.

Ms. GIFFORDS. When can Congress expect to see the Office of the Director of Operational Energy Plans and Programs established?

Secretary GATES. The Department is undertaking an analysis of options for the most effective and efficient organizational placement of the Office of the Director of Operational Energy Plans and Programs within the Office of the Secretary of Defense, aligned to the statutory provision. Selection of the preferred option, identification of initial manpower resources, and establishment of the Office should be completed during the 3rd quarter of Fiscal Year 2009. I anticipate naming a Deputy Director to oversee the Office and its functions until such time as the first Director is confirmed by the Senate and appointed by the President. The Deputy Director will lead the initial effort to prepare and coordinate the initial Annual Report on Operational Energy Management and Implementation of Operational Energy Strategy, as required under section 331 of the National Defense Authorization Act for Fiscal Year 2009.

Ms. GIFFORDS. What role do you see energy policy playing within the Department of Defense in the new Administration?

Secretary GATES. Energy will continue to be a priority and may actually grow in importance. This is likely true, regardless of the price of fuel, since it impacts our ability to operate. For forward deployed locations, decreasing fuel demand reduces the size and frequency of convoys. In platforms, greater fuel efficiency provides increasing endurance, reduces vulnerability, and enables combat forces to perform other duties. We will continue to identify ways to improve our energy posture and expand on many of the technology demonstrations currently underway.

Ms. GIFFORDS. When can we expect to see repairs completed on the A-10 fleet and when should my A-10 squadrons expect to be flying again?

Secretary GATES. A-10 crack inspections and repairs are currently projected to be completed by June 30, 2009. As of March 3, 2009, 218 out of 356 aircraft have been returned to flight. Davis-Monthan Air Force Base has 61 aircraft available and flying, or approximately 75 percent of its 83 assigned aircraft.

QUESTIONS SUBMITTED BY MR. NYE

Mr. NYE. When active duty soldiers are discharged, the transition from a DoD based system to a VA based system can take months, and in some cases, years. Section SEC. 1618 of the FY2008 Defense Authorization required "planning for the seamless transition of [Member of the Armed Forces] from care through the Department of Defense to care through the Department of Veterans Affairs." In light of recent reports of increased suicide by members of the armed services and the pervasive issue of traumatic brain injury, what steps are you taking to ensure a more seamless transition for our heroic men and women?

Secretary GATES. DoD has implemented a number of capabilities to assist Service members and their families as they transition from one health care system to another. These capabilities fall into three basic support categories: coaching and case management, call center, and online services. Examples of each follow:

Coaching/Case Management: The Transitional Support Program (TSP) was developed in response to the DoD Mental Health Task Force recommendation to "Maintain Continuity of Care across Transitions." The TSP will bridge potential gaps in psychological health services that can occur during periods of transfer that are typical to Service members and will use an established behavioral health network with national networking capabilities and scope. The facilitators who will work with our Service members will have the knowledge and skill sets of licensed masters or doctoral level mental health clinicians. Transitional Support Facilitators (TSFs) will provide a readily accessible (24/7) and knowledgeable specialist for Service members who are seeking expert advice about mental health specialties available, techniques, and modalities that are typically used in therapy, and direction in obtaining assistance and resources in their immediate area. They will offer specialty-coaching services, provide support and education, and otherwise encourage the use of behavioral health services to optimize psychological health. A TSF who is assigned to a Service member will remain so until the transfer to the gaining provider is completed.

Call Center: The Defense Centers of Excellence (DCoE) for Psychological Health and Traumatic Brain Injury has opened a 24-hour outreach center to provide information and referrals to military Service members, veterans, their families, and others with questions about psychological health and traumatic brain injury. The new center can be contacted around the clock, 365 days a year, by phone at 866-966-1020 and by e-mail at resources@dcocoeoutreach.org. Telephone calls are toll-free. The outreach center can assist with everything from routine requests for information about psychological health and traumatic brain injury, to questions about symptoms a caller is having, to helping a caller find appropriate health care resources. The outreach center is staffed by health consultants and nurses, many of whom have Masters Degrees.

Online Services: “After Deployment” is a Web-based service, www.afterdeployment.org, designed to address the psychological concerns of Service members who may experience adjustment problems but are uncomfortable with immediately seeking in-person consultations. Using simple and private interaction, including self-assessments with feedback and recommendations, After Deployment addresses the post-deployment psychological health issues of Service members and their families. A dozen online programs offer support for concerns including depression and stress, relationships, difficulties at work, anger management, sleep problems, alcohol and drugs, and more. Other specialized programs include spirituality, living with physical injuries, and maintaining balance among competing interests in daily life. After Deployment also provides a program for helping children deal with deployment and separation. After Deployment is designed for Active Duty Service members, veterans, and their families, but is available to anyone and may be accessed anonymously. Members of National Guard and Reserve units and their families may find After Deployment particularly useful because many of these individuals live in medically underserved areas where it may be difficult to find mental health providers familiar with military-related adjustment concerns.

QUESTIONS SUBMITTED BY MR. HEINRICH

Mr. HEINRICH. Secretary Gates—Over 50% of Sandia National Laboratory’s work portfolio is non-nuclear focused, and it remains a leader in providing innovative science-based systems and engineering solutions to our nation’s most challenging national security problems largely because of its status as a “Government-Owned, Contractor-Operated (GOCO)” laboratory.

In your opinion, how would the aforementioned transfer impact GOCOs, such as Sandia National Laboratory and Los Alamos National Laboratory, whose policies and management differ from DoD and have a diversified portfolio including alternative energy, nanotechnology, and other STEM programs?

Secretary GATES. The DOE National Laboratories are a critical and highly valuable national resource. The Lab’s capability is built on world-class expertise and facilities which the Department of Defense has long made use to carry out its wide set of defense missions. More broadly, the National Laboratories have supported national missions in non-defense research as well, including renewable energy and energy efficiency, fossil energy, basic science, climate modeling, and environmental, all areas where “big science” plays a fundamental and enabling role. The DOE laboratories interface with the Department of Energy’s program offices with a federal staff maintaining expertise in DOE’s mission elements and laboratory programs and capabilities. Should this transfer occur, we would of course take precaution that the research environment at the laboratories and the organizational connections in the federal government are protected.

Mr. HEINRICH. Secretary Gates—I am concerned about possible funding cuts to Operationally Responsive Space (ORS) in the FY10 budget submission. Can you please explain the relationship between ORS and your administration’s policies to support it?

Secretary GATES. It is the Department’s goal to create a future in which the acquisition and operation of space systems is more responsive and less costly. The Department’s investment in ORS will provide key enablers, build the industrial base, establish standards, and test new concepts of operations to more effectively meet the needs of the joint warfighter.

Mr. HEINRICH. Secretary Gates—Recently the DoD and DoE were instructed to assess the costs and benefits of transferring budget and management of NNSA, or its components, to the DoD. If NNSA’s budget and management were transferred to the DoD, would the nuclear weapon stockpile remain under civilian control, and can you explain your ideas for maintaining this institutional separation of our nuclear stockpile?

Secretary GATES. Both the Department of Defense and Department of Energy are awaiting further guidance on this assessment from the Office of Management and Budget; therefore, it is premature to discuss any potential end states prior to completion of this assessment.

